



**UNITED STATES CURLING ASSOCIATION**  
**Board of Directors Meeting**  
**July 30, 2019**  
**Teleconference**

**Approved** October 11, 2019

1. **Call to Order** - Chair Courtney Schmidt calls the meeting to order at 12:02 p.m. C.D.T.
  - Roll call**
  - a. **Board Members**

**Present** – Jeff Annis, Terri Gleason, Joel Leneker, Rich Lepping, Doug Potter, Roger Rowlett, Courtney Schmidt (Chair), Rob Shelton, Roger Smith, Scott Stevinson, Nick Wellen, Craig Brown, Dean Gemmell, Jessica Schultz, Stephanie Senneker, Bill Stopera, Elizabeth Demers, Hawley MacLean.

**Absent** – Russ Brown.
  - b. **Quorum** – 18 Board members being present and 10 being required, we have a quorum.
  - c. **Non-Board Present**
    - i. **Committee Members** – Maureen Clark, Thomas Godar, Debra Horn, Russ Lemcke, Allison Pottinger, Leland Rich, Jennifer Stannard.
    - ii. **Staff/Non-Board Executives** – Jenny Biadasz, Derek Brown, Earle Conrad (Treasurer), Terry Davis, Karen Hamilton (assistant Secretary), Gordon Maclean (Secretary), Steve O’Keefe, Rick Patzke (CEO), Ron Rossi, Tom Violette, Amy Wolf.
    - iii. **Guests** – None.
2. **Appointment of Parliamentarian** – The Chair appoints the Secretary as Parliamentarian.
3. **Additions/changes to the Agenda**
  - a. Addition of the USCA Financial Policy document for approval.
  - b. Removal of a proposed By-laws amendment from the Nominating/Governance Committee. This item will instead be presented to the Members’ Assembly in October.
4. **Discussion and Approval of Meeting Minutes**
  - a. May 10 -11, 2019 USCA Board of Directors Meeting (Maclean)
    - i. Proposal to adopt the minutes as presented by Wellen, seconded by Stevinson. No discussion, motion approved on a unanimous voice vote.
5. **Reports to Board by:**
  - a. Chairman
    - i. The Chair welcomes new members; Rob Shelton (MoPac), Stephanie Senneker (AAC), Terri Gleason (Wisconsin), and Roger Rowlett (GNCC).
    - ii. Thanks board members for their participation in the BoardSpan gap analysis. That was the first step the Board needed to go through in the process of bringing on new board elected directors. This will have a significant impact on filling expertise gaps on the board.
    - iii. The existing USCA Policy Manual was extremely out of date. The Assistant Secretary, Secretary, CEO, and Chair have spent a significant amount of time reviewing that document, with the goal of deleting obsolete policies and including recently adopted policies. The motion (see Appendix A) for action today is to remove policies that are obviously out of date due to time, subsequent board passed policies, or the adoption of the 2014 By-Laws. There will be further motion(s) to complete this process at the October board meeting. The Chair

- requests that a board member move to place the motion on the table. Potter move and Wellen seconds the motion to update. No discussion, motion approved on a unanimous voice vote.
- b. CEO – Full report on file.
    - i. We have renewed our partnership with Thorne and signed agreements with Travelers Choice and Franklin Group. New curling equipment supplier, which will be announced soon. In conjunction with the signing will be a promotional “Your First Broom” program. More details on that program will be out soon.
    - ii. YSC Marketing has changed its name to Maestro. We have had regular contact with Maestro.
    - iii. The 6<sup>th</sup> Curling Night in America series will be produced in Raleigh, North Carolina. It will result in nine 2-hour-long programs that will air in January-March 2020. We have a verbal commitment to have the 2020 production hosted in a high-visibility location in Southern California.
    - iv. The National Training Site relationship with Chaska has been renewed through 2022. We have received a grant from the USOC’s Technology and Innovation department to conduct testing of various WCF approved brooms along with sweeping styles and techniques at the HP camp in Chaska in June. The benefits of our relationship with Twin Cities Orthopedics including their staff expertise on a full-time basis was noted.
    - v. Paralympics team has been chosen. Currently looking for an Associate Coach to add to that program.
    - vi. We have been working with a new apparel designer/supplier, WSI Sports in Minneapolis.
    - vii. New staff hires noted; Steve O’Keefe as the new Growth and Development Manager, and Amy Wolf as the new Bookkeeper/Administrative Assistant.
    - viii. SafeSport education and compliance support continue to demand a lot of time and resources. Efforts are underway to streamline the process. Recent SafeSport cases were reviewed.
    - ix. All sites for 2020 events are covered, and we are working on 2021 site locations.
    - x. The 2019-2020 Media Guide is in production.
    - xi. Tom Violette is working with the rejuvenated Diversity and Inclusion Committee and is preparing a survey to go out to all member clubs.
    - xii. No questions were asked of the CEO.
  - c. Secretary’s Report
    - i. Maclean presented an item for board action. Per Section 6.2.a: Rocket City CC and Inland Northwest CC have petitioned the board to place them into State/Regional Associations to which they are not geographically tied. The Rocket City request is to join the GNCC. Rocket City is located in Huntsville, Alabama, which currently is claimed by no region. Inland Northwest CC is, by their Articles of Incorporation a State of Washington entity, but they currently curl out of facilities located in Coeur d’Alene, Idaho. Their request is to be a member of the Washington State Curling Association. This request has the support of the Mountain Pacific Curling Association, which currently identifies Idaho as part of their geographic extent.
    - ii. Motion to approve the Rocket City CC petition by Demers, seconded by Annis.
    - iii. Motion to approve the Inland Northwest CC petition by Wellen, seconded by Potter
    - iv. Both motions pass on a unanimous voice vote.
  - d. Treasurer’s Report
    - i. Rossi indicated that last year’s tax returns have been submitted.
    - ii. New financial summaries are on file.

- e. Audit/Finance Committee (Stevinson)
- i. There was a phone conference with the auditors. The deficiencies from the auditors' report were reviewed. We are doing all we can to address their deficiencies. The auditors agreed to supply the Treasurer with more supportive communications in the future so that we have a better understanding of what they are looking for from us.
  - ii. Updated Financial Policy Document presented for board action. Motion to adopt the policy document by Gemmell, seconded by Leneker, Motion approved on a unanimous voice vote.
  - iii. FY19 Budget versus Actual overview (Patzke)- FY19 was budgeted for a \$31,000 surplus, we are currently projecting \$133,000 surplus. Positive and negative variances for FY19 were covered and a membership summary was given. No questions from the board for the 2019 budget review. Stevinson noted that we should see if we can, in the future, work to reduce the large variances between the projected budget and the actual.
  - iv. FY20 USCA Budget Proposal (Patzke) –
    - The proposed budget deficit for FY20 is \$31,444 (including \$5,000 deficit in VIK), which is tied directly to the proposed extension of an agreement with Maestroe for sponsorship sales efforts.
    - Risks/opportunities in the proposed budget were reviewed.
    - Budgeted for a slight membership increase, with new clubs offsetting any downward trends that we would usually see in this part of the quadrennial cycle. Other questions and concerns were reviewed.
    - CEO noted for future reference that we are currently understaffed by 2.5 to 3 individuals, based on what is currently being asked of the staff.
    - Question as to whether the WCF will still be covering half of the Maestroe agreement. Reply that that request has not been made at this point, it might be a harder conversation to have than in the past since the Curling World Cup has been discontinued.
    - Chair reviews American Curling Foundation and Museum's association with USCA regarding the use of funds for the U14 Jamboree. Andy Anderson indicates that USCA can use those funds as we see fit for that event.
    - Question regarding obtaining a second web stream for nationals. There is interest expressed in Bemidji from Minnesota Public Television for coverage rights to the Mixed Doubles event there and perhaps license them for that event. Also, FoxSports Wisconsin has expressed some interest in covering the U18 event in Wausau.
    - Motion to approve the FY20 budget as presented by Leneker, seconded by Stevinson. Question whether the motion includes the revenue/expenses for the U14 event. The Controller indicates that the revenue for that event has already been received, and that the budget would have to be amended to reflect the expenses that will be added for the inclusion of this event to the budget.
    - Motion to add a friendly amendment to the motion, to add \$8,500 in added expenses to the FY20 budget to cover the U14 event from Stevinson.
    - Motion to accept the amendment by Leneker, seconded by Wellen, no discussion, motion approved on a unanimous voice vote.
    - Vote to adopt the FY20 Budget, as amended, approved on a unanimous voice vote.
6. **SafeSport Update (O'Keefe) –**
- a. USCA was randomly selected to SafeSport audit, this will take place August 13. Pre-audit materials were provided on July 17.

- b. MAPP compliance to date, 120 clubs have met the Safesport requirements. The other 60 still fall under our policy. It would really help if the outstanding clubs that have not reported, do so by August 13. A list of outstanding clubs will be sent out.
- c. One of the MAPP compliance aspects is that club board members have to take Safesport training. This will add about 1,000 people that need to be tracked.

#### 7. **Reports to Board by Other Committees**

- a. Nominating/Governance (L. Rich Full report on file)
  - i. There is a proposed by-law change available for review. This is regarding the current non-consecutive requirement to the board chair position and removing that restriction. This will be brought up at the fall members assembly.
  - ii. USOPC Audit by-law change is available for review. The USOPC wants Individual Members to agree to a code of conduct. We will be looking to have a special board meeting to pass this. The Code of Conduct wording is not finished. Questions were raised as to what happens to a club if it cannot get every member to sign and regarding the implementation of this. To clarify, this comes to us from the USOPC review of our by-laws. A number of these were addressed in prior amendments, but this was not addressed to their satisfaction. This will likely be incorporated to our annual club dues report. What we need to do is pass the by-laws change and complete the process of wording the code of conduct.
  - iii. Working on by-law change for WCF term limit
- b. USOC/USCA Representatives to USOPC (Gemmell) – Full report on file.
  - i. There was a special meeting in Chicago the outcome of which, there will be a presentation to their Members’ Assembly in December regarding structural changes to the AAC. The AAC is recommending that the USPOC fund the AAC in a way that allows it to operate as a truly independent athlete advocacy organization. With funding, the AAC would hire its own Executive Director to oversee athlete services and represent athletes full-time. To accomplish this, the AAC would become a non-profit organization operating outside the USOPC, funded by the USOPC, Congress, and corporate sponsors.
  - ii. The Borders Commission released its final report with recommendations last month. Among other things, the report recommends that the USOPC fix its system that allowed for the abuses that have occurred, that athlete well-being be prioritized over “winning at all cost”, the USOPC Board be restructured to allow for more athlete representation, NGB “certification” rather than simple “recognition” and amendment of the Ted Stevens Act.
- c. AAC Report (Stopera) - No report
- d. Revenue Development (Stannard) - Granite Society flier going out shortly. Upcoming event at Curling Night in America. There is a big push to reach out to potential members.
- e. World Curling Federation (Stannard) – Annual Congress meeting in Cancun in September. Items up for consideration to AAC and HP for input. Term limit recommendations have been requested from other members.

#### 8. **Old Business - None**

#### 9. **New Business - None**

#### 10. **Key Items of Agreement**

- a. Rocket City and Inland Northwest CC petitions approved.
- b. Approval of FY20 budget.
- c. Policy manual clean up approved.
- d. August 13 town hall call.

#### 11. **Next Meeting** – August meeting for Code of Conduct amendment. October 11, 2019 meeting, Milwaukee, Wisconsin, in conjunction with the Members’ Assembly.

#### 12. **Adjourn** motion from Stevinson to adjourn, meeting adjourns at 1:23 p.m. C.D.T.

**Appendices**

<b>Item</b>	<b>Topic</b>	<b>Page</b>
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Appendix A

Motion to the USCA Board of Directors from the Chair Courtney Schmidt  
Policy Manual Update

Rationale:

Over the past year Assistant Secretary Karen Hamilton, Secretary Gordon Maclean, CEO Rick Patzke, and myself have spent a great deal of time reviewing our current policy manual. Assistant Secretary Hamilton reviewed all of the board meeting minutes from 2008 through the summer meeting of 2018 and added in policies that were adopted by this board. Secretary Maclean has added policies passed by the board since then, through the May 2019 meeting.

After review of the USCA Policy Manual over the past year, there are several items in the current policy manual, dated April 2008, which have been made obsolete either due to time or subsequent board action. Unfortunately, many of the policies have never been reviewed for relevance or rescinded until this time.

This is the first motion request to update the manual, clearing away many of the obvious policies that fall into the aforementioned categories. Another motion will be brought to the board at the fall meeting which will complete the process. This time is needed to fully review the relevance of some of the policies that will remain after the following motion is acted on.

Motion:

The following policies currently found in the April 2008 USCA Policy Manual (as edited for additions through July 2019) are to be rescinded with justifications itemized:

Policy Number and Name (justification for removal)

- 1 – Abuse and Harassment Guidelines (Obsolete with the adoption of SafeSport)
- 4 – Championship Entries Posted (Archaic)
- 5 – Director Attendance (Obsolete by 2014 By-laws (Section 7.11))
- 8 – Elite Athlete Health Insurance Policy (Archaic)
- 9 – Eight-Ender Procedure (Archaic)
- 10 – Ethical Behavior, Code of Ethics and Conflict of Interest (Dated 2005, Obsolete with adoption of 2014 By-laws (Articles 18 and 19) and rewritten Code of Ethics and Conflict of Interest document below.)
- 11 – Funding of Coaches (Archaic)
- 12 – Management Council (Obsolete by 2014 By-laws (Section 9B))
- 13 – Minutes Posting Procedure (Obsolete by 2014 By-laws (Section 17))
- 14 – Nominating Committee Slate Announced (Obsolete by 2014 By-Laws (Section 9A))
- 15 – Nondiscrimination (Obsolete by 2014 By-laws (Section 4))
- 16 – Olympic Coach (Archaic)
- 19 – Special Projects (Archaic)
- 21 – Voting Procedures and Policies (Obsolete by 2014 By-laws)
- 23 – World Team Leader/Coach (Archaic)
- 25 – CEO Authority to hire Staff (Obsolete by 2014 By-laws (Section 14))
- 26 – Athletes Funding based on Performance (Archaic)
- 31 – Code of Ethics and Conflict of Interest Statement (Dated 2014, Archaic, Superseded by Policies 19-01 through 19-04 adopted May 2019)

Courtney Schmidt – Chair

As adopted by the USCA Board of Directors on the 30th day of July 2019 via teleconference.

## Appendix B – Financial Policies Document

### UNITED STATES CURLING ASSOCIATION FINANCIAL POLICIES AND PROCEDURES MANUAL

#### PURPOSE

The United States Curling Association (the “USCA”) Financial Policies and Procedures Manual codifies the USCA's policies with respect to the financial management of the USCA and enumerates those routine procedures to be followed by accounting personnel to properly adhere to those policies. This manual is written record of our philosophy for both program and supporting service activities.

It is the responsibility of the USCA Board of Directors to safeguard the resources of the USCA and to establish ongoing policies to guide Board committees, officers and staff in the financial management of the USCA. These policies are designed to provide reasonable assurance regarding the achievement of objectives in the following categories: (a) reliability of financial reporting, (b) effectiveness and efficiency of operations and (c) compliance with applicable laws and regulations.

This manual is a living document and, accordingly, has been designed to accommodate the necessary revisions and amendments to ensure that it continues to be useful as a reflection of corporate policy, as well as a training tool and performance standard for accounting personnel.

#### Policy: 1 INTERNAL CONTROL

United States Curling Association Financial Policies and Procedures

##### 1.0 GENERAL POLICY

The internal controls of the USCA are designed to assure that financial management practices are systematically used to prevent misuse and misappropriation of assets and that the financial transactions of the Association are recorded in accordance with established accounting principles and truly represent the actions desired by the Association's Board of Directors.

##### 1.01 Responsibility

a. While the ultimate responsibility for proper internal control rests with the Chief Executive Officer and the Board of Directors. The day-to-day responsibility for maintaining an adequate system of internal controls is the responsibility of the Controller reporting to the Chief Executive Officer. The Controller is also responsible for communicating the expectations and duties of staff as part of the control environment.

b. The Audit/Finance Committee shall discuss with management, the internal auditors and the outside auditors the quality and adequacy of the Association’s internal controls including reviewing any management internal control report, any significant internal control deficiencies or material weaknesses, any fraud involving management or others significantly involved in the Association’s internal controls and any changes implemented in light of material control deficiencies or weaknesses.

c. The Audit/Finance Committee shall inform the Board if, in the course of fulfilling its responsibilities, important facts arise that reveal material violations of law or other regulations that the Association must comply with, indicate serious wrongdoings in the financial area, or constitute a serious offense to the Association image likely to raise media interest.

The purpose of the Audit/Finance Committee informing the Board of any such information is not to supplement the internal control systems but to allow the Board to verify the efficiency of these systems and, if necessary, to intervene and be convinced of the responsiveness of the line functions.

##### 1.02 Audits

a. To aid the Board of Directors and to assure the membership that the financial policies and procedures of the Association are effective and being implemented as approved, on an annual basis the Audit/Finance Committee (“the Committee”) shall appoint an Independent Auditor to perform an

annual audit of the financial records of the Association and such other records as they may feel are warranted.

b. The Audit/Finance Committee shall determine whether to recommend to the Board that the Association's audited financial statements be approved for publication.

c. After reviewing the annual report and the outside auditors' work throughout the year, the Audit/Finance Committee shall evaluate the outside auditors' qualifications, performance and independence on an annual basis. This evaluation should include the review and evaluation of the lead and reviewing partners of the outside auditors. In making its evaluation, the Committee should take into account the opinions of management and the Association's internal auditors and take such additional actions as the Committee deems appropriate. The Committee should further consider whether, in order to assure the continuing independence of the outside auditors, every five years there should be regular rotation of the lead and reviewing audit partners or of the outside audit firm.

d. The Audit/Finance Committee and the Treasurer will provide advice and assistance to the Chief Executive Officer as well as to the Controller to develop effective financial internal control policies and procedures.

e. The Association's financial records are also subject to audit by other organizations with a legal right to do so, such as the United States Olympic Committee. It is the responsibility of the Committee to ensure that such records are available upon request from duly authorized organizations.

f. The Committee shall review with the outside auditors any audit problems or difficulties encountered and management's response (including any restrictions on access, any accounting adjustments noted or proposed but passed as immaterial or for other reasons and any communications between the outside audit team and the outside auditors). The Committee shall be responsible for the resolution of disagreements among the Association's management and the outside auditors regarding financial reporting.

## 1.1 RECORDS

Complete and detailed records shall be maintained of all financial transactions. The USCA Records Retention Policy is incorporated herein by reference and appears in the appendix.

### 1.11 Location

The National Office of the Association shall maintain the original copies of these records.

### 1.12 Retention of Financial Records

The general financial records such as cancelled checks, transaction forms, worksheets, bank statements, etc., shall be maintained for a period of seven (7) years or such other period as provided for in the USCA Records Retention Policy.

The current accounting records consisting of the General Ledger, Accounts Receivable and Payable, and Payroll shall be backed-up on an acceptable electronic media and stored at an off-site facility. These back-ups shall be updated monthly. Commercially available software is approved for use for the accounting and financial record keeping of the USCA. Intuit QuickBooks is the approved financial management software. The original copy of the software and any updates shall be registered in the name of the USCA and maintained at the headquarters office.

The Treasurer is authorized, at the USCA's expense, to maintain a separately licensed copy of the software of the same version in use by the USCA for purposes of back-up and to enable the performance of the Treasurer's official duties. For internal control purposes, this copy may only be 'read-only' (or 'view-only'). If the software does not offer this option, then it will not be made available to the Treasurer. All accounting entries shall be made only on the USCA copy of the database.

### 1.13 Records Destruction Policy



It is the policy of the United States Curling Association, after the appropriate time period has expired (see Records Retention Policy), to shred sensitive documents to ensure confidentiality.

Sensitive documents include, but are not limited to, the following:

- Personnel records • Litigation records • Bank statements • Budgets • Canceled checks • Payroll journals and records • Contracts • Incident reports • Insurance claims • Employment applications • Garnishment records • Grievance records

#### 1.14 Retention of Headquarters Working Files

The financial database, membership database, critical correspondence and other pertinent files shall be stored on electronic media with a copy backed-up and stored at an offsite facility. These records shall be updated monthly.

## 1.2 PAYMENTS

### 1.21 Invoices

Invoices and expense reports on prescribed forms must be submitted to the Controller for review and payment. The Chief Executive Officer or designee must approve all payment requests. No payments shall be made without corresponding original invoices and original receipts for all expenses.

On items that are not supported with an invoice or receipt such as travel advances, those requests for payment must be submitted with a payment request form (Project Expense Report form), approved and evidenced by the Chief Executive Officer for staff expenses (including coach and/or team leader contractors) or the appropriate officer responsible for the expenditure in the case of volunteers or athletes and then forwarded to the Controller for review and payment.

### 1.22 Payment Authorization

Payments for budgeted activities shall be approved and evidenced by the CEO or designate before being forwarded to the Controller for payment if they do not exceed the budgeted amount approved by the Board of Directors. Non-budgeted items not exceeding \$500, or items less than in excess of \$1,000 of the amount budgeted, also require the approval of the Chief Executive Officer or designate. Non-budgeted items of more than \$500, or items \$1,000 in excess of their budget, may only be processed with written approval (e-mail may constitute written approval) of such a payment by the Treasurer and the Chief Executive Officer. Any expenditure exceeding budget by \$5,000 will require approval of the Chair of the Board and reported to the full Board of Directors.

## 1.3 RECEIPTS

Funds are received by the National Office and generally are to be deposited within three business days of receipt. It is the policy that all funds shall be deposited, and any refunds be issued by Association checks. If a payment by a credit card requires a refund, then such a refund should also occur to the same credit card.

### 1.31 Recording and Endorsement of Check Receipts

Incoming mail shall be opened by the CEO's designee and a listing of checks received shall be prepared in the presence of other employees. The individual preparing the daily list of receipts shall be someone not involved in the accounts receivable or accounts payable process, or the same person performing reconciliements of accounts. All checks received that are payable to the USCA shall immediately be restrictively endorsed by the CEO's designee, deposited, photocopied and then forwarded to the Controller's designee for recording in the accounting system. Once the deposit has been entered in the accounting system, the deposit summary report prepared by the Controller's designee and the list prepared by the CEO's designee are compared, and if equal, the deposit is completed and a copy of the deposit summary report is forwarded to the Controller. If the Chief Executive Officer opens mail containing a check(s) on the weekend, the same procedure shall be followed.

### 1.32 Recording of Cash Receipts

The CEO's designee shall create a record of cash receipts before giving them to the Controller's designee for deposit. The Controller shall compare bank deposits of cash amounts to the CEO's designee record for reconciliation with his/her files.

#### 1.33 Reconcilements

On a monthly basis, all bank accounts shall be reconciled by the Controller. The reconcilements shall be reviewed by and compared to the listing of cash and check receipts by the Chief Executive Officer or other financially qualified USCA staff member, as he or she shall designate provided that the person reviewing such reconcilements did not participate in the reconcilement process.

#### 1.34 Generation of Invoices

The Controller shall generate invoices for goods and services within two business days of sale after they are provided. It is the responsibility for each staff member or Board member who sold goods or services to promptly provide the Controller with relevant and complete information for the generation of the invoices. Examples of such sales are magazine advertisements, web site advertisements, and booth rentals. Where a stream of revenue derives from payment through a signed contract, the Controller shall keep track of the payment schedule and invoice the contractor accordingly to ensure receipt of prompt payment.

### 1.4 CREDIT

#### 1.41 Suspension of Credit

Any individual or Association that is delinquent by 60 days in the payment of invoices shall be put on credit hold. This means that no further credit shall be extended to the customer until all the invoices are fully paid. The customer shall be required to prepay for all goods and services while it is on credit hold. In certain cases, the USCA shall require settling of all outstanding invoices in addition to prepayment for the sale of goods and services. Restoration of credit may not be considered until the customer has paid all invoices in arrears.

#### 1.42 Collection Policy for Past Due Members

Each member of the USCA is required to pay annual dues to the USCA on or before January 31st of each year pursuant to Section 5.5 of the USCA Bylaws. a. The Development Associate shall send out a first reminder notice by the end of February to each member who has failed to pay their dues. b. For each member who has then failed to pay dues, a second notification shall be provided by the end of March and additional steps taken as specified in the USCA Bylaws. The Controller will be copied on these reminders.

### 1.5 BAD DEBTS

It is the policy to minimize bad debts by using a collection agency, if necessary. Writing off a bad debt over \$100 requires approval of the Treasurer. The Controller shall maintain a list of names of individuals and companies with bad debts and record the amount written off for each.

At year end, the Treasurer, in consultation with the Controller, will determine the proper amount of a reserve for bad debts, if any is required.

### 1.6 CRIME INSURANCE

The USCA will maintain a Crime Insurance policy to cover staff and selected directors. The coverage limit will be reviewed annually by the Chief Executive Officer and will be set at a level commensurate with a maximum probable loss to the USCA based on average cash assets in the past fiscal year.

### 1.7 REPORTS

For purposes of control, a series of reports shall be generated periodically. These reports and their distribution are as follows:

Within 45 days of each quarter's end, the Controller distributes to the Chief Executive Officer, the Treasurer, the Chair of the Board, the Audit/Finance Committee, the Board of Directors, and staff, financial reports as specified below: including:

To All: - year to date income statement showing budgeted vs. actual and a Balance Sheet, both in a 1-page condensed version

To the Treasurer, the Chair of the Board and the Audit/Finance Committee: - All of the above plus an income statement showing budgeted vs. actual and a Balance Sheet, both in an expanded version including additional general ledger account level detail.

To Treasurer and the Audit/Finance Committee: - Aged listings of Accounts Receivable and Accounts Payable.

The Controller shall provide any other reports requested by Directors upon approval by the Chief Executive Officer, Chair of the Board or Chair of the Audit/Finance Committee. Approval shall not be withheld for any reasonable request provided that the information to be used is in connection with the requestor's official duties to the USCA. However, no individual salary or other compensation information shall be provided to any person except the Chief Executive Officer, Chair of the Board, Chair of the Audit/Finance Committee, and Treasurer, or as required for the conduct of audits or preparation of tax returns. The Human Resource Committee may be provided with information related to salary of CEO, employee benefits and other non-salary compensation. Aggregate salary and benefit expenses may be provided in connection with periodic general budget and expense reporting.

### 1.8 CONDUCT AND ETHICS

The Audit/Finance Committee shall make recommendations to the Board regarding the adequacy of the Association's written conduct and ethics policies and the Association's procedures for ensuring proper distribution of, education on, and compliance with such policies, within the scope of the Committee's role and responsibilities, as set forth in this Charter, and with respect to how such policies and procedures impact the Committee's execution of its oversight responsibilities. The Committee shall also assist the Board in reviewing and, when appropriate, granting any requests by a director or executive officer for a waiver from compliance with any such policies, within the scope mentioned above.

### 1.9 COMPENSATION

No member of the Audit/Finance Committee may receive, directly or indirectly, any compensation from the Association other than budgeted and approved expense reimbursements.

## **Policy: 2 CASH MANAGEMENT**

### 2.0 GENERAL POLICY

Sufficient cash and cash equivalents shall be maintained as is necessary to conduct the affairs of the USCA. Generally, the USCA should maintain cash and equivalents at least equivalent to six months of general and administrative expenses, including salary and benefits.

### 2.1 BANK ACCOUNTS

With the approval of the Chief Executive Officer and Treasurer, the Controller shall open and supervise such bank accounts as are needed for the transaction of business. As a matter of policy, the number of accounts shall be kept to a minimum. Wherever appropriate, the accounts shall be interest bearing. One signature is required for all check disbursements under \$5,000. For check disbursements \$5,000 or greater, written approval by the Treasurer or Chair of the Board is required; approval provided via email is acceptable. If the signatory is the Treasurer or Chair of the Board, written approval by the other officer is required. Authorized signatories on all bank accounts shall include the Chief Executive Officer,

the Chair of the Board and the Treasurer, a secondary staff designee made by the CEO to act in his absence, and such other persons as the Audit/Finance Committee or Board of Directors may from time to time designate.

All wire transfer disbursements are reviewed by the Chief Executive Officer. For wire transfers \$5,000 or greater, written approval by the Treasurer, or Chair of the Board is required; approval via email is acceptable.

All bank accounts should be arranged so that monthly statements are mailed or delivered electronically to the Controller with duplicates mailed or delivered electronically to the Treasurer. The Treasurer shall review the statements and check for appropriateness. The Controller shall send bank reconciliations for each bank account to the Treasurer for review within 30 days of each month.

## 2.2 INVESTMENTS AND CASH MANAGEMENT

When the cash position in banks permits, the Controller, under the direction of the Chief Executive Officer and the Treasurer, shall place such funds in reasonably liquid and safe interest-bearing money market instruments or certificates of deposit, not exceeding the FDIC insurance limits, or direct obligations of the U.S. Government.

## 2.3 CREDIT

The USCA shall not incur any debt or other financial obligations except those resulting from accounts payable or authorized use of credit card in the normal course of business, or Board pre-approved unsecured bank lines of credit. Any other debt must be specifically reviewed by the Audit/Finance Committee and approved by the Board of Directors and, in such case; two signatures are required on any promissory notes, with one being that of the Chief Executive Officer and the other being either the Chair of the Board or the Treasurer.

## **Policy: 3 DISTRIBUTION OF FINANCIAL INFORMATION**

### 3.0 GENERAL POLICY

The distribution of financial data shall be sufficient so that those individuals responsible for carrying out the work of the Association are continuously informed of financial position. Accounting records may be reviewed at USCA Headquarters by any member of the Association upon giving reasonable notice to review the information, provided the review does not disrupt the normal conduct of the association's business. Annually, the USCA will publish the most recent IRS Form 990 on its website.

### 3.1 AUDIT REPORT

- a. Upon the completion of the audit, the Audit/Finance Committee Chair will provide a report of the results of the annual audit, including comments in the auditor's management letters, to the Audit/Finance Committee as well as to the Board of Directors at their next scheduled meetings.
- b. The Audit/ Finance Committee will provide the auditor's report to the Board of Directors upon its completion.

### 3.2 BOARD MEETING REPORTS

At all regularly scheduled meetings of the Board, the Treasurer and the Audit/Finance Committee Chair shall present a report outlining the current financial position of the Association.

## **Policy: 4 EXPENSE ADVANCES/REIMBURSEMENTS**

### 4.0 GENERAL POLICY

Due to the nature of the Association, it is often necessary to furnish funds in advance of their use. Certain competitions require funds to be deposited prior to the receipt of any income to meet contractual obligations. In other cases, trips to major competitions often require the Team Administrator or Leader to have funds to cover unanticipated contingencies, and for payments of goods and services that only require payment in cash. Where there is a need for such an advance, the advance shall be kept to a minimum and not to exceed \$1,500. Exceeding this limit requires prior approval of the Chief Executive Officer. The Treasurer or Chief Executive Officer shall authorize the payment, and the person receiving the advance must understand his responsibility to account fully for the use of these funds as well as to return any unused portion.

#### 4.1 COMPETITION ADVANCES

Special situations occur when teams travel to a specific competition (e.g., World Championships, Olympic Games, etc.) or organizers operate events sponsored by the USCA in the United States.

The advance may not exceed the budget set for the competition and must be authorized by the High Performance Director, Chief Executive Officer or their designated responsible party.

The advance may be paid only to the payee specified by the High Performance Director, Chief Executive Officer or their designated responsible party.

In the situation where team members are paid cash from the advance, a cash distribution form (Form 2) is to be maintained by the High Performance Director, Chief Executive Officer or their designated responsible party, and filed with the receipts.

Within two weeks after the date of the event or such other period as the Chief Executive Officer or Controller may specify, the payee must submit a detailed report of the funds expended including all receipts.

If there are expenses not yet known at the time the report is due, the holder of the advance must submit in writing a partial report of the known expenses and an estimate of the expenses due, together with a return of such funds remaining. All expenses due after the report shall be authorized by the High Performance Director, Chief Executive Officer or their designated responsible party and paid by the National Office.

#### 4.2 EXPENSE REIMBURSEMENTS

Expense reimbursements are paid to the Board of Directors, staff, athletes on USCA administrative business, or other committee members for expenses incurred while conducting business for USCA. These include, but are not limited to, meals, travel, lodging, tips, etc., which must adhere to budgetary programs for the year. USCA staff and Athletes Advisory Council (AAC) representatives receive travel reimbursement, including per diems, for all USCA business. An expense report (Project Expense Report form) with accompanying receipts must be submitted to the Controller for payment. Expenses should be submitted within the same fiscal year in which they were incurred. Expenses submitted more than 30 days after the fiscal year-end may not be processed without the Treasurer's approval. After review by the Controller, copies of the Chief Executive Officer's expense reports will be forwarded to the Treasurer, together with copies of receipts for any significant expenses, for review and approval.

##### 4.2.1 Directors Meetings

No reimbursement shall be provided for Directors, except AAC representatives, for travel expenses to attend the regularly scheduled Board of Director meetings. Additional travel expenses for meetings for Directors or officers should not exceed budgeted amounts and will be reimbursed in accordance with this policy.

##### 4.2.2 Committee Meetings

Directors and Officers may be reimbursed for the cost to travel to and return from committee meetings except in connection with the Board of Director meetings as described above. Reimbursement will be

provided for round-trip coach airfare or mileage reimbursement and one-half of the cost of a double occupancy room at the rate arranged by the USCA. No reimbursement will be provided, except to AAC representatives, for meals or incidentals. The USCA may pay for meals or incidentals directly.

#### 4.2.3 Other Official USCA Business

Employees, Directors, Officers or World Curling Federation representatives may be reimbursed for airfare, hotel and a per diem to cover meals and incidentals in order to represent the USCA at sanctioned USCA events, including U.S. National and World Championships and Olympic qualifying events and Olympics. All such expenses must be provided for in the annual budget and requested and approved in advance by the Chair of the Board or the Board of Directors.

#### 4.2.4 Expenses of the Chair of the Board and Treasurer

All expenses of the Chair of the Board and Treasurer shall be approved by the Chief Executive Officer prior to any reimbursement or advance. Such expenses shall be detailed in the quarterly budget vs. actual by class expanded version financial statement distributed per section 1.7 above.

#### 4.2.5 Authorized Reimbursement

**Airfare:** Reimbursement will be provided for round-trip coach airfare. Whenever possible or less expensive, flying shall be the preferred mode of transportation. VIK airline tickets should be used if available and an estimated airfare exceeds \$350.

**Use of Personal Vehicle:** Reimbursement shall be made to staff, volunteers and athletes on USCA administrative business under grants that include transportation for the authorized cost of using a personal vehicle at the IRS standard mileage reimbursement rate. This policy does not apply for travel by athletes to competitions covered by the USCA Championship Eligibility Rules. The reimbursement for approved travel by automobile shall not exceed the travel expenses incurred by flying as an alternative.

**Meals and Incidentals:** The USCA shall pay \$40.00 per diem for food expenditures and incidental expenses for authorized travel in the U.S and Canada. For travel outside of the U.S. or Canada, per diem reimbursement shall be at the rate of \$75.00. Per diems will be reduced for meal(s) provided, according to the following schedule: breakfast: 15% of per diem rate; lunch: 25% of per diem rate; dinner: 60% of per diem rate. Receipts must be provided for expenditures of \$25.00 and over.

**Entertainment:** The USCA should pay for entertainment only in rare circumstances and only as necessary to conduct official USCA business. All such expenses are subject to the review and approval of the Chief Executive Officer and Chair of the Board (the Treasurer in the case of expenses incurred by the Chief Executive Officer or the Chair of the Board) prior to reimbursement.

**Submission of Receipts:** To be reimbursed for approved expenditures as described in this procedure, the individual must submit receipts for airfare, hotels and meals, as well as miles driven. These receipts must be submitted as soon as possible, but not later than thirty calendar days after the end of the event. If no receipts are received, the Controller will remind the individual that receipts must be received before reimbursement will be made. The individual then has ten business days to submit receipts to the USCA office. If these receipts are not received in this time period, the individual assumes full financial responsibility for the expenses. As the end of the fiscal year nears, the Controller has the authority to compress these timeframes even further.

## **Policy: 5 PAYROLL PROCEDURES**

### 5.0 GENERAL POLICY

The Chief Executive Officer shall be paid a salary as established by the Board of Directors, and employees of the USCA shall be paid a salary or hourly rate as recommended by the Chief Executive Officer as part of the budgeting process. The payments shall be made by check or by direct deposit either monthly or bi-weekly (or such other period as approved by the Chief Executive Officer and Treasurer). Cash payments are not permitted.

The Controller shall issue the payroll checks or process the direct deposit payments. The Controller shall set aside into accounts payable the sums withheld for such items as FICA and federal and state withholding taxes, 401(k)s, and health insurance.

The Controller shall pay the Federal Government, and the State Government, the insurance agencies and 401(k) administrator the amounts as they become due.

The Controller shall obtain IRS Form W-4 from each employee to keep with the payroll files. Employees must notify the Controller of any changes to withholding by submitting a new IRS Form W-4. The Controller shall keep a payroll record for each employee showing the total earnings, amount withheld, and the amount of withholding paid the government agencies, the insurance agencies and 401(k) administrator. In January, the Controller shall issue IRS Form W-2 to all employees to their last known address.

### 5.1 CONTRACT LABOR

When the USCA hires personnel to perform work as independent contractors, these workers shall be paid from the contract labor budget or from the headquarters' salary budget in accordance with the agreement between them and the USCA.

No payment may be made to any contractor until the National Office has received his or her Social Security number or Federal Identification number (usually through IRS Form W-9), or such other information as necessary to comply with applicable U.S. and international tax laws.

In January, a separate computer printout is made of each contractor showing the amount received during the preceding year. From this report, the Controller shall prepare and mail a copy of the IRS Form 1099 to each individual who was paid \$600 or more, or as necessary to comply with applicable U.S. and international tax laws. This form shall be mailed to the individual's last known address.

### 5.2 REPORTING

Also in January, the Controller shall forward to the IRS and Social Security Administration a copy of IRS Forms (W-2 and 1099), together with the appropriate summary report. The National Office shall maintain copies of all payroll and contractor documentation with the same retention schedule as indicated previously.

## **Policy: 6 CAPITALIZATION POLICY**

### 6.0 CAPITALIZATION POLICY

It is the policy of the USCA to capitalize all expenditures that meet the following requirements:

- The item purchased has a useful life exceeding one year. - The cost of the item purchased exceeds \$2,500.

### 6.1 CAPITAL EXPENDITURE PURCHASES

Capital expenditures can be proposed under three different circumstances:

1. If the expenditure is for an item not currently owned by the association, a written proposal must be prepared explaining the details of the item to be purchased. The proposal must incorporate a detailed description of the item, its cost and the number of years that it will take to payback the cost. The proposal must estimate the life of the item to be purchased.
2. If the expenditure is for a replacement of an existing item owned by the association, but the replacement being proposed is an improvement vs. the current item, then the written proposal must describe the details of the improvement and the cost of the item. The proposal must include the estimated life of the item. The proposal must also include an estimate of the number of years to payback the cost.

3. If the expenditure is required to simply replace an item that has exhausted its useful life, the written proposal must include a description of the item, its cost and its useful life.
  - a. Each written capital expenditure proposal is to be presented to the Chief Executive Officer and the Treasurer for approval. If the capital expenditure is over \$5,000 it must be approved by the full Board of Directors as part of the budget process, or by the Chair if outside the budget process.

## 6.2 DEPRECIATION POLICY

All capital assets shall be depreciated over their estimated useful lives on a straight-line basis. "Salvage value" will not be used to determine the annual depreciation expense. When an asset becomes fully depreciated, the asset and the accumulated depreciation shall be written off of the organization's records.

## **Policy: 7 BUDGETARY PROCESS**

### 7.0 GENERAL POLICY

1. It is the policy of the USCA to carefully plan and control the use of funds.
2. The general policy of the USCA is to develop a break-even budget. However, a targeted surplus or deficit may be authorized by the Board of Directors to meet certain objectives, such as building net worth or smoothing the effects of high spending years near the Olympics.
3. It is the responsibility of the Chief Executive Officer to ensure that actual expenditures are in accordance with the directives of the Board, as well as with the United States Olympic Committee grant terms.

The initial budget will be prepared by the Chief Executive Officer and staff. The Chief Executive Officer may receive input from the Treasurer, the Managing Chairs of the Operational Committees as well as the High Performance Director. The initial budget will be reviewed by the Audit/Finance Committee, the Human Resource Committee and the Chair of the Board.

- a. The proposed budget will be provided to the Board of Directors no later than seven days prior to the July directors meeting to review the budget.
- b. The final budget will be adopted by vote of the Board of directors no later than July 31st.
- c. The Treasurer and Controller shall review actual financial operating results vs. the budget on a monthly basis and promptly report any significant variances to the Chief Executive Officer, the Chair of the Board and the Audit/Finance Committee Chair, with an explanation for the variances.
- d. Per Section 1.22, all expenditures exceeding budget by \$5,000 requires the approval of the Chair of the Board and reported to the full Board of Directors.
- e. The Treasurer shall provide a report of the association's actual operating results vs. budget, with an explanation for significant variances, at each Board meeting, as well as each Audit/Finance Committee meeting.

## **APPENDICES**

### Records Retention Policy

USCA records are maintained at the USCA office in Stevens Point, Wisconsin. The USCA Chief Executive Officer is responsible for maintenance of USCA records. The Chief Executive Officer may use his judgment in records retention decisions regarding the historical or sentimental value of records. Policies for retention of other records are detailed below.

Short-term retention (3 years) Bank reconciliations, General correspondence, Deposit slips, Bank statements, Employment applications, Insurance policies (after expiration), Internal reports, such as internal audits, revenue analyses, etc. Membership and dues rosters, including playdown forms and certification records, Petty cash vouchers



Medium-term retention (7 years) Accident reports, Accounts payable ledgers, Accounts receivable ledgers, Canceled checks, Depreciation schedules, Expense vouchers, Garnishments, Grant applications, Inventory records, Paid invoices and receivables, Payroll records, Pledge cards, and Donation records, Purchase orders, Time cards ,Training and personnel manuals, Withholding tax statements

Permanent retention Audit reports, Charts of accounts, Contracts, mortgages, notes, leases (after expiration) Correspondence – legal, Curling News, Deeds, bills of sale, Employee records, Financial statements (annual), General ledger Journals, Minute books, bylaws, charter Property appraisals by outside appraisers, Retirement and pension records, Tax exemption documents, Tax returns and audits

DOCUMENT TYPE	RETENTION PERIOD
Accounts Payable Ledger	7 Years
Accounts Receivable Ledger	7 Years
Bank Statements	Permanent
Charts of Account	Permanent
Contracts & leases	Permanent
Correspondence (Legal)	Permanent
Employee Payroll Records	Permanent
Employment Applications	3 Years
Inventories of Products	7 Years
Invoices to Customers	5 Years
Invoices from Vendors	5 Years
Payroll Records & Tax Returns	7 Years
Purchase Orders	5 Years
Time Cards & Daily Reports	7 Years
Training Manuals	Permanent