

# SCWDC Event Leader Financial Guide

*Purpose: this is meant for the leader who is pressed for time, but needs to know how events are created and approved, and financial rules for accepting participant payments, making payments to vendors, and filing a financial report after the event has been run.*

*The club is a large business with 200 admission events annually. We try to plan every event to breakeven...balancing income and costs, with a small margin of net income greater than expenses which contributes to paying the overhead expenses of the club, like our small office staff, maintaining our townhouse office, publishing a bi-monthly magazine, and renting space for meetings. So, we have rules and procedures for all financial matters.*

*There are four parts to this guide: (1) a high level description of an event "life", start to finish; (2) a detailed description of these subjects: deposits, payments, refunds, cancellations, and financial report (3) copy of club financial forms (4) Authorities and responsibilities of a leader, extracted from Policy Manual.*

## **PART I - SUMMARY OF "EVENT LIFE" FINANCIAL PROCEDURES**

The Program Chair creates an event proposal and budget, and submits that to the Board of Directors for approval.

This may occur in one of two ways: (1) as part of the annual budget, which is approved by the Board in July or (2) as part of a request to the Board, in a program chair monthly status report with an attachment, the event budget.

*Note: if the event takes places between May and September, please be aware that the Board approves a preliminary budget in February or March, and the event should be first included in that document.*

The request must get to the Board of Directors in time to be reviewed, discussed and voted on, normally before the event is published in the skiogram or the magazine. Exceptions are rare and should be approved by president or vice president. Here is the magazine scheduled (current as of May 2011):

<b><u>Issue</u></b>	<b><u>First Content deadline</u></b>	<b><u>Last content deadline</u></b>
June/July	mid-May	end of May
August/September	mid-June	end of June
October/November	mid- August	end of August
December/January	mid-October	end of October
February/March	mid-December	end of December
April/May	mid-February	end of February

The Board reviews and approves the event. From this point on, advance deposits can be made, even when the deposit is required for an event in the next fiscal year.

The Policy Manual has rules about leader selection for events that have a certain revenue estimate (\$3,000 or more) or that are overnight trips. If the event meets the threshold, the chair must submit a request for the board to approve the leader. Refer to the Policy Manual, September 2010, Chapter 3: pages 27-30 of the Policy Manual: (listed on next page)

E. Leader Selection for Activities Not Involving Overnight Ski Trips

F. Leader Selection for Week Long and Flight Ski Trips

G. Leader Selection for Non-Flight Overnight Ski trips of Less Than a Week

The chair instructs or trains the leader through written or verbal instructions, and usually the leader is the single point of contact for answering questions about the event.

The magazine and skiogram articles are published, stating the event description, price, payment schedule and leader, leader contact information.

The web site and the event flier/application form must contain the following:

- (1) Notice that the activity is sponsored by SCWDC;
- (2) The dates, location and time of the activity;
- (3) Description of the amenities included; not included
- (4) Admission price;
- (5) Name, address and phone number of the leader;
- (6) Specific policy for cancellation including cancellation fee;
- (7) Specific policy for guests, including guest fee;
- (8) Amount of deposit, payment schedule, etc., as appropriate;
- (9) Application form;
- (10) Pet policy
- (11) A summary statement regarding the Club's personal conduct and smoking policies, which is printed in the Policy Manual on page 36.

Regardless of who prepares the flier, it must be approved by the program chair before being distributed.

Participants send in deposits or payments to the leader or initiates PayPal transactions from the SCWDC web site. Setting up PayPal for an event is a separate subject – ask the chair if this is appropriate.

The leader deposits checks from participants, not holding checks more than seven days.

Note: All checks should be deposited in advance of the event, but this is especially necessary for overnight trips. Exceptions should be discussed and cleared with the program chair and the SCWDC Financial Manager.

- The club has experienced a fairly low “bad check” rate, but we cannot assume that every check is good. The club also has “cash flow” issue, often vendor deposits and advance payments are required, so the participant payments need to be deposited as soon as possible, but always before the event starts.

The leader and the chair need to decide how and when the green vouchers for vendor payments and slush fund, need to be made. Sometimes the leader will initiate/write & sign the green voucher, sometimes the chair will do this. A second signer/reviewer of the voucher is always required, before a check is written. Prepare and submit the voucher at least a week ahead of a time/deadline. A check for \$10,000 or less is signed by one of four check signers; a check for more than \$10,000 must be signed by two check signers. It may take up to a week to prepare checks and get the necessary check signer(s) to visit the office.

The leader should make a copy of deposits (blues) and make a copy /get a copy of vouchers, so the preparation of the financial report is easy. If the leader forgets to keep a copy, call the office for a copy.

The leader, for overnight events, writes and send a pre-trip letter to all participants. For some overnight events, the leader conducts a pre-trip party. Consult with the chair on this, and obtain approval for the pre-trip letter and party from the chair.

Get any overdue participants payments, if possible at the pre-trip party, or by calling the participant. If a local event is held and a participant has not paid in advance, the leader **MUST** collect the check or cash at the door, or call the chair for advice. If a participant does not keep up with a payment schedule for an event, that person can be replaced by another on the wait list. Consult with the chair.

Cancellations and refund rules and procedures are too long to be listed in this section of the document. When a refund is appropriate, the club charges a cancellation fee. The Policy Manual and the chair's guidance are the two sources of authority for refunds. There is a discussion of cancellations and refunds in the next section of this document.

Conduct the event as planned.

Cash collected for the event at the door or the pre-trip party, must be accepted by the leader, who takes the cash and writes a check to SCWDC for equivalent amount. When you prepare the deposit voucher, the leader lists the check, the name of the leader, and then lists the paying participant names and amounts paid.

The financial report should be filed within 30 days of the event, per the Policy Manual. If you anticipate being late for good reasons, and every leader is a volunteer with various demands on time, discuss with the chair. He/she will listen to you, understand your reasons, and you will agree on another date within 60 days. If the extension crosses over a fiscal year (May 1 to April 30), this can affect the preparation of the year-end financial statements, and therefore extension may be limited.

Bill Johnston  
2011-2013 Board member and training assistant to Brian Chollar

Footnote: (this didn't fit in anywhere else.) Note: The leader is usually "comped", goes free. However, for high priced events and for a low number of participants, the leader may be asked to pay for half of the cost of his/her ticket, or even not get any comp, to reduce the price to the lower SCWDC price near the box office price.

Here is information about PayPal. PayPal transactions are managed by Bernie Gilbert, volunteer, with all official correspondence issued by Bernie using email address = [BG\\_SCWDC@comcast.net](mailto:BG_SCWDC@comcast.net). Bernie Gilbert has written this procedure:

"To set up a PayPal page for the payment on an event, all I need from the trip leader is:

- (1) The name of the event;
- (2) The event activity number;

(3) All the costs of the event:

a. The standard price, member and non-member

b. Deposit, and remainder amount after deposit

Member cost (including deposit):\_\_\_\_\_

Guest cost (including deposit):\_\_\_\_\_

Cost less deposit:\_\_\_\_\_

Single supplement cost:\_\_\_\_\_

Extra day lift ticket cost:\_\_\_\_\_

Other option of this trip (1)\_\_\_\_\_

Other option of this trip (2)\_\_\_\_\_

Ground-only member cost (including deposit):\_\_\_\_\_

Ground-only guest cost (including deposit):\_\_\_\_\_

Ground-only cost less deposit:\_\_\_\_\_

(4) Name and email address of the trip leader.

Obviously, all this comes to me AFTER the trip has been approved by the President and Board of Directors and all the event costs determined. I can usually create the PayPal page and link the same day.”

## **PART II – Details of the SCWDC Financial System**

**Deposits.** Leaders are responsible for **depositing all payments** from activities in advance of the event starting, in most cases. This means, mailing or hand-delivering ALL checks in advance of the event to the office. Discuss with the program chair in advance– is it OK for you to collect checks at the event?

Most participants pay by check sent to the leader with a trip event/ activity application form. Our standard policy is, “Make checks payable to SCWDC.” (Call the office for instructions if they aren’t.) Club policy is to deposit all checks within seven days of receipt. Use the SCWDC Deposit Form, (“Blue” is the nickname) to list the names obtained from checks. The forms can be picked up the office, mailed to you, or downloaded from SCWDC web site. When cash is received, the leader keeps the cash and writes a personal check for the amount, check made out to SCWDC. **Never send cash through the mail to the office.** We discourage leaders taking cash to the office, however, exceptions are OK when you know that you can hand the package to the Business Manager.

You need to confirm the receipt of all payments – by phone, letter or email, and try to do this within seven days. Forms, envelopes and stamps can be mailed to you from the office if you request them. Also, forms can be downloaded from the web site. Another possibility is to take letters into the office, stuff them there, and have them mailed from there. Email is used a lot these days, so it’s probably easier to use email for letters/correspondence.

A few events are set-up to allow application form to be mailed without a check, and the payment goes through the “PayPal” financial system. The leader will be instructed with these special procedures.

**Payments.** Leaders and chair are responsible for **submitting a request to pay themselves or vendors** or issue a refund to a participant on a SCWDC Voucher form (“Green” is the nickname). Ask the Program Chair or Business Manager for advice as to, “When” to submit the request, so the vendor or participant is paid in a timely manner. The cycle is as follows:

- a) A green voucher form is submitted by leader, committee member, or chair; this form should explain the reason for the payment, and almost 99% of the time, should have a receipt or contract attached to support the request for payment.
- b) If the green is signed on the first approval line by leader or committee member, then the chair approves;
- c) If the green is signed on the first line by the chair, then one of the club’s four check signers approves. (President, Vice Pres., Treasurer, Board member as 4<sup>th</sup> signer.)

**Refunds.** **Refunds are important to the club and must be approved by the chair, no exceptions.** First, cancellations vouchers for refunds to participants who cancel from an activity are due within ten (10) days of the activity's completion. Next, all refunds are charged a standard cancellation fee, based on a sliding scale, unless an exception is approved by a check signer. Read the extract from the Policy Manual (next page) to get cancellation fee. **ESPECIALLY IMPORTANT**, if there are unrecoverable expenses, meaning the club incurred expenses that could be not be cancelled, the participant is responsible for these in addition to the standard cancellation fee. *We don’t charge a cancellation fee when the club cancels an event, or the club made some mistake dealing with the participant’s sign-up for the event.* The club’s cancellation policy is stated on the next page. If you aren’t sure about what to tell a participant about refunds, ask your monitor or program chair for help.

**Financial report after the event is completed.** Leaders are responsible for preparing a report of the total financial activity for the event, within 30 days after the completion of the event. The SCWDC (“Yellow” is the nickname) should be prepared by the leader, in rare cases by the chair. Yes, club policy for the report is within 30 days, but the chair can extend this. Just stay in touch!

Sometimes, the leader has to spend more than he/she was given, and the club owes you more money. Other times, the leader spends less than he/she was given, so you return money to the club.

**The yellow form is totally based on the leader (1) turning in all receipts via the Blue deposit form, and (2) keeping an accurate record of the expenses incurred by the leader, whether by cash, check or credit card, and as a matter of practice, keeping the receipts and turning in with the financial report.** If the leader does (1) and (2) in a timely way, and keeps a copy of those records for deposits and expenses, the Yellow Form is easy to prepare. If the leader has difficulty with this form, he/she can ask for help from the chair, the office staff, or the Budget and Finance chair. Just ask!

Leaders must fully understand that they must turn in a financial report including money owed to the Club in a timely fashion, even if the information is incomplete. If needed, they or the office can amend the financial report later when better/new information is provided

Note: It is not necessary to turn in the participant application forms as part of the financial report. The leader can keep these for a few months, in case participant contact info is needed.

A copy of the report is not included in this document, but it’s available from the web site. All of the forms can be mailed to you from the office, or provided in person by your program chair.

### **Cancellation Fees and Policies: FROM POLICY MANUAL CHAPTER 3, Section D**

III.D.1. After the published deadline for unrecoverable expenses, a person who cancels from a Club activity is responsible for all unrecoverable expenses plus the cancellation fee. A person who cancels can be replaced only if an activity is full and after full payment is received from a replacement. Persons who cancel will be replaced in order of their cancellation. Cancellations become effective when the leader receives notification. Cancellations for activities costing \$200 or more must be confirmed via writing or email. Refunds will not be issued until written cancellation is received. A telephone call can be considered notification as long as it is followed by written or email confirmation. Leaders should hold on to the notification, and print the participant’s email including the email header data. (2/05)

III.D.2. Cancellation fee. Persons who cancel from an activity (except as otherwise provided for in Club policy or explicitly exempted by the Board) shall be given a refund minus the following penalties:

Member Admission Rate	Cancellation Fee
\$0.00 - \$10.00	No refund
\$10.01 - \$25.00	\$ 3.00
\$25.01 - \$50.00	\$ 5.00
\$50.01 - \$150.00	\$10.00
\$150.01 - \$500.00	\$20.00
\$500.01 or more	\$40.00

III.D.3. Waiver of Cancellation Fees:

Cancellation fees will be waived in the following circumstances:

- (1) The activity price increases to higher than the previously advertised price range.
- (2) The activity price increases by more than 5% over the previously advertised price.
- (3) The destination and/or dates of an activity change from those previously advertised.

#### III.D.4. Unrecoverable Expenses:

III.D.4.a. Unrecoverable expenses are charged in addition to cancellation fees for cancellations.

- (1) Regardless of time of cancellation for activities costing:  
\$0.01 - \$10.00. In effect, this results in no refund.
- (2) Within 7 days of the activity date for activities costing \$10.01 - \$25.00.
- (3) Within 14 days of the activity date for activities costing \$25.01 - \$50.00.
- (4) Within 45 days of the trip departure date for flight trips.
- (5) Within 30 days of the trip departure date for all other activities and trips.

III.D.4.b. The relevant Program Chair may accelerate the unrecoverable expense time frame schedule to accommodate cancellation liabilities imposed on the Club by airlines, lodges, travel agents, or other suppliers. However, the participants must be informed of any such acceleration.

III.D.5. Persons who are liable for unrecoverable expenses will share recovered expenses for an activity in proportion to the amount each of them has paid into the activity.

III.D.6. An applicant who does not make timely payments under the trip deposit and payment schedule (Policy III.C.2), upon notification of delinquency and nonpayment within seven days, may be deemed to be a cancelee. In that event, the cancelee shall be sent a refund for the amount of the deposits and payments, less the amount of any cancellation fees and unrecoverable expenses.

### **PART III – FORMS (begin on next page)**



(GREEN VOUCHER) SKI CLUB OF WASHINGTON, DC, INC.

5309 Lee Highway  
Arlington, VA 22207-1666

ACTIVITY LEADER'S VOUCHER NUMBER (consecutive for each activity) \_\_\_\_\_

ACTIVITY NAME \_\_\_\_\_

ACTIVITY ACCOUNT NUMBER \_\_\_\_\_ ACTIVITY DATE \_\_\_\_\_

If you incur out-of-pocket expense, receive bills that should be paid by SCWDC check, or are requesting funds or advance payments, submit this voucher with bills, receipts, explanations, etc. attached. If practical, to expedite payment, have your voucher approved by your Program Chair before submitting it to the Club Administrative Manager.

If you are requesting payments for advance reservations to be forwarded to SCWDC, write a letter of explanation to the recipient indicating the agreed upon conditions (defaults, cancellation date, late cancellation fees, etc.), and attach the original and one copy to this voucher. The letter will be mailed with the check.

TREASURER: Pay to: PURPOSE: If refund, note amt AMOUNT  
(name and mailing address) (i.e., \$25 - \$1.50 canc fee)

		(office use) ck # _____
		Act
		<u>W-9:</u> attached
		O/H          CORP          NA

		\$
		(office use) ck # _____
		Act
		<u>W-9:</u> attached
		O/H          CORP          NA

		\$
		(office use) ck # _____
		Act
		<u>W-9:</u> attached
		O/H          CORP          NA

<b>Submitted by</b>		<b>Date</b>	
<b>Phone (H)</b>		<b>Phone (O)</b>	
<b>Email</b>			
<b>Approved by:</b>			

## SCWDC Financial Report

The SCWDC “Yellow” form is not reproduced in this document – it is four pages long.  
It can be viewed or downloaded at SCWDC web site.

### APPENDIX 1

#### CANCELLATION FEES, GUEST FEES, DEPOSITS, PAYMENTS AND ASSESSMENTS

Admission Price	Deposit	2nd Payment	Final Payment	Cancel Fee* (see * notes)	Guest Fee
0 - \$ 10	In Full	----	----	No Refund (1)	\$2
\$10.01 - \$ 25	In Full	----	----	\$3	\$3
\$25.01 - \$ 50	In Full	----	----	\$5	\$5
\$50.01 - \$100	In Full	----	----	\$10	\$7
\$100.01- \$150	\$50	50% of Balance (8 weeks prior)	Balance Due (4 weeks prior)	\$10	\$15
\$150.01- \$500	\$75	50% of Balance(8 weeks prior)	Balance Due (4 weeks prior)	\$20	\$25
\$500.01 – 1199.99	\$250	50% of Balance (12 weeks prior)	Balance Due (6 weeks prior)	\$40	fee for new one-year single membership

\$1200 and up	\$250	2 <sup>nd</sup> payment 33% of payment 120 days	3 <sup>rd</sup> payment 33% of payment 90 days	Final payment Balance due 60 days	\$40	fee for new one-year single membership
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\* Unrecoverable expenses are charged in addition to the cancellation fees for cancellations: Unrecoverable usually means, the SCWDC is obligated to pay a vendor under a contract for the lodging, lift ticket, or airline ticket. Therefore, the participant cannot be refunded any cost that the club will incur.

- (1) Regardless of time of cancellation for activities with admission price of \$10 or less (i.e. no refund).
- (2) Within 7 days of activity date for activities with admission price of \$10.01 to \$25.
- (3) Within 14 days of activity date for activities with admission price of \$25.01 to \$50.
- (4) Within 45 days of trip departure date for flight trips.
- (5) Within 30 days of trip departure date for all other activities.

#### ASSESSMENT SCHEDULE

Activity Cost	Assessment (ski activities)	Assessment (non-ski activities)
\$100 and under	5.5%	\$0.50 + 6%
\$100.01 - \$500	5.5%	5.5%
\$500.01 and up	5.0%	5.0%

The “assessment” or internal club tax is calculated on the total of direct costs. Therefore, the admission price to any event is higher than just the total direct costs divided by the number of paying participants. Ask for a longer explanation from a club financial expert if you need to know more.

## **PART IV: Authorities and Responsibilities of Activity Leaders (Policy Manual extract)**

### **ACTIVITY LEADERS**

#### Authority

##### **Procurement of Goods and Services**

To commit the Club to minor financial obligations.

##### **Processing Participants**

To hold or deposit checks from persons on the waiting list, at the option of the Leader.

To specify members from people he/she appoints and within the constraints of the budget to receive free admission to specific activities.

To admit pets to activities.

To balance the male/female ratio on activities, but only to the point where it would not risk the activity's financial status.

To discourage minors from participating in trips other than those specifically designed for families.

##### **During the Activity**

To depart without late arrivals whether they are injured or not.

To issue warnings to cease and desist disorderly conduct or illegal activities, and to exclude participants from the activity for reasons of disorderly conduct or illegal behavior.

To exclude a non-participant from activity functions.

To admit others to an activity so long as the enjoyment of the activity participants is respected.

To exclude non-approved advertisements from an activity.

To reduce the responsibilities of subordinates, short of removal.

To solicit assistance from participants.

To modify financial arrangements within the constraints of the Board approved budget.

To direct bus drivers within contractual agreements.

To modify plans within the general trip description.

## Responsibility

### **Detailed Planning**

To prepare detailed plans as required by the Program Chairperson.

To pursue involvement in the detailed planning of their activities.

To secure all information regarding the activity, including copies of contracts and other written correspondence.

To attend training programs as required by Program Chairpersons.

### **Procurement of Goods and Services**

To initiate requests for payment.

To obtain approval of the cognizant Chairperson on request for payment of Club funds to cover the expenses of their activities.

To obtain the name, address and social security number of any individual (as opposed to a corporation) which the Club is paying for services or rents, and to attach this information to all vouchers for payment to that individual or for reimbursement to the activity leaders for payments already made to that individual. If the leader ascertains that the information is already on file in the office, he/she may so indicate on the voucher in lieu of providing the information.

To be knowledgeable of all procurement for their activities.

To make all reasonable efforts to convert any fringe benefits offered into a lower cost or increased benefits to the participants.

### **Processing Participants**

To deposit all monies in a timely manner, except for monies for people on the waiting list.

To enter the account number of the activity on each check that is submitted by a participant for an activity.

To notify in writing all applicants for overnight bus or flight trips within a timely period; to include status and the applicable cancellation policy for that activity. For all other activities, to notify an applicant of his/her status as required by the Program Chairperson.

To ensure that participants adhere to the deposit and payment schedule, and to remove from their activities those participants who fail to do so.

To ensure that minors are accompanied by an adult and have parental (guardian) permission.

To not be accompanied by children without prior approval of the Program Chairperson. In addition, for all overnight activities, prior approval must be obtained from the Board.

To collect and file disclaimers of liability for all non-members.  
To confirm the membership status of all applicants and manage the waiting list.

To collect the cancellation fee and, after the published deadline, all unrecoverable applicable activity expenses from a cancellee.

To refund recovered activity expenses to persons who are liable for unrecoverable expenses in proportion to the amount each of them has paid into the activity.

To fill vacancies in order from the waiting list. Deviations are authorized in the case of male/female ratio, specific roommate assignments and inability to contact persons on the waiting list.

To either return checks or submit refund vouchers for people on the wait list in a timely manner.

To provide upon request, names from the wait list to those people who wish to cancel from those ticketed activities for which there is no refund.

To replace persons who cancel in the order of their cancellation.

To not accept personal checks from people on the Treasurer's List.

To notify the President of receipt of deposits or payments from persons on the Treasurer's List. (This list contains the names of those who are not allowed to sign up for any event.)

To prohibit any guest of a bus driver for a Club trip from taking part in the trip unless proper arrangements are made prior to the trip.

### **Pre-Activity Logistics**

To adhere to alcoholic beverage laws.

To get prior approval for acquisition and reimbursement for goods and services

To sign out equipment and return it promptly after its use.

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### **During the Activity**

To appoint reliable assistants.

To provide special arrangements for injured participants when practical and when these arrangements do not greatly inconvenience the other participants.

To demand that any illegal activity be terminated, and enforce that request.

To report back to the Program Chairperson any illegal actions or disorderly conduct on the part of participants or others, and the action taken by the Leader.

To enforce the smoking policy.

To read to the participants any statements required by the Board or Program Chairperson.

To ensure that only approved advertisers promote their products at Club activities. On their activity, to promote other Club activities as required by their Program Chairperson.

To hand out and submit participant evaluation forms for all overnight activities.

**Activity Follow-up**

To have all leftovers returned to the Club.

To return equipment to the office immediately upon completion of the activity.

To submit vouchers for refunds due participants who cancel from the activity within the established time period of the activity's completion.

To complete a financial statement by the due date.

**Gratuities**

To report any offers of gratuities to the Program Chairperson.