

## **Insurance 101: Financial Responsibilities for Lacrosse Clubs**

Whether your lacrosse club or league is legally established as a non-profit corporation or is more loosely structured, there are some guidelines that you can adopt to strengthen and protect your organization's financial position. Money and fundraising are primary concerns for all clubs and leagues. The person appointed to handle that money -- your Treasurer -- has a responsibility to manage those funds diligently in order to promote the financial health of the club.

### **Duties of a Club Treasurer**

The main responsibilities of the treasurer are to:

- ✓ Help plan the annual budget
- ✓ Receive, record and deposit all funds coming into the club
- ✓ Pay bills of the club in a timely manner
- ✓ Pay all expenses by check in order to have a record of each disbursement
- ✓ Keep club financial records in a safe place, either in a general ledger or in an electronic spreadsheet format, tracking all money coming into the club and all money paid out. These records should be reconciled monthly with the club's bank statement. Computer records should be backed up regularly.
- ✓ Submit an annual report and all club financials to the board or club officers for audit
- ✓ Inform the club of its financial strengths and weaknesses, and ensure that your club is in a healthy financial state

These duties can be mapped out on a monthly and annual basis in order to make it easier for the Treasurer to manager these responsibilities properly, and to ensure a smooth transition when a new person takes over this important position.

### **Protecting the Club from financial loss**

Unfortunately, it is not uncommon to pick up a local paper and read about a case of theft or embezzlement of a league's funds by an unscrupulous officer or volunteer. To reduce the potential for financial loss to your club or league, there are a number of risk management procedures that you can implement:

- ✓ Choose a CPA or someone who has experience in finance as your Treasurer
- ✓ When performing background checks on your coaches and volunteers, include the candidates you are considering for the treasurer's position
- ✓ Enforce the two-signature rule (the Treasurer's and another league officer's) on all checks and withdrawals to minimize the opportunity for forgery or embezzlement
- ✓ Have financial accounts audited each year by an outside auditor or, more informally, by individuals on the board
- ✓ Consider purchasing Crime Insurance to protect your treasury

### **Protect your Club with Crime Insurance**

Crime Insurance is available for US Lacrosse member associations. This coverage provides protection against financial loss caused by the dishonest disappearance of money, securities or other negotiable instruments. The policy includes coverage for loss by theft or forgery by an officer or volunteer. For more details on the US Lacrosse Crime insurance plan or buy coverage on-line, please visit [www.BollingerLax.com](http://www.BollingerLax.com) and click on "Optional Coverages for Teams & Leagues."

With these guidelines in place, your treasurer and your board can be assured that you have done the utmost to protect your association's hard-earned dollars.