

Local Program Development Guide

Section 7 – Finance

Finance

Accounting for all funds raised and used by your Local Program is important to protect the credibility of the Special Olympics brand, as well as to ensure compliance with the Internal Revenue Service (IRS) in the United States (or comparable agency in your country) as a tax-exempt charitable not-for-profit organization.

Oversee & Manage Financial Resources

The following steps should be taken in order to ensure that the Local Program's financial resources are managed appropriately:

- **Identify a Local Program volunteer to manage finances.**
Recruit someone who is capable of helping to budget, manage funds, and report finances as required. Notify the Senior Director of Field Services office as to who has been identified for this role.
- **Educate your local program about financial procedures**
Local program leadership should be knowledgeable about financial practices and policies in place by Special Olympics Wisconsin, and should make program participants aware of financial procedures that they must follow as part of the local program.

Additional Financial Considerations – Your local program's financial lead should be familiar with the following items.

- Banking and accounting practices vary by Special Olympics Wisconsin. It is recommended to meet with your Special Olympics Wisconsin's Chief Financial Officer or Sr. Director of Field Services to understand policies and expectations regarding:
 - Banking for local programs
 - Budgeting and financial reporting requirements
 - Expense reporting and/or reimbursement for local program expenses
 - Purchasing, inventory, and disposal of capital equipment, which is generally defined as non-disposable equipment or items valued above a certain threshold (likely \$1000 USD or more)
 - Reporting in-kind donations, whether as part of fundraising efforts or reporting volunteer hours if applicable.
- While athletes are prohibited from being charged to participate in Special Olympics per General Rules, Accredited Programs may invoice local programs for pre-arranged services (such as lodging at State Games). Generally, the Accredited Program's office will invoice local programs for such fees, or deduct the invoiced amount from local program funds if applicable.

- Local Programs are not permitted to open credit cards, debit cards, bank savings, checking accounts, certificates of deposits (CDs), general investments, or endowments.
- In addition to financial policies, local programs should be familiar with Special Olympics Wisconsin's fundraising policies and how they apply to you. In general, you should be familiar with:
 - o Deposits must be made daily upon receipt of funds
 - o Thank you letters must be sent to all donors
- Additional resources available from your Accredited Program include:
 - o IRS (or equivalent) letters and documentation, which may be needed for securing donations
 - o General financial information from your Accredited Program – such as annual reports or IRS Form 990 – can generally be found on their website, or upon request

Special Olympics Wisconsin Finance Policies

A variety of individuals and groups are interested in the reported expenses and revenues of Special Olympics Wisconsin (SOWI).

1. Those who donate money, services or materials
2. The Board of Directors, who have a responsibility to manage the assets of SOWI for stated purposes and objectives
3. The President (CEO) of SOWI, who has the responsibility of carrying out the stated policies of the SOWI Board of Directors
4. Special Olympics, Inc., who mandates a standardized accounting system in the General Rules
5. Those governmental jurisdictions, who have authority to control charitable solicitation through enacted legislation as well as the local, state and federal governments which grant tax exemption and a solicitation license to SOWI

In order to provide adequate information to these persons and groups, SOWI classifies expenditures on a "functional" basis. The functional classifications are:


- Program Services, which describe SOWI program activities such Games and Competition, Training, Programs, Outreach and Public Education.
- Support Services, through which management, administrative, fundraising and general non-program operating expenditures are charged, such as legal and accounting services, as well as portions of salary, postage, printing, etc.

Local Programs are included in the SOWI annual financial audit.

All Special Olympics Local Programs who collect and spend money in the name of Special Olympics will have an in-house account. Programs that have their finances accounted for in-house with SOWI will be asked to maintain their account balances by following all procedures outlined in this handbook in the Finance / Local Programs with In-House Accounts section.

Procedures For Local Program Deposits

When you deposit revenue for your Local Program, please follow the steps listed below. **Programs should process and mail deposits into State office at least once per week.** If you have any questions regarding your deposit or deposit procedures you may contact SOWI's Gift Records Manager.



LOCAL PROGRAM DEPOSIT TICKET
*Must be completed and included when submitting checks to the State Office

Date _____

Local Program # _____

Total of Checks _____

of Checks _____

Submitted By _____

Email address _____

# of Checks	Description *	Amount	Explanation (i.e. Type of fundraising event)
1	Corporate	100.00	
10	Fundraiser	1,000.00	Wreath Sales
Total		1,100.00	

Description	
Corp -	Corporate Contributions
Orgs -	Organizations & Association
Grant -	Foundation Grants
Ind -	Individual Contributions
Fundrais -	Fundraisers - <i>Must include explanation</i>
Stipends -	Stipends
Commissions -	Commissions
Other -	Other

1. The State office will provide Local Programs with the items listed below. The Local Program is responsible for storing checks and cash in a safe and secure location prior to deposit.
 - a. Local Program Deposit Stamp
 - b. Local Program Deposit Ticket
 - c. Local Program Deposit Ledger
 - d. Local Program Sales Tax Summary form
 - e. Postage paid #10 business size envelopes

If a Local Program is in need of supply replenishment, please contact the Gift Records Manager.

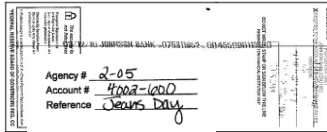
All deposit forms can be found under the *Forms for Duplication* section of this handbook as well as "Local Program Forms & Tools" the Local Program log in page of our website: SpecialOlympicsWisconsin.org. Contact the State office if you need assistance logging in.

2. Prepare cash and checks for deposit
 - a. All cash should be converted to a money order or cashier's check at a local financial institution and included with your deposit.
 - b. Stamp the **middle of the back** of each check with the deposit stamp and complete the required information (**do not stamp check in the endorsement area.**) **if all**

checks are to be coded to the same account number, you may bundle the checks, stamp, and code only the first check in each bundle.

- **Local Program Number** – identifying number assigned by SOWI
- **Account Number** – the account number identifying the revenue (see reference table)
- **Reference** – additional information to record about the donation (optional)

Example of Stamped Back of Check:



Account Coding Reference:

Account Number	Description
4002	Corporate Contributions
4003	Organization & Associations
4006	Foundation Grants
4007	Individual Contributions
4200	Fundraisers
4205	Souvenirs
4206	Concessions
If you have a deposit that does not fit into accounts listed above, please contact SOWI's Gift Records Manager	

3. Total checks for deposit. A downloadable 10-key calculator is available on the Local Program log in page on the SOWI website.
4. Complete the Local Program Deposit Ledger listing all donors and contact info. **It is strongly recommended that Local Programs complete this step.** The deposit ledger is kept by the Local Program (do not mail to State) and is a precaution in case the deposit is lost or destroyed in the mail. **This is the Local Program's in-house record of the deposit.**
5. Complete the Local Program Deposit Ticket with the required information:
 - Deposit Date
 - Local Program Number
 - Total of Checks being submitted
 - # of Checks
 - Submitted by
 - E-mail Address

6. Insert the Local Program Deposit Ticket and checks (no cash) into the postage-paid envelope and mail. They should be dropped in a U.S. Mail postal box or post office, not in residential roadside mailboxes.
7. The State office will receive your Local Program deposit via U.S. mail, and verify deposit total. All forms must be complete and included with the deposit (ex. *Sales Tax Summary form*, bank deposit receipts). Your deposit will be deposited electronically. The deposit date will be approximately 3-5 business days from the date received at the State office (this excludes holidays, weekends and staff vacations).
8. The State office will receive a deposit confirmation via e-mail immediately after completing the deposit. This deposit confirmation will then be e-mailed to the contact's e-mail address listed on the deposit ticket.

Example of Deposit Confirmation:

Special Olympics Wisconsin Inc.

We have received your deposit at **12/28/2022 9:46 AM (CST)**. This email is confirmation that the deposit below was received. Please verify this information and contact us with any questions.

Account: *******3838**

Account Description: **3838-SOWI - Agency**

Amount: **\$1,250.00**

2 items(s) (including the virtual deposit ticket)

9. Gift acknowledgements will be mailed to the donor by the State office on the Local Program's behalf (excludes raffle, souvenirs, concessions and other events where the donor receives a good or service). The State office processes gift acknowledgements daily and the donor should receive their receipt within 5-7 business days of deposit. For cash donations, if the donor requests a receipt, the Local Program may provide a handwritten gift receipt on the day of the event or fundraiser.
10. The deposit will be reflected on the monthly financial statements provided to the Local Program manager through the Local Program finance page on the SOWI website. If the Local Program needs assistance logging in, please contact the State office.

Example of Gift acknowledgement sent by Headquarters:

March 13, 2023

Ms. Jane Doe
1234 Smith St.
Milwaukee, WI 53216-3607

Dear Ms. Doe:

Special Olympics Wisconsin (SOWI) athletes are learning the value of teamwork, witnessing the benefits of physical fitness, and experiencing the joy of friendship thanks to your donation to SOWI-Agency Agency_1.

SOWI volunteers often walk away from our competitions inspired by the pure passion of our athletes. Our athletes represent true sportsmanship everytime they step onto the playing field because they compete for the love of their sport.

Sports sparked the Special Olympics movement in 1968 and today SOWI has expanded to provide not only athletic competition, but also support programs for athletes and families. The Healthy Athletes® program improves participant's nutrition and lifestyle choices, the Athlete Leadership Program allows athletes to serve in positions of influence to direct the organization, and Young Athletes™ introduces children with and without intellectual disabilities, ages 2-10, to the world of sports.

Your gift gives individuals with intellectual disabilities the tools they need to increase their self-confidence, improve their health, and work in solidarity with others. By supporting SOWI, you are not only giving the gift of sport you are making an athlete's dream of becoming a confident and independent individual a reality on the job, in the classroom and within the community.

Thank you!

Yours Sincerely,

Special Olympics Wisconsin - Agency 1-11

OFFICIAL RECEIPT

Special Olympics Wisconsin acknowledges that no goods or services were rendered in exchange for this contribution. This letter serves as a receipt for your records.

Donor: Ms. Jane Doe

Gift Date: June 1, 2012

Amount: \$100.00

Description: Agency Contribution

Sales Tax

SOWI is a tax exempt organization but we are not exempt from collecting sales tax. This means we must report sales tax on the sale of taxable items and submit these taxes to the Department of Revenue each month for the previous month:

- Sales of goods such as T-shirts, candy, wreaths, bird seed, buttons, concessions, souvenirs, etc.
- Any admissions/participation/registration fees we charge to events (including holiday and recognition events)
- Live or silent auctions
- Any fees we charge for carnival games or similar activities

If you do not participate in any of the activities listed above, you do not have to read any further regarding sales tax. Please note that the sale of raffle tickets is not a sales taxable activity. That is a separate reporting process. Work with your Regional Development Director on all Ruffles.

If you participate in the above activities, please note:

- When figuring your sale price, make sure you mark up your items enough to still make a profit after the sales tax because you will now have to pay sales tax.
 - When selling, you **must** disclose to buyers that sales tax is included in the price. This should also be disclosed on brochures and price signs. This is a Department of Revenue rule.
 - Sales tax items must be reported in the month they were sold/charged using *Sales Tax Summary form*.
1. If you participate in sales tax activities listed above, please do the following:
 - a. Complete *Deposit Ticket* (mark the check box stating there are taxable sales items included in your deposit).
 - b. Complete the *Sales Tax Summary form* and include with your deposit. The amounts on this form must match the taxable money you are depositing.
 - c. Deposits for taxable items must be submitted in the month the items were sold/charged.
If it is the last day of the month, submit by next day as SOWI must report sales tax to the Department of Revenue at month end.

All deposit forms can be found under Agency Forms & Tools on the Agency log in page of our website, SpecialOlympicsWisconsin.org as well as in the *Forms for Duplication* section of this handbook.

The good news is that SOWI will manage all this government reporting for you based on the sales tax summaries you submit to us. No need to worry about filing deadlines or penalties! If you have questions you may contact the Gift Records Manager, at the Headquarters office.

In-Kind Contribution Procedures

When you receive completed *In-kind Contribution Receipts* for your Local Program, please follow the steps listed below. The Headquarters office will provide Local Programs with *In-Kind Contribution Receipts* and postage paid #10 business size envelopes to mail completed forms to State office. **Completed Receipts are due within 30 days of receipt of item.**

For a detailed explanation of the procedures and documents please reference document the **In-Kind Contribution Procedures** in the appendix portion of the Local Program Guide.

All Special Olympics Local Programs who receive and spend funds in the name of Special Olympics will have an in-house account with SOWI. Local Programs that have their finances accounted for in-house with SOWI will be required to maintain their account balances by following all procedures outlined in this handbook in the Finance / Local Programs with In-House Accounts section.

Local Programs are included in the SOWI annual financial audit.

Procedures For Local Program Accounts Payable

When you purchase items for your Local Program, please follow the steps listed below.

1. Make sure the expense is an allowable. See the list of allowable and non-allowable expenses at the end of these procedures.
2. Contact the vendor from whom you wish to make the purchase to inquire about and establish a direct. If you need a credit application filled out, either e-mail or fax it to the Finance Department at the State Office. We will complete the needed information and return it directly to the vendor.
3. Once the direct billing has been established with the vendor you will be able to make your purchase.
4. When you make a purchase, please have the bill/invoice sent directly to the State Office.
Special Olympics Wisconsin
Attn: Accounts Payable
2310 Crossroads Drive Suite 1000
Madison, WI 53718
accountspayable@specialolympicswisconsin.org
5. Fill out the *Invoice Approval Form*. This form must be filled out completely.
 - a. Name of Payee – the party you purchased items from.
 - b. Amount - the total amount due.
 - c. Purpose – Please be as detailed in this section as possible. Include names, dates, locations, and reason for purchase.
 - d. Local Program Number – ALWAYS include your Local Program number.
 - e. Local Program Manager Approval and Witness - the witness cannot be a family member of the manager and must be a member of the Local Program Management Team who is a Class A volunteer without financial restrictions. An invoice will not be paid without dual approval. Please be sure you sign and print your names.
 - f. Expense Code – included is a list of Expense Codes. The expense codes listed are throughout ALL levels of the organization. Your expense must be an allowable expense as listed in this section of the handbook. If you have any questions, please contact the Finance Department.
 - g. Date to be paid by – Date payment is needed. Special Olympics Wisconsin pays all invoices on a net due in 30 days basis unless otherwise noted.
 - h. Date of Purchase – Date you made the actual purchase.
6. Upon receiving **both** a completed *Invoice Approval Form* and the invoice, the Accounting Department will pay the invoice.
7. Invoices are paid bi-weekly. Invoices are scheduled to be paid the week following receipt into the State Office. There may be times when it will take additional time to process payments.
8. Monthly Financial Statements will be available on the Local Program page of the SOWI website. These statements will be available on or before the 15th day of the following month. For example, January reports will be posted on or before February 15th. These reports will show all expenses and revenue for the month. If you need more specific reporting, please contact the Finance Department. Each invoice will be paid in full, as long as you have sufficient funds in your account.

SOWI Allowable Expenses

Allowable Expenses

- Uniforms for athletes
- Snacks & meals for athletes and coaches
- Costs associated with athlete training or competition
- Volunteer mileage reimbursed at the current IRS charitable rate
- Gift cards for a reasonable amount to show volunteer appreciation (make sure to list the name of the recipient) – not to exceed \$25.00 in value
- Bus rental
- Purchase of sporting equipment used during training for Special Olympics events
- Costs associated with recruiting new athletes or increasing athlete participation
- Costs associated with promoting Special Olympics in your community
- Reasonable fundraising expenses (concessions, candy sales, t-shirt sales, wreathes, etc.)
- Office supplies such as postage or paper
- Storage for sporting equipment
- Professional training fees (please have recipient fill out *IRS W9 Form*)
- First aid / medical supplies
- Laptop/computer and software – Not to exceed \$1000.00 per calendar year
- Banquets/Local Program party - Average cost should not exceed \$20.00 per athlete. (If athlete and/or family and friends are charged, this is taxable and proper form completed to).

*Any item with a purchase value \$1000.00 or greater will require the prior approval of the SOWI Sr. Director of Field Services Office

*All items that have a purchased price of \$2500.00 or greater are considered asset and SOWI needs to be notified for insurance and tax asset inventory tracking.

Non-Allowable Expenses

- Cash donations (memorials or cash gifts - SOWI permits nominal memorials for athletes & coaches)
- Gasoline purchases (unless refueling rented vehicle to transport athletes to Special Olympics event)
- Gift cards purchased to put gas in volunteers personal vehicles
- Cell phone service or land line phone service
- Loans
- Vehicle purchases
- Stock purchases
- Salaries or stipends for any Local Program position