

## Appendix A:

### Team Budgets, Financials, and Fundraising Policy

#### Team Budgets

Each individual team shall establish a budget and be responsible for levying fees to team members, sufficient to pay for the team's operations for the entire season. A preliminary team budget should be prepared prior to the first team meeting. The budget should be presented to the parents at your parent meeting and should be approved by the parents.

When creating your team budget make sure to have considered:

- Parent Contributions
- Tournament Entry Fees (including tournament seed money for home tournament, if allocated)
- Coach input (desire for extra ice; power skating; other)
- Team apparel; social event expenses
- Fundraising Income including Sponsorship, Community Fundraising, and Tournament profit allocation and Employer Grants. **(See Fundraising Policy below)**

*\*Once a Budget is agreed upon all parents should receive a copy. A copy will also need to be sent to the Parent Auxiliary, [parentaux@lloydminsterminorhockey.com](mailto:parentaux@lloydminsterminorhockey.com)*

All budgets must be submitted to the Parent Auxiliary by **October 31** of each hockey season (Exception U7 – November 15). A year end ACTUAL budget must be submitted to Parent Auxiliary by **April 1** each year. A sample budget for your division will be available from your division director.

Any amendments to the budget over the course of the season will require a new review by parents, and a new submission to Parent Auxiliary.

#### Financials and Banking

The next most important team volunteer besides the Head Coach and Team Manager is the Team Treasurer. This volunteer is responsible for tracking all team expenditures, as well as managing the team budget and bank account. It is the manager's responsibility to provide oversight over the team finances, help guide financial decisions and serve as a second signing authority on all transactions. The manager may also take on the roll of treasurer, but teams will require a second signing authority on all banking. It is helpful to choose a Treasurer who has a financial or accounting background and/or is familiar with Spreadsheets.

All Lloydminster Minor Hockey accounts are opened at a financial institution chosen by the board. Teams will require a letter from Parent Auxiliary authorizing the manager and co-signor to be added to their team account, and designating them as signing authorities.

Note:

- Your team budget must be submitted to [parentaux@lloydminsterminorhockey.com](mailto:parentaux@lloydminsterminorhockey.com) before a letter will be provided.

General Information:

- All bank accounts must be opened in the name of the team with a minimum of 2 co-signers. Team funds should not be held in an individual account of any coach, manager, etc. Spouses, relatives or significant others may NOT have joint signing privileges.
- All team bank accounts, apart from AA and higher, must have a zero balance at the end of the team's season (accounts are no longer closed). If sponsorship money is still in the account, it needs to be turned over to LMHA.
- Any debts or bills incurred by any team, team official or player in the LMHA, must be settled by the said team or individual unless approved in writing by the Board of Directors. LMHA will not honor these debts.
- Any team or individual incurring debts in the name of LMHA without the approval of LMHA shall be liable to persecutions and suspension from the Association
- All teams that become involved in fundraising, receive parental contributions and/or possess a bank account, must submit an initial budget as well as a year-end financial statement (budget)
- Monthly bank statements should be presented to the team's parent group to keep all informed. This is the responsibility of the team manager and treasurer.

All payments should be made by cheque or e-transfer. Should neither option be available, cash deposits must be receipted for the protection of coaches and team officials. No expenses are to be paid without a receipt or, in the absence of a receipt, a written authorization from the Team Manager.

Following completion of the season refunds of credit balances held in individual team accounts shall not be distributed until all revenue has been collected and expenses paid. If there is an excess of funds after all team expenses have been paid, parents may be refunded to a maximum amount equivalent to the actual cash contributions provided by parents to the team over the course of the season. No team is allowed to refund a parent more than what was contributed "out of pocket" or for any fundraising amounts raised by parents over the course of the season.

Refunds will be accounted for as a reduction in the parent contribution towards the overall budget. A refund to the parents must not put a team in a position where more than 45% of their overall team revenues were collected from fundraising.

General Regulations for Team Fundraising:

1. Player fees shall be a minimum of the following amounts before additional fundraising and sponsorship (excluding home tournament allocation, and employer grants) may be approved:

U7	U9	U11	U13	U15	U18
\$150	\$250	\$350	\$450	\$550	\$550

2. Fundraising must account for no more than 45% of the initial and final budget amount. Our community supports us through fundraising and sponsorship, but to not exhaust our community with fundraising efforts, the majority of a team's budget must be covered by team fees.
3. The TOTAL of the following sources of fundraising and sponsorship must not exceed 45% of the team's budget:
  - a. Team Fundraising
  - b. Team Sponsorship
  - c. Home Tournament Profit Allocation
  - d. Employer Grants received (see below)
  - e. Fundraising carried over for AA teams
4. All effort shall be taken to not exceed the maximum fundraising limit. A Team's sponsorship money in excess of 45% of the teams budget, or which remains unused at the end of the season must be returned to LMHA and will be allocated to: Facility expenses, jerseys, equipment of items based on AGLC guidelines. Exception for AA teams: Fundraising money that is not spent on eligible expenses, can remain in the account, and be carried forward as fundraising dollars to the next hockey season as in point 3.e) above.
5. The only contributions to a team's budget which are not considered as fundraising are contributions made by parents.
6. Fundraising must be conducted in such a manner and at such time, as to cover **actual** expenses, or **anticipated** expenses only. In no case, shall any member or team be permitted to engage in fundraising where it is not anticipated those funds will be used to cover team expenses as set forth in an approved budget. Any member of the Association who violates this Policy is liable to suspension or other sanction by the Association for a violation of the provisions hereof.
7. All fundraising activities shall be approved by the Association prior to the date of such fundraiser. A team budget must be submitted to parent auxiliary prior to a fundraising

proposal. On the completion of each fundraising initiative, a new budget should be submitted to show actual profit.

8. It is the responsibility of the team to comply with all requirements, licenses and approvals as dictated by the Alberta Gaming Commission and City of Lloydminster. For clarity - **NO TEAM shall use the Association's Alberta Gaming Commission license number for any team fundraising activities but shall make such application under their own license.**
9. No parent or family can provide goods or services to the team and/or players where the parent, relatives of the family, or their place of business profits from the sale of goods or services without divulging such conflict to the team. In such case the parents on the team must approve the use of such conflicted parent by 90% vote (excluding the conflicted parent) and must obtain parent auxiliary approval. (Example: Parent is sales consultant for a multi-level marketing company, sale of their product is suggested for fundraising. – Parent receives some commission from the sales and is in conflict of interest).

#### Team Fundraising Sources

1. Soliciting Funds from Businesses (Sponsorships)
  - a. Regarding fundraising, teams shall not approach any existing LMHA Sponsor for fundraising or sponsorship at any time unless a parent or player has a direct connection to the people who manage the business. Please contact the LMHA office for a list of LMHA Sponsors.
  - b. "Fundraising" includes any fundraising recognized as being a team effort to obtain funding including such activities as bottle drives, silent auctions, raffles, product sales, concession attendance or team sponsorship.
  - c. If any team encounters a business which expresses concern over the number of times that they have been approached to provide funds to the Association or a team of the Association, they shall advise the Association. The Association will then in turn request that teams refrain from approaching this business.
2. Community fundraising activities may include product sales like chocolates, raffles, bottle drives, flyer delivery, social funds and other activities which do not involve solicitation of businesses.
  - a. No team shall be involved in a fundraiser which involves the sale or consumption of alcohol, tobacco products, marijuana or other substances not approved by the Association unless approval has been provided by the Association in accordance with this policy, excluding exceptions listed below.
  - b. Any fundraiser proposal submitted that involves selling products from a source outside our community will need to include a cost comparison from our local suppliers to justify the choice to go outside our community. This does not mean

that the proposal will be approved. The Association wishes to support the local business community as that community supports our program.

- c. Per Alberta Gaming Liquor Commission, "A raffle is a lottery scheme where ticket purchasers pay for a chance to win a prize". Any time you pay a price for a chance to win a prize, a raffle license is needed. All teams must apply for their own license as discussed under general guidelines. Please Review AGLC information here [Raffle: \\$20,000 and less | AGLC](#)
3. Allocation of Tournament profits – Divisions may be selected to host tournaments. Tournaments may also provide fundraising to a team through 50/50 sales, prize tables, etc. A Tournament account is run separately from division teams, and a tournament committee will be responsible for reconciling profits, and allocating amongst the teams.
4. Employer grants may be available through employers in recognition of employee volunteerism within the community. Please speak to your employer. Should you be eligible to receive an employer grant, you will need to inform the office for proper recording. Grants are typically payable to Lloydminster Minor Hockey as a not-for-profit business. Grants should be reported to the office once the employee receives notification that their application has been approved. – Please report amount, cheque or reference number, and team name to the office. Once funds are received by LMHA and tied to your team, the amount will be distributed to your team less an administration fee.

#### Exceptions to Specific Fundraising

1. Alcohol Based Gift Baskets - The raffle of gift baskets that contain sealed alcohol beverages is allowed provided the tickets for such basket are only sold by adults (no minors). The basket must not be consumed immediately at the location where the basket is presented. The raffle of such basket is not advertised as a "liquor raffle", "booze basket" or similar term. An example of an alternatives may be "Parent Party Basket".
2. Auction Nights (Silent or otherwise) - The Association may authorize teams to conduct an auction night/pub night upon the following terms and conditions:
  - a. No revenue is received from the sale of alcoholic beverages for consumption during such event including but not limited to shooter sales, a rebate of a percentage of alcohol sales from the establishment the event is being held or free drinks in exchange for a purchased ticket to such event.
  - b. The event is not advertised with any alcohol specials or alcohol brands and is not advertised as a "pub night", "bar night" or any other similar term.
  - c. All alcohol sales and service are conducted by the staff of the location of the event and no member of the Association is involved in the serving of alcohol.
  - d. The team obtains a \$2,000,000.00 liability policy of insurance that includes the Association as an insured for the night of such event and provides the Association with copy of such policy.

## **Use of Fundraising Proceeds**

Funds obtained from the fundraising sources above should only be used towards expenses that enhance player development.

Fundraising proceeds may be used for:

- Travel if for an organized and structured sporting event sanctioned by the local or provincial governing body (ex. Hockey Alberta). Travel expenses include:
  - direct-route transportation by bus charter
  - food and non-alcoholic beverages if outside the team's community
  - overnight accommodation if outside the team's community and
  - tournament registration fees
- Other items related to team/player development
  - Facility expenses for additional ice within or outside Lloydminster
  - Dry-land training
  - Videography
  - Motivational speakers, or other professional services to develop the physical or mental skills of the player
  - Head coach expenses if the person is not a parent
  - Team photo for sponsorship recognition

Fundraising proceeds must not be used for:

- items that become property of an individual player/coach (player clothing/gifts, coach clothing/gifts)
- items that have been personalized, such as names on uniforms, jackets, or track suits
- activities not related to competitive play, practice, or events including recreational or social activities (team building social events, team wrap up party)
- travel for non-participants (ex. Family members/Friends hotels and meals)

Parent donations may cover the cost of:

- Team clothing
- Team meals
- Coaching staff gifts
- Player gifts
- Team social events

**Any exception to the above should be discussed with the Treasurer and Parent Auxiliary.**