



FINANCE COMMITTEE MINUTES

February 8, 2024

Committee Members: (*indicates present)

- *S. Penhollow, Chairperson
- A. Lloyd, Buffalo Representative
- *K. Burnett, CCAA Representative
- *B. Hickson, ECIC Representative
- *J. Contento, NFL Representative
- *E. Valley, NO Representative
- *M. DiFilippo, Executive Director
- *B. Fadeley, Treasurer

1.0 Treasurer's Report

1.1 Treasurer's Report (Appendix A)

Nothing remarkable to report. Just a comment, at the time this report was generated, the month of January 2024 ice hockey and indoor track officials and gate worker expenses, which are paid via the ArbiterPay platform, were not yet reconciled in Quickbooks. As such, the ArbiterPay line item stating in excess of \$117,000 is skewed quite a bit without those expenses reflected. Nonetheless, the fund balance remains in good standing.

2.0 New Business

2.1 Section VI issued 1099s

a) 1099 MISC (Rentals)

The Section was informed by its accountants that in addition to issuing 1099 NECs for payments, \$600 or more, made to individuals and entities for services provided during a calendar year, the Section also is responsible to issue 1099 MISC to any entity, with the exception of corporations, for rental payments, \$600 or more, during a calendar year. The Section has numerous vendors that are paid for site usage. In addition, high schools, colleges and universities, and village and town recreation departments are not exempt from being issued a 1099 MISC. No entity is exempt unless they hold legal status as an S-Corporation or C-Corporation.

To accomplish this task, the legal status of all the entities the Section pays rental to was researched, W9s and EIN numbers obtained, 2023 venue bills were reviewed to parse out any reimbursements to admin staff and custodial (reimbursements are monies not to be reported on 1099s). New expense accounts and mappings were added in Quickbooks for accurate bookkeeping and the fall 2023 venue bills are being reviewed to ensure accurate data recording.

Moving forward, schools who indicate charges on a Section VI venue contract will need to supply an itemized invoice to ensure accurate bookkeeping.

b) IRS e-File Requirement

Past practice of the Section was to paper print 1099s. As of January 1, 2024 the IRS set forth a new requirement to e-file for any entity that issues 10 or more 1099s. The Section issues significantly more than ten (10) 1099s annually. The Section currently uses an older version of Quickbooks, which does not support e-filing. As such, B. Fadeley compiled and supplied Bonadio 2023 1099 data to e-file the 1099 NECs and 1099 MISCs on behalf of the Section. The Section's 2023 1099

e-file is now complete.

2.2 23-24 Bonadio Services

Informational - With the mandate by NYS for the Section to change its operations from a modified cash basis of accounting to an accrual basis of accounting and the change in process for 1099s, additional guidance and assistance from Bonadio was needed. Thus, the Section will incur more charges for services provided this fiscal year as compared to last year fiscal year.

2.3 QuickBooks Software

The Section's QuickBooks software is outdated and requires a newer version to receive support and critical security updates. B. Fadeley is currently investigating versions that would be appropriate for the Section's operations, and pricing. In addition, she has a meeting next week with an Erie 1 BOCES technology representative regarding preparation for installation, data transfer, and back-up to the BOCES server when it comes time to transition to the newer version.

2.4 Credit Card Limit Increases (support state championship expenses/increase cash rewards)

Last week, the Section received approval for credit limit increases on both Section VI credit cards. Bank of America approved a \$30,000 limit, up from \$15,500, and Northwest Bank approved a \$50,000 Limit, up from \$10,000.

It has become increasingly difficult to coordinate split payments across credit cards as well as navigating hotels and caterers that do not accept e-checks. The credit limit increases will allow the Section to more easily support the significant charges for state championship hotel stays and meals with overlapping timeframes across multiple sports. This should also relieve providing chair people paper checks (*for vendors who take credit cards) within a short turnaround time to take on their travels to their respective state championships.

These credit limit increases will also prove beneficial in regard to cash rewards programs the Section holds with both of its banking institutions. Bank of America's program is incremental with no time limit for redemption. The Section's rewards account is currently set to 3% cash back on travel, 2% on meals, and 1% on all other purchases. But, due to the Section's Platinum Honors status with the bank, it receives an additional 75% on cash rewards for each category, thus 5.25% cash back on travel charges, 3.5% on dining, and 1.75% on all others purchases. Northwest's program is a point-system with monthly expiration and minimum of 1500 points per month to receive cash back.

Section purchases are strategized between cards in order to obtain the highest amount of cash reward.

2.5 Section VI Checks – Language added, “Void After 90 Days”

Language of “Void after 90 days” was added to the Section's checks. This was done to deter individuals from not cashing/depositing their checks and thus those checks sitting and not clearing the Section's bank account.

2.6 Girls & Boys Ice Hockey Transportation – involved schools to be billed

Section VI has contracted transportation for 23-24 Boys and Girls Ice Hockey via the Erie 1 BOCES bid process, which will be paid through the Section's contracted services coser. Once teams traveling to state championships are determined, Section VI will invoice the involved schools for the cost of that transportation.

3.0 Old Business

3.1 Section VI Associate Director Position

Approval of the position is slated as an action item at the February 2024 Erie 1 BOCES board meeting. If approved, it is anticipated the position will be posted sometime in March 2024.

4.0 Good of the Order

4.1 Next Scheduled Meeting – Thursday, April 10, 2024, via Zoom

4.2 ***Motion to adjourn***

CARRIED
Burnett/Valley

Section VI NYSPHSAA, Inc.

Balance Sheet

As of February 2, 2024

Feb 2, 24

ASSETS

Current Assets

Checking/Savings

1043.1 · Northwest CD	304,533.27
1050 · Arbiter Pay	117,882.00
1030 · Bank of America Checking	389,410.03
1040 · Bank of America Money Market	25,999.14
1043 · Northwest Savings Bank	119,673.84

Total Checking/Savings 957,498.28

Dedicated Funds

	Dedicated Amounts	Approx expenses to date	
Boys Ice Hockey	\$ 137,500.00	\$ 47,647.73	
Girls Ice Hockey	\$ 49,500.00	\$ 23,987.50	
Indoor Track	\$ 124,800.00	\$ 61,550.38	
State Championships	\$ 210,000.00	\$ 52,000.00	
	<u>\$ 521,800.00</u>	<u>\$ 185,185.61</u>	\$ 336,614.39

FUND BALANCE \$ 620,883.89