

Kiwanis Club of Lincoln
Bill Paying
(normally done weekly before regular meeting)
Write-up prepared 1/2009

Note that the treasurer attempts to pay bills every week, normally on Fridays prior to the regular meeting of the club so the checks can be signed at the meeting. Treasurer is not a checking account signatory however has authority to transfer funds between designated Kiwanis Club deposit accounts.

Procedures by Committee Chair or Designee in Preparation for Bill Paying

The “*Expenditure Authorization Form*” with supporting paperwork is the start point for initiating a payment. This form is normally completed by a committee chair or designee (particularly for Community Service Fund expenditures). This process recognizes that the committee is in the best position to know what projects have been completed and which bills need to be paid. Before a committee is authorized to commit to a club expenditure, there must be specific budget line item approval by the Board of Directors. The budget process is normally started in August and the goal for Board approval is the first meeting in October (at the beginning of the Kiwanis year). Committees may come back to the board throughout the year for changes (additions, deletions or movement) to the line item budgets. “*Expenditure Authorization Forms*” for certain bills which are obvious on their face (examples: weekly meeting meal payments, purchase of parking stamps for sale to members, insurance payments, etc.) are completed and approved by the treasurer.

Instructions for Preparing the Expenditure Authorization Form

The following is a description related to the completion of specific information on the “*Expenditure Authorization Form*” and how to submit it for payment (the line item from the form is repeated in ***bold italic***):

- ***From (committee)***: On the line at the top of the form note which committee the expenditure is being made for.
- ***Payment amount*** – This is the dollar amount for the check being requested.
- ***Check payable to*** – This is who the check should be written payable to. This could be a vendor being paid directly or a member being reimbursed for a vendor payment.
- ***Mailing address*** – If the attached or enclosed paperwork has the correct mailing address for the check clearly noted on it, there is no need to complete this part of form. If it is not clear on the paperwork then write the full address for where the check should be sent.
- ***Due date (if known)*** – If the check is needed no sooner than the next couple weeks, no need to complete this item. If a rush payment is needed, insert the due date. (Checks will only be processed on a weekly basis, however.)

- ***Description of project and expenditure*** – Insert enough detail to enable the treasurer to relate the expenditure to a specific line item in the committee’s budget.

The committee chair or designee is to sign and date the form indicating approval to pay the bill. (Note that the bottom couple inches of the form is for information to be added by the treasurer for filing and general ledger coding information).

Forward the completed “*Expenditure Authorization Form*” and attachments (bills, invoices) to the treasurer at a meeting or to the address listed at the top of the form.

Payment Processing by Treasurer

The treasurer will use best efforts to prepare check for signature (treasurer is not a signatory) and mailing at the next regular Friday club meeting. To the “*Expenditure Authorization Form*”, the treasurer adds (at the bottom of the form) the check number, date paid, amount of payment, general ledger coding and from which fund the bill is to be paid (Community Service Fund, Administrative Fund or Foundation).

The general ledger coding is written on the check stub for later entry of the transaction to the general ledger. Supporting documentation is then attached to the reverse side of the “*Expenditure Authorization Form*” and the form is filed in the relevant bills paid file in check number order.

After all checks have been prepared for the week, the treasurer draws an outstanding balance for each checking account used and transfers funds (in \$1,000 increments) from the related money market fund to the checking account so there are sufficient funds to clear the checks released that day. The treasurer has specific authority to inquire on bank balances and to transfer funds between the relevant money market and checking accounts. After signature by an authorized signatory (usually done at the weekly club meeting), the checks are delivered and/or mailed to the payees.

At least monthly, the treasurer balances the various checkbooks to the bank records. The treasurer has on-line inquiry capability for all deposit accounts.