

CONNECTIONS FOR INDEPENDENT LIVING
BOARD OF DIRECTORS COMMUNICATION

Meeting Date:	August 13, 2018
Type of Item:	Action/Vote
Subject:	Check Signature requirements
Presented by:	Alicia Garza

Recommendation:	To increase the requirement of dual signatures on checks to allow for increased staff productivity in line with best accounting practices.
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Background: Currently dual signatures, normally the Executive Director and Board President or Vice President are required for all checks in excess of \$500.00. On average, the agency is required to write ____ checks per month at the \$500.00 or above level. This requires numerous hours of tracking down appropriate board members and acquiring second signatures.

Research: Upon further research, we find that it is best practice among nonprofit agencies to find the “break point” amount where most checks are being processed for normal business transactions. For Connection this amount is \$____. Therefore I recommend that any check above \$____ be submitted for dual signature.

Allowances: This practice will allow for increased financial productivity and less staff time utilized in processing. All items will still be subject to audit and will meet requirements for rule of three in best accounting practices.

Exceptions: The board may, at any time, require a second signature on special payments or capital projects at their discretion.