

## Sample Check Writing Policy

All expenses incurred on behalf of the (*Chapter Name*) must be approved PRIOR to purchases. This process allows the (*Chapter Name*) to prepare for its cash flow needs and make adjustments as necessary for unbudgeted expenses.

**Purpose of Chapter checking account.** The Chapter's checking account is used in the management of the Chapter's ongoing financial operations. The account may be held at any FDIC-insured financial institution selected by the Board of Directors. *The President, President-Elect and the Vice President of Administration or Finance or Treasurer (note: chapters are encouraged to select two of these positions)* are the only board members with the authority to open and close monetary accounts as needed to facilitate the chapter's needs.

**Location of Chapter checkbook.** The checkbook will be physically located at the (*Chapter Administrators physical location*). It must be locked and secured when not in use.

**Identity of signators.** Signators on the account are the (*Chapter Administrator, Chapter President, Chapter President-Elect, Vice President of Administration and Chapter Treasurer – select all that apply for your chapter.*) Signature cards will be amended at the beginning of each calendar year, preferably during the month of January.

**Number of signatures required.** Two signatures are required on all checks\*. Whenever possible, the Chapter Treasurer/President will provide one of the two signatures required.

**\*Note:** The number of signatures required for checks may vary according to your chapter needs. Some examples are offered below.

- Example 1: Two signatures required on all checks
- Example 2: A single signature for checks under \$500 and for any pre-authorized (through the budget) expenses. If unbudgeted, two signatures are required (see process below).

**Processing of checks.** Checks may be processed when accompanied by a check request form or expense approval form (**note:** a sample check request form is included at the end of this document) and one of the following documents: a) a vendor invoice or purchase order, b) a written receipt (to reimburse a Chapter member who has handled an expense on behalf of the Chapter), or c) a completed order form (for ordering of name badges, supplies, etc. on behalf of the Chapter). Payment will be made in 30 days or less with proper documentation.

(**Note:** include this statement only if it applies to your chapter) Check requests for expenses associated with the Conference on Philanthropy or National Philanthropy Day<sup>®</sup> must first be signed by the (*Conference on Philanthropy or chapter*) treasurer or the (*National Philanthropy Day or chapter*) treasurer before being processed.

**Approval of budgeted and unbudgeted expenses.** A hierarchy of approval must be created within the chapter.

- Example 1: The Chapter Treasurer may approve any unbudgeted expenses of less than \$250. Unbudgeted expenses of \$250 to \$499.99 must be approved by the Executive Committee, with unbudgeted expenses of \$500 or more approved by the entire Board of Directors.
- Example 2: A board chair may approve expenses under \$250.00. Expenses from \$250-\$500 must be approved by the chair and the chair's Vice President. Expenses over \$500 must be approved by the chair, the Vice President, and the Treasurer or the Vice President of Administration.

BEFORE incurring an unbudgeted expense, the appropriate documentation must be completed with the required signatures (number of signatures varies by level of expense). If this form is not received prior to spending, the (*Chapter Name*) reserves the right to refer the vendor to payment from the individual who incurred the expense.

The (*Chapter Name Administrator or President*) is prohibited from reimbursing any expenses or paying any invoices for which there is not appropriate documentation.

**Important information to consider when formulating your check writing policy:**

- Does the above policy exist in tandem with an expense procedures policy and operating policy for the chapter?
- Is there a hierarchy of approval for expenses based on committee and board structure?
- Are there additional board members or volunteers that should be included on the above list, ie your chapter has a chapter administrator?

## AFP (*Chapter Name*) Check Request Form

Amount: \$ \_\_\_\_\_ Date: \_\_\_\_\_

Payable to: \_\_\_\_\_

Company: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Mail to: ( ) Payee ( ) Other      Date Check Needed: \_\_\_\_\_

Purpose of the check: \_\_\_\_\_

Requested by: \_\_\_\_\_ Invoice No: \_\_\_\_\_

Phone: \_\_\_\_\_ E-mail: \_\_\_\_\_

\*\*\*\*\*

Approved by: \_\_\_\_\_ AFP Officer Title: \_\_\_\_\_

AFP Treasurer's Authorization: \_\_\_\_\_

No payment can be made without this completed Check Request approved by the appropriate Board Officer and Treasurer.

*Submit all invoices with check request. Allow three to seven days for processing.*

(For NPD or Conference – the committee treasurer *must sign* this check request before submitting to AFP Office/AFP Treasurer)

**National Philanthropy Day Check Request ---- OR ---- Fundraising Conference Check Request  
(Additional authorization information –Check request must be signed before  
submitting to AFP for payment.)**

Treasurer Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Please Choose: \_\_\_\_\_ NPD \_\_\_\_\_ COP

Phone: \_\_\_\_\_ E-mail: \_\_\_\_\_

Fax: \_\_\_\_\_

Please allocate expense to account # \_\_\_\_\_

Date Submitted: \_\_\_\_\_

----- Accounting Use -----

Charge to account: \_\_\_\_\_ Budget item: ( ) Yes ( ) No

Check No: \_\_\_\_\_

Date: \_\_\_\_\_

Mailed/Sent Date: \_\_\_\_\_

**Mail or Fax to:**

*AFP Chapter Name (With appropriate signatures and invoices.)*

*Address 1, Address 2*

*City, State Zip*

*Fax Number Phone Number*