

## **SBNC Treasurer History** (updated Dec 2013)

Several terms to January 2012—Katherine Gallagher  
February 2012-July 2012—Garth Nobis  
August 2012-January 2013—Catey Dunkley  
February 2013-March 2013—Gordon Hartwig (resigned)  
April 2013-January 2014—Catey Dunkley

### **Prior to August 2012:**

The club's accounting records were kept on the Treasurer's home computer in a very old version of Quicken. The hard copy documents were kept in about 8 large bin's in the Treasurer's garage; the number of years of records stored is unknown.

The paper records from July 2012 and earlier are currently stored in newcomer member Connie Townsend's barn. Contact Connie at [connie@thetownsendteam.com](mailto:connie@thetownsendteam.com), or 805-570-7707. Suggest paper records be destroyed when 2012 records are no longer needed.

The committees mailed the checks, paper copies of the FAR and receipts to the Treasurer after each event. The Treasurer prepared, made and recorded the deposits for each event.

To write checks, the Treasurer used bill pay at Santa Barbara Bank and Trust, which subsequently became Union Bank in 2013. In addition, payments had to be entered a second time into Quicken...so each payment had to be recorded twice.

Income and expenses were recorded whenever the Treasurer received the information in the mail, not in the month the event occurred. This was frustrating for committee chairs and board members because the Treasurer's reports never tied to the actual event results. It was also an unsustainable mountain of work for the Treasurer.

### **August 2012**

We purchased a 3-user license from QuickBooks Online (QBO) in July 2012. The annual renewal occurs in July; contact QuickBooks in advance to try to negotiate a lower nonprofit fee than the normal fee. You will have to request the adjustment each year before renewal.

The ending balances from Quicken at 7/31/12 were loaded onto QBO and we began using QBO 8/1/12.

There are no more paper records. All files are kept electronically in a cloud, Dropbox. All receipts, invoices and other backup documentation are received and stored as photos, pdfs or other digital documents.

Committee chairs began making bank deposits for their own events and emailing the supporting information to the Treasurer. Committees completed the FAR in excel, including check receipts and expenses and emailed the information to the Treasurer who booked revenue and expenses, and mailed checks. We discontinued using the bank billpay, which did not communicate in sufficient detail with QBO, to eliminate the duplicate entry of all reimbursements required previously. The results reported on each committee FAR agreed to the net results reported in the monthly financial statements.

## **April 2013**

The club launched a new website and began accepting event payments via PayPal. In accordance with proper internal accounting controls, the intent was to match the PayPal receipts to the website attendee page for each event. However there were many bugs in the website system so matching the website inputs to the PayPal collections was impossible.

Fortunately the PayPal system works accurately so we rely on the PayPal information. This is not ideal from an internal control perspective, but until accurate information is reflected on the website, the only option is to rely on PayPal. As of December 2013, we have not found any errors in processing on the PayPal end since we began using PayPal. **Note:** All complaints from club members about PayPal are in fact generated from bugs in the club's website, not from PayPal.

Because the website attendee registration information is not reliable, chairs no longer report their total event income on the FAR, only check deposits and event expenses. For events that still accept checks, the chairs deposit the checks, include only the deposit amount and deposit date on the FAR, and email deposit documentation to the Treasurer.

The Treasurer downloads PayPal collections from the PayPal website, which are then sorted by event and booked to the appropriate month and committee. This is a fairly labor intensive process as the information has to be sorted by event. Each event's collections are then transferred to a separate file which has to be manually adjusted for refunds and duplicate payments before the revenue can be booked to the appropriate event. As a result of using PayPal, there is an additional account on the club's balance sheet, Advance PayPal Collections, which the Treasurer must reconcile to the PayPal information for events that will occur in future months.

The Treasurer is also called upon to research payment information discrepancies between the website and PayPal. The Treasurer helps committee chairs to determine who has actually paid for their events in PayPal, regardless of what the SBNC website says. The Treasurer also researches questions that arise from individual members and issues PayPal refunds to members who have been improperly charged twice for events due to website shopping cart issues.

As a result of the website launch, the Treasurer's time commitment was increased significantly by the complicated process required to record and PayPal revenue into the correct event, reconcile a new account for Advance PayPal Collections, and by the research needed to verify event registrations against PayPal payments received. It became a job nobody would take.

## **November 2013**

Authorization to hire bookkeeper. A bookkeeping task force formed in August 2013 concluded it was in the best interest of the club to engage a bookkeeper to provide continuity of record keeping from term to term, and to reduce the Treasurer's workload so that future Treasurer candidates could be identified during the officer nominating process each term. In November 2013 the board authorized the Executive Committee to hire a bookkeeper after reviewing competing proposals from different bookkeeping firms.

PayPal Research Assistant. In order to reduce the workload on the Treasurer to be elected for the following term, an unofficial position, PayPal Research Assistant, was created and

accepted by Sonny Fiebiger. Although there are PayPal research procedures posted on the website, it is a cumbersome process to follow, and most chairs are not able to do the research themselves. Inquiries about PayPal are now referred to the PayPal researcher, Sonny Fiebiger.

### **December 2013**

Blue Isle Bookkeeping Inc was engaged by the club, and will start processing transactions in December. The coordination of responsibilities between the Treasurer and the bookkeeper is still underway. The contemplated segregation of responsibilities is as follows:

#### **Treasurer**

- Receive and approve FARs from committees and provide approved FARs to bookkeeper
- Receive and approve administrative expenses submitted, and provide approved payment authorization to bookkeeper
- Receive check deposit information and forward to bookkeeper
- Supervise PayPal Research Assistant as needed, and perform research as needed
- Issue PayPal refunds as needed
- Print, sign and mail checks (prepared by bookkeeper)
- Maintain control over bank account, checks and club's debit card
- Review and approve financial statements prepared by bookkeeper
- Ensure that tax returns and other state information reports are filed on a timely basis (may involve hiring of outside professional to assist)
- Interface with PayPal and QuickBooks as the primary SBNC contact
- Support the Technology Committee and VP Website on issues that impact the club's accounting
- Respond to information requests from committee chairs, club officers and others as needed
- Supervise bookkeeping activities and approve invoices for services
- Assist in preparing a budget at the beginning of the term
- Ensure that the club's spending approval policies are followed

#### **Bookkeeper**

- Process FARs approved by the Treasurer
- Process other expense reimbursements and invoices after approval by Treasurer
- Prepare checks in QuickBooks for printing by the Treasurer
- Record deposits of checks into the appropriate events
- Record PayPal collections into the appropriate events
- Record new and renewal membership income
- Record PayPal fees and other recurring monthly charges
- Reconcile bank account
- Reconcile other balance sheet accounts
- Prepare monthly financial statements
- Compile information needed for tax returns