

Chemeketans Rule 2018-01, ACH Vendor Payments

Background and Purpose:

Chemeketans Bylaws dated 1/17/18 state: *“Executive Council may approve by rule additional expenditure and revenue collection methods including but not limited to credit card, electronic funds transfer, and online bill pay.”*

Automated Clearing House (ACH) is an electronic network for financial transactions in the United States. ACH processes large volumes of credit and debit transactions in batches. ACH transfers include direct deposit, payroll and vendor payments.

The purpose of this rule is to establish criteria and procedures for allowing ACH vendor payments. ACH vendor payments include both “bill pay” system payments initiated by the Treasurer, and automatic payments initiated by the vendor. Credit and debit card payments are not included in this rule.

Criteria and Procedures:

1. All ACH vendor payments shall be approved by Executive Council in advance.
2. Executive Council shall approve an ACH vendor payment as either a one-time or a recurring payment.
3. Recurring ACH vendor payments need only be approved by Executive Council once, prior to the first payment.
4. The Treasurer shall establish and maintain a list of vendors approved by Executive Council for recurring ACH vendor payments. This list shall be reviewed with Executive Council once a year at the February meeting. Executive Council may remove a vendor from the list at any time.
5. The Treasurer shall include in the monthly Treasurer’s Report all ACH vendor payments made in the previous month.