Policy on Account and Authorized Signers of IAEI Bank Accounts

The following resolution was duly adopted by written consent by the Board of Directors of the International Association of Electrical Inspectors (the “Organization”) on September 3, 2019.

General

International Association of Electrical Inspectors (the “Organization”) is responsible for ensuring that the financial resources and bank accounts are kept in good order. The International Office, Sections, Chapters and Divisions shall insure that in the event of the death, resignation, or inability to act for those that have access to bank accounts, that more than one individual has authorization to access the bank accounts and disbursements of funds.

Nonprofit organizations handling fund need the services of a banking institution just as any for-profit organization does. To open an organizational bank account, though, they also need authorized account signers. The organization’s leadership agrees upon the signers in an official meeting, and the signers are expected to handle any of the organization’s checking transactions that may arise. When it’s time for a change in signers though, the bank must meet with the signers involved and have them complete paperwork in order for the switch to be binding. While each bank has its own specific changeover requirements, the rules for adding an authorized signer or switching a signer are generally the same across institutions.

Opening Bank Accounts

Check with your specific bank as to their internal requirements for opening existing or new nonprofit accounts. When opening an account, bring the incorporation paperwork, the IRS tax identification number, and the IRS letter of Exempt Status. Most banks also want the last meeting minutes and election of officers assigned by the Secretary or Secretary/Treasurer.

The Treasurer or Secretary/Treasurer should be present when opening the account or making any changes. Usually, the Secretary or Secretary/Treasurer and at least one other officer should be named as signers on the account.
Ask the bank representative if there are any programs available for nonprofits. Some banks waive monthly fees for charitable organizations.

**Bank Signatory Requirements**

Have the signer for the account write a letter to the bank holding the checking account informing the bank of the change in signing status and confirming the new signer on record as representative of the organization.

Present this letter, as well as the minutes from the organization’s meeting confirming the new signer to the account, to the bank’s representative in person.

Have the new signer fill out a new signature card for the bank to hold as a record of their signature against fraud and complete a contact information sheet detailing their personal identification and contact information including their Social Security Number. The new signer will need a current form of identification, such as a state ID or driver’s license, to verify their identity when filling out the paperwork. At this point, the new signer should have signing privileges on the account.

To completely change authorization from a former signer to a new one by having the former signer meet the new signer at the bank with the minutes from the meeting declaring the change. Have the former signer fill out and sign a signer change form with the bank, changing over authorization to the new signer for the account while relinquishing their own.

**Things Needed**

- Minutes from meeting
- Current ID

**Who Can Be A Signer**

Nonprofits often change the board of directors, who then must change the authorized signers on the account. To authorize or change the authorized signer, the board needs to provide the company minutes to the bank by an existing signer. To be added as a new signer, the new signer must then present identification and sign a signature card.

**Abilities of Authorized Signers**

Authorized signers have the ability to deposit and withdraw funds, write checks or commit funds to vendors. The authorized signer can change the address of record on the account, as well. Essentially, the authorized signers have the ability to deposit and withdraw funds, as can any owner of any other account. This is why Sections, Chapters and Divisions Boards need to explicitly trust authorized signers and monitor the finances of the Organization.
Reporting to International Office

Each of the Sections, Chapters and Divisions are required to submit to the International Office annually an update and complete SCD Officers List. The SCD Officers List form will be emailed from the International Office in January of each year, along with the Annual Audit report form. The SCD Officer List form also requires the names of the authorized signers for Section, Chapter and Division bank accounts and any additional Board officers.

James Rogers
Secretary of the Board

2/2/2022
Date