

New Past Due Payment Policy Adopted

The LCI Board of Directors approved a new policy regarding outstanding club balances at their board meeting in Boston, July 2006. This policy became effective July 1, 2007.

The new policy states that any club with an unpaid balance exceeding \$20 per member or \$1,000 total, whichever is less, that is over 150 days will be suspended for a period of 90 days. If the club does not take corrective action within the 90 days, the club will be automatically cancelled. Any club that has been approved for a payment plan by the Finance Division will not be suspended so long as it continues to fulfill its obligation per the approved payment plan.

The Finance Division has sent information to the District Governors since August 1, 2006. Clubs have been informed of the new policy in the club billing mailings to the club Treasurer.

The new past due payment policy has created a challenge for the Lions Clubs organization. The District Governors, as managers of each district, receive a summary of clubs balance amounts that are due. One of the responsibilities of the DG is to encourage fiscal responsibility at the club level. As DGs work with their cabinet, they discuss these overdue balances and communicate with the club officers to prevent automatic cancellation. This action in response to change, can retain many Lions club members for the organization.