



## **Long's Chapel United Methodist Church Purchasing Policy**

### **I. Policy**

Long's Chapel United Methodist Church (LCUMC) desires to maintain a purchasing system that:

- a. Is efficient and economical.
- b. Establishes accountability and sufficient recordkeeping to reflect good stewardship of resources.
- c. Avoids duplication and waste.
- d. Allows for repurposing existing assets and equipment.
- e. Considers the current budget, cash-flow and financial position of the church.

### **II. Responsibilities**

See Organization/Administration below.

### **III. Organization/Administration**

#### **A. General**

Purchases can be made in several ways – via checks, cash, or credit cards. LCUMC strives to find good quality and competitively-priced merchandise to fulfill our commitment to good stewardship. The Church Administrator and the Financial Manager are available to assist ministries with vendor selection, pricing, and product specifications.

#### **B. Authorized Purchasers**

- i. All purchases must be authorized by the staff member who has responsibility for the line item to be charged.
- ii. In addition, expenditures in excess of \$500 will require PRIOR approval by the Church Administrator (except for regularly re-occurring expenses such as salaries, utilities, maintenance contracts, etc.) In general, this would include most “program or activities expenses” incurred by Ministry Teams and some of the Administrative Committees. If you are unsure which purchases require prior approval, check with the Church Administrator.
- iii. All computer equipment, peripherals, and software must receive prior approval from the appropriate staff person and the Church Administrator, regardless of the amount.

#### **C. Purchasing Procedure**

##### **i. Check Request**

- a. The appropriate staff member will submit a “Request for a Check” form (under \$500) and an invoice (or other appropriate documentation) to the Financial Manager.

- b. The Financial Manager will prepare checks only on Wednesday of each week.
  - c. If the purchase amount is over \$500 (or involves computer hardware or software), the “Request for a Check” form will be submitted to the Church Administrator PRIOR to the actual purchase. The Church Administrator will review the vendor and the ministry budget (or designated funds) and may request additional information or may suggest other vendors or options. The Church Administrator will approve the purchase by signing the form and returning it to the appropriate staff member.
- ii. Credit Cards
  - a. Purchases of less than \$500 may be made by using credit cards. Each staff member who has been issued a card shall be responsible for completing a “Credit Card Reconciliation Report” monthly and attaching receipts for all charges.
  - b. If the purchase amount is over \$500 (or involves computer hardware or software), the staff member will discuss the purchase with the Church Administrator PRIOR to the actual purchase. The Church Administrator will review the vendor and the ministry budget (or designated funds) and may request additional information or may suggest other vendors or options. The Church Administrator will approve the purchase by recording the vendor and the date approved on a credit card purchase log, maintained in the Administrator’s office.
- iii. Petty Cash – Purchases of less than \$25.00 accompanied by a receipt may be reimbursed from a petty cash fund kept in the church office.
- iv. Reimbursement for out-of-pocket purchases
  - a. Reimbursements of more than \$25.00 to individuals for purchases made out-of-pocket on LCUMC’s behalf are discouraged because the sales tax cannot be recovered by the church. However, the church recognizes there will be times when no other option is available. The person making the purchase should submit the receipt to the appropriate ministry staff person. The staff person will complete a “Request for a Check” form, attach the receipt, and forward it to the Financial Manager. The check will be written on the following Wednesday.
  - b. Out-of-pocket business expenses for staff members will be reimbursed in accordance with the Accountable Reimbursement Policy.