

## **Financial Record Keeping**

The leaders of the church have chosen ACS as the official bookkeeping software for Luke 10:27. It is expected that ACS alone is to be used for:

1. processing accounts payable (including the printing of checks),
2. processing accounts receivable, and
3. generating accurate financial statements all of Luke 10:27 bank accounts.

ACS is to be used to its fullest capacity to ensure that financial records are accurate and that the process is effective and efficient.

It is of utmost importance that ACS is up to date so that leaders within the church can make the best decision possible. ACS should be up to date by the seventh and twenty-eighth of each month. If the Treasurer is unable to bring ACS up to date by the specified time, the Treasurer should inform the designated Elder and Trustee Financial leader<sup>1</sup>. The Treasurer is responsible for printing and posting up to date financial statements by the seventh of every month on the church financial board (located in the Financial Office).

Money collected for designated purposes (including but not limited to books, supplies, missions, retreats, and study courses) should be recorded in ACS as a separate designated account so that it is listed on the general ledger and kept separate from budgeted accounts. The statements for these accounts will be provided as requested.

## **Expenditures**

### Authorization

Advance approval is required for all expenditures (including purchases and reimbursements). Advance approval means that the leader (Ministry Leader, designated Elder, or designated Trustee) responsible for the affected budget must approve the expenditure in writing (the voucher system is explained below) before the purchase is made or before submitting the receipt/invoice for reimbursement. All Mission expenditures must be approved by both the Mission Leader and one other Mission Board member or the designated Elder. If a purchase or event is split amongst different accounts, the voucher must contain all appropriate approval signatures. A reoccurring bill (including but not limited to utilities, telephone service, water/sewer, garbage pickup, etc...) does not require a voucher for payment. Although, annual subscriptions (Men of Integrity, magazines, etc...) require an approved annual voucher that must be submitted at the beginning of each budgeted year or before the subscription is made. Unbudgeted expenditures will be approved according to established policy.

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<sup>1</sup> One person from both the Trustee and Elder boards will be designated as their financial leader. This person will represent their board in financial matters by approving vouchers and being in constant contact with the Financial Secretary concerning financial matters.

## Procedure for Reimbursement

Each Ministry Leader, designated Elder, or designated Trustee must submit an approved purchase voucher with the corresponding receipt/invoice to the Financial Secretary. The remaining church congregation and the Mission Leader must submit the same voucher with corresponding receipt/invoice to the appropriate Ministry Leader, designated Elder, or designated Trustee for approval. That leader, Elder, or Trustee will then forward the approved signed voucher and receipt/invoice to the Treasurer for reimbursement. In order to close out the year, all receipts must be approved and submitted by January 10 for reimbursement. Neither the Treasurer nor the church staff will make reimbursements or purchases without a completed voucher.

Each Ministry Leader, designated Elder, and designated Trustee may approve budgeted expenditures up to the budgeted amount in the appropriate area. Approval for all unbudgeted expenditures and expenditures over the yearly budgeted amount (up to \$500) must be approved by the designated Elder, or Trustee. Unbudgeted expenditures and expenditures over the yearly budgeted amount in excess of \$500 must be approved by the Elder or Trustee boards. The Treasurer will ensure adequate cash flow is available to fund the request.

The annual church budget is a projection of the next year's expenditures adopted by the church in the preceding year. During the course of the budget year, some budgeted items will be expended faster than anticipated, while other budgeted line items will be expended at a slower rate or not at all. The Treasurer must be made aware of purchases in excess of \$300 at least three weeks in advance. The Treasurer must also be made aware of major events (ex. vacation bible school and youth week) and their approximate cost at least two months in advance to ensure that funding will be available. When a budgeted line item is over budget by 10% or more, the church Treasurer will recommend to the appropriate board (Elders, Trustees, or Missions) to shift unused budgeted funds from a line item or line items to cover the overage. All budget adjustments must be approved by the Elder, Trustee, or Mission Boards. Budget adjustments must be in writing (budget adjustment form) and must be accompanied with the minutes of the meeting ratifying each budget adjustment.

## Checks

Checks over \$500 must be signed by two of the following individuals: Treasurer authorized Trustees, Elders or Staff. Each person signing a check must review the approved voucher that supports the purchase or reimbursement before signing the check. Cash withdrawals from any church account must also be signed by two of the individuals listed above.