

## Approval Process for Payables

Including Vendor and Reimbursable Expenses

**Vision:** To honor God and exercise financial responsibility with timely and accurate approval of payables. To be accountable in fiscal matters and maintain a healthy environment of God-honoring stewardship.

### Reimbursements

---

Reimbursements are expenses incurred by individuals on behalf of Community Christian Church. An original receipt must accompany reimbursement requests for purchases in excess of \$10. All reimbursement requests must have an approval signature. The following process will apply:

- 1) Receipts should be submitted, with a completed *Expense Form*, directly to the appropriate ministry director, Campus Pastor (CP), or Lead Team person (LT).
- 2) That person will provide the necessary signature and submit the request to the Finance Team.
- 3) Checks will typically be issued on Wednesday morning for forms received in the week prior.

#### *Important Notes:*

- Only CPs and LTs can sign their own reimbursements – ministry directors can not.
- Each staff person will receive a manila envelope - to collect the original receipts from their reimbursable expenses in one location. For internet purchases and the like, a printed receipt is acceptable.
- In instances where a reimbursement contains charges to multiple ministry accounts, the requestor will need to acquire approval signatures for each affected ministry.
- Receipts under \$10 do not need to be submitted for reimbursement. However, they should be kept in an envelope in order to ensure that the amount requested is accurate.
- Reimbursements will not be issued solely from credit card statements. As a result, any late fees or finance charges are the responsibility of the individual.
- Reimbursements will not be issued for sales tax on supplies, property, or copyrighted materials as these expenses are avoidable under our tax exemption status. See Finance Director for a copy of our exempt letter.
- Volunteers will also be asked to submit payment requests directly to their ministry director for approval.
- It is critical that receipts are submitted in a timely manner. Expenses older than 60 days will require approval of the Pastor of Administration. In addition, the Finance Team reserves the right to hold these reimbursements based on cash flow projections.
- Reimbursable expenditures over \$500 must be pre-approved by the appropriate CP or LT using the Purchase Order Form (below).

---

## Vendor Payments

---

Vendor Payments are those purchases authorized by individuals on behalf of Community Christian Church that are billed directly to the Church. These invoices should be directed to the main office address to the attention of Accounts Payable. The following process will apply:

- 1) For one-time variable expenses, the person ordering must complete a *Purchase Order Form* and obtain approval from the appropriate ministry director. The signed PO Form will then be placed in the designated mailbox on the Finance Team desk.
- 2) For recurring fixed expenses, PO Forms and approval signatures will not be required. Items in this category include mortgage payments, utilities, insurance, leases, etc.
- 3) Invoices and statements will be received via mail in the Finance Team's incoming mailbox.
- 4) Recurring fixed expenses will be paid upon receipt.
- 5) For one-time variable expenses, the Finance Team will match invoices with the corresponding PO Form when applicable and enter them into the Accounts Payable system for payment.
- 6) In situations where a PO Form has not been submitted, the invoice will be submitted to the appropriate ministry director or campus pastor for verification and approval.
- 7) Approved or challenged invoices must be returned to the Finance Team's incoming mailbox within 7 days to insure prompt payment.

### ***Important Notes:***

- When we're missing a PO Form, it is critical that invoices and statements are approved or challenged in a timely manner as they must be paid on time in order to avoid late fees and finance charges.
- In instances where an invoice represents charges to multiple ministry accounts, the director of each affected ministry must provide an approval signature on the PO Form.
- Expenditures that are over \$500 or are being charged to another ministry must be pre-approved by the appropriate campus pastor or ABC using the process detailed below under 'Other Check Requisitions.'

---

## Other Requisitions

---

Other Requisitions are purchases authorized by individuals on behalf of Community Christian Church where payment is made directly to a supplier who may not provide an invoice (i.e. large events, capital acquisition, marketing, etc.) or where services are rendered (i.e. sound production, honorariums, etc.). The following process will apply:

- 1) A completed Expense Form must be approved by the appropriate CP or LT and placed in the designated mailbox on the Finance Team desk at least one week prior to the date needed.
- 2) The Finance Team will then review the form and process the payment.

### ***Important Notes:***

- It is critical that major purchases are submitted for pre-approval in a timely manner to ensure full awareness of current spending for cash flow purposes.
- In instances where a check request represents charges to multiple ministry accounts, the director of each affected ministry must provide an approval signature.
- Expenditures that are over \$500 must be pre-approved by the appropriate CP or LT.

## Approval Process FAQs

- 1) **When my volunteers request reimbursement can I, as a director, provide a signature?**
  - Yes. As the ministry director you may authorize this reimbursement. In unique situations where you were not aware in advance of the purchase or where the amount seems excessive, you should have a conversation with your CP or LT.
- 2) **If I am a director and have a check request for my ministry area, whose signatures do I need?**
  - Most of these situations will need to be handled on a case-by-case basis. Many of the vendors will reference the director or ministry name upon request and may even provide separate
- 3) **How exactly will this work for vendor invoices that are shared by multiple ministries?**
  - These situations may need to be handled on a case-by-case basis. Many of the vendors will reference the director or ministry name upon request and may even provide separate invoices for individual ministries. In cases where one invoice or charge is being shared by two or more campuses or ministries, the authorization of all affected parties will be required initially.
- 4) **How do inter-ministry transfers (i.e. Ground Level Café charges, etc.) factor into this process?**
  - They don't really. However, when you send the Finance Team a transfer request (by email preferably) please copy all of the affected directors so that they can either approve or challenge the transfer. Transfers will be processed once a month and included in the 30 Day Review.
- 5) **If there is income that should offset an expense, how will that be tracked under the new process?**
  - The system we use for making deposits will not change. However, you are still responsible for tracking expenses and income within your own ministry account. This new process will actually give you a more timely awareness of your expenses and allow you to track them back to the corresponding income.
- 6) **Will this approval process replace the 30 day review?**
  - No. This process will simply make our monthly review more effective. You will be able to challenge or discuss charges up front with other directors at that time that the order is being placed. The monthly report will serve as a confirmation and will provide you with accurate information.
- 7) **What if someone has spent money out of my budget without my approval?**
  - Good question. Under this process, that should not happen. If you plan to charge another ministry, consult them prior to placing an order. For most reimbursements, verbal pre-approval is sufficient. However, if you will not be able to obtain a receipt at the time of purchase, you must complete a PO Form and obtain signatures in advance.