# United Methodist Church of Macedonia

## Budget Policy and Spending Authorization Procedure

Budgeted Expenses

Each year an Annual Budget is created by the Finance Guidance Team and approved by the Unified Church Board (UCB). The budget is developed based on history along with input from the stakeholders and priorities of the Pastor and Unified Church Board. The budget reflects the best estimate of income and expenditures needed to meet the United Methodist Church of Macedonia's (UMCM) operations and goals for the year.

Funding needs must be submitted to the UMCM Treasurer by November 15th to create the Annual Budget. Meeting this deadline helps address two requirements:

a. Identifying important items for annual pledge drives
b. Determining a realistic balance for income and expenses

Certain expenses are pre-determined and definitive, for example: Northern Waters District apportionments, personnel salaries, payroll taxes, and property taxes. Other expenses are based on the foundation of prior year spending, while others fluctuate depending on weather or usage.

Once the budget is approved, the person responsible for the account must confirm with the Church Treasurer – prior to spending or seeking reimbursement – that the funds are available. The purpose is to ensure monies are or will be available relative to the approved budgeted amount.

Non-Budgeted Expenses

Three categories apply in accordance with the following Spending Authorization Process.

- Emergency Expenses

  If a problem arises that would cause immediate danger or damage to UMCM property or persons, no prior authorization is required. Once the repair is completed, those involved with the executed repair must submit work invoices to the Treasurer. Should there be insufficient funds to cover the cost of an emergency expense, the congregation will be informed of the details along with the need for funds and a request for special donations.

- Non-emergency Expense Already Approved

  Before proceeding with an expenditure already approved, but considerable time has passed since the approval, the person(s) involved should contact the Treasurer to assure the funds necessary funds are still available.

- Non-emergency New Project Expense

  The person(s) proposing a project shall complete and submit to the UCB for approval a plan for the project including expected costs. The UCB must check with the Finance Guidance team (FGT) concerning availability of funds for projects it approves. If the FGT is not present

when the project is approved by the UCB, the Treasurer can approve funding for projects up to $5,000. Spending beyond $5,000 first requires a determination by the FGT that sufficient funds are available. Alternatively, the UCB may decide to postpone or replace another project if that allows sufficient funds and there is general agreement the proposed new project should take priority.

General Spending Rules and Requirements for Fiscal Responsibility

1. Any payment or reimbursement requires receipts.

2. Excluding miscellaneous consumable food purchases, competitive quotations for comparison purposes are required for an individual non-emergency purchase greater than $500. Documentation from on-line websites such as Amazon or other on-line sources is acceptable. The goal is to ensure church donations are spent wisely based on the combination of best cost and value for the monies entrusted to us.

3. Competitive proposals are optional for In-Kind contributions. When a donation is made by or given directly to the person making the purchase and the contributor specifically expresses no need for comparatives, then the competitive pricing rule is discretionary.

4. When paying for any church expense please follow the "Credit Card and Reimbursement Spending Policy."

Thank you for following these procedures. They exist to ensure that funds of the UMCM are used appropriately.