

The Bread of Life Christian Church in Orlando

Disbursement Approval and Payment Procedure

I. Introduction

The Church adopts an accountable reimbursement plan that:

- a. Reimburses only those business expenses that Church staff and coworkers periodically substantiate as to the date, amount, and business nature of each expense, and;
- b. Requires any "excess reimbursement" (i.e., reimbursements in excess of substantiated business expenses) to be returned to the Church.

This Disbursement Approval and Payment Procedure is intended to help Church staff and coworkers file a check request properly, to receive the reimbursement check without delay, and to make necessary purchases within the budget. It is the responsibility of church staff and coworkers to ensure that every Church-related purchase fully complies with IRS regulations and general accounting practices. The Finance Department may have to withhold a reimbursement if the required documents are not submitted, or if the purchase does not qualify as related to church business.

II. Who can file a check request?

Church staff, coworkers and anyone who conducts a business transaction for the Church or on behalf of the Church may file a check request as a requester. However, the Church has the right to approve, verify, adjust, or reject the amount or the good(s) stated on the request form.

III. To make a purchase

It is highly recommended for the requester to always check with the Center or Department Head before filing a request to make sure that there is a budget for his/her purchase. To make a purchase for an amount of \$1,000 or more, the requester must complete all the information required by the Purchase Order Form, attach a quotation, and acquire needed signatures to receive pre-approval before making the purchase.

IV. Disbursement approval procedure

To file a disbursement approval request, the requester must obtain a Check Request Form from the Church office and follow the instructions on the request form. Information and must be completed on the form in order to complete the approval procedure.

The following guidelines explain how to complete the Check Request Form:

1. Please use the correct form for your request. Please refer to the reverse side of the form for the appropriate budget code.
2. Please write precisely the invoice date, the item description, the amount, the one-digit department code, and the 3-digit budget code. Please also mark "Yes" or "No" under the column of Assets if the item can be treated as a church asset. Please contact the Finance Department if you are uncertain.
3. It is a requirement for the requester to PRINT his/her name together with signature in the first signature box on the right hand side.
4. Fill out the exact name, address, and phone number of the vendor or recipient who will be receiving the check.
5. Attach original receipts and sufficient supplementary documents before acquiring signatures. It is noted that it is the requester's duty to keep original receipts. If the original receipts are missing, the items cannot be reimbursed.
6. Acquire all required signatures.

The following are guidelines for filing a disbursement request for a single purchase of goods or service totaling less than \$1,000

1. If the requester is filing a check request for a paid seminar, conference, or off-site meeting that is required by his/her job functions, he or she must clearly state the location of the event and the business-related purpose within the description.
2. Before submitting a Check Request Form to the Finance Department, please first acquire signatures from the Department head for approval.

3. If the requester is the Department head, she or he must acquire the Senior Pastor's signature as approval; if the Senior Pastor files a check request, he must acquire a Board member's signature as approval; if a Board member files a check request for him/herself or on behalf of Board business, the Board member must acquire another Board member's signature as approval before submitting the request form to the Finance Department.
4. If the requester is requesting a "service" related cash payment to a recipient who will receive \$600 or more within a calendar year, the recipient must also complete a "W-9" IRS form.
5. To request reimbursement for meals and mileage, sufficient records documenting the business purpose, location, and attendees will be required in order to receive approval. Please also follow the guidelines stated in the Meal Policy and the Mileage Policy.
6. Please avoid paying guest speakers out of your own pocket. Please use the Check Request Form so that the Church can issue a check to the speaker. Advanced planning is encouraged if prompt payment is desired.
7. To expedite the check request process, it is the requester's responsibility to attach original documents and to acquire all required signatures before sending forms to the Finance Department for check processing. All reimbursement requests must be submitted to the Finance Department within 60 days after the expense is incurred. All check requests for year-end expenses must be executed and received by the Finance Department by **Jan. 5th** of the following year, unless otherwise notified. Again, the Finance Department may withhold reimbursements if the required documents are not submitted or if spending exceeds the budget.

V. To purchase goods or services for an amount of \$1,000 or more

To purchase one single good or service of \$1,000 or more, or to purchase goods or services from one recipient or vendor for an amount totaling \$1,000 or more, the requester must receive approval for the purchase by using a Purchase Order Form, which can be obtained from the Church office. To acquire approval for making a purchase amounting \$1,000 or more:

1. The requester must complete the purchase order approval process before placing the order.
2. Fill out the Purchase Order Form properly, attach the quotation, and acquire all necessary signatures (including that of the authorized Executive Board member) before submitting it to the Finance Department.

3. Please follow section IV, Item #3 if the requester is also the approver.
4. Upon receiving the approved Purchase Order Form, the Finance Department will assign a PO number and send it back to the requester to make the purchase. The requester must provide the vendor with the PO number.

VI. Payment procedure

1. Upon receiving the check request with required signatures, receipts, and sufficient supporting documentation, the Finance Department will review the request. Upon approval from the Financial Department Head, the check will be printed. The request form and the check will then be ready for final approval and sign-off by the financial officer of the Board of Directors.
2. The signed check will be distributed or mailed to each of the recipients or vendors after final sign-off. For any Purchase Order Form request, the Finance Department will issue a PO number to authorize the requester to make the purchase. A check will be mailed directly to the recipient or vendor upon receipt of an invoice, which must correspond to the item description and amount on the Purchase Order Form.