

Accounting Practice and Policies

The following document encapsulates the accounting policies and procedures that will be used at Abiding Grace effective January 1, 2009. These policies should insure the orderly operation of the treasury and insure a smooth cash flow. This document is not meant to be all-inclusive and address all possible situations that may arise but should provide for the majority of situations. This document may be amended from time to time as needed.

Responsibilities of the Treasurer

As per the church by-laws, the Treasurer “shall supervise all financial affairs of the congregation”

Additionally, the treasurer must insure that:

- All disbursements are made according to instructions from the voters. In no circumstance is he to make disbursements that are in conflict with the annual spending plan approved by the congregation, except in cases of an emergency that would cause interruptions in the normal flow of daily business of the church.
- Accurate financial statements are available to the congregation at the open forums and voters' meetings.

The Treasurer shall be responsible for recommending to the voters any actions required to insure the financial well being of the congregation. He shall be responsible for the preparation of the annual budget and spending plan of the congregation. He shall submit the books for review annually or at any time the congregation so desires.

Purchasing

Abiding Grace does not use a purchase order system at this time. If everyone follows the few simple steps noted below we should be able to avoid implementing one for the foreseeable future.

All purchases must be made in accordance with the voter-approved budget for the current year and with **prior approval** from the council director that will be charged for the purchase. Areas of approval responsibilities are as follows:

- Outreach Category – Outreach Director
- Inreach Category – Inreach Director
- Church Property – Congregation President (or delegated person)
- Church Administration – Treasurer
- Pastoral Benefits - Treasurer

A council director may at any time refuse to approve a purchase if there is any question about the nature of or need for the purchase. If the requestor wishes to appeal the decision, the request for purchase approval may then be brought to the general council by the requestor at the next regularly scheduled council meeting for further discussion and disposition.

Purchasing that exceeds the approved budget will not be reimbursed (see Reimbursements section below)

The treasurer must be notified **in advance** of any purchase in excess of \$100 (per invoice) prior to the purchase whether treasurer approval is needed or not. This is done to insure payment can be made by the

treasurer when the invoice arrives. This policy applies to everyone...council directors, pastor, project leaders, school administrator, etc. The expected due date of the bill will also be needed.

If at all possible, purchases should not be charged to personal accounts, personal credit cards, or paid out-of-pocket by members. The church has accounts with our most used vendors and they will invoice us for payment. Using a church account however, does NOT relieve the purchaser from getting pre-approval as stated elsewhere in this document section.

All church accounts should use the following mailing address for invoices. Invoices should **not** be sent to the church property address.

Abiding Grace Lutheran Church
PMB #358
1041 Honey Creek Road
Conyers, GA 30013

Reimbursements

Reimbursements will normally take 7-10 days from the time of submission. Special handling should be pre-arranged if at all possible.

Reimbursements may be made by hand-written corporate check or by our online bill-pay service.

All requests for reimbursement must be accompanied by a Reimbursement Form (RF). This form is available on the church's website at www.abidinggrace.com under the Administrative Forms section. The online form is interactive and can be filled out online and printed. If you cannot access the web, contact the treasurer for a blank form.

All RFs must be signed by the council director responsible for the area being charged for the expense (see Purchasing section for details regarding responsibility areas)

Only original receipts will be accepted. ***No copies of receipts will be used for payment.***

All receipts must be attached to a standard 8 ½ x 11 sheet of paper. Multiple receipts may be attached to a single sheet of paper. ***Loose receipts will not be accepted.***

Receipt Requests

Occasionally it may be necessary to request copies of receipts that are in the possession of the church treasurer.

All requests for receipts must be accompanied by a Receipt Copy Form (RCF). This form is available on the church's website at www.abidinggrace.com under the Administrative Forms section. The online form is interactive and can be filled out online and printed. If you cannot access the web, contact the treasurer for a blank form.