



## Accounting Policy

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| <b>To:</b>                           | Friends and Members of Resurrection  |
| <b>Policy Author:</b>                | Congregational Council   |
| <b>Adopted on or Effective Date:</b> | October 17, 2012   |
| <b>Statement of Policy:</b>          | To ensure we have the resources required to achieve Resurrection's goals and objectives, it is important that ministry directors, staff, Pastors and Council monitor expenses and manage to the church's budget. |

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The budget for Resurrection Lutheran Church is approved at the Annual Meeting by a majority vote and becomes the Annual Budget for the fiscal year that runs January - December.

While the budget provides staff and ministry directors with an approved financial roadmap to support their ministries, some items require prior approval, even if they are approved as part of the year's budget. It's important for cash flow purposes that items that exceed \$250, even if part of the approved budget, receive an advanced approval. These items require the Treasurer's and the appropriate ministry director's approval in advance of the purchase. Also, any item(s) that are over budget or not included in the budget requires authorization by the Treasurer before expenditure is made. If prior approval is not received, the expense may not be reimbursed. Also see the Expenditure Request and Reimbursement Policy.

If expenditure is under \$250, and approved as part of the Annual Budget, it does not require approval, as the Congregation has already approved these expenditures. When comparing to the Budget, line items are in total by area and not by line item as actual expenses might come in a different item than was original budgeted but may not exceed budgeted total unless by prior approval.

Items that **do not** require approval for payment(s) include:

- all utilities (electric, gas, phone, water, sewer, trash, etc)
- signed lease agreements and contracts
- mortgage payments
- assessment payments
- property tax
- tithing payments
- payroll contributions (contracts)
- payroll taxes and payroll

Monthly Profit & Loss reports are reviewed by the Congregational Council and noted in its official minutes.

All checks over \$1,500.00 require two signatures from authorized check signers to ensure that proper acknowledgement of the expenditure.

**Using dedicated funds**

A ministry may have dedicated funds assigned to a specific program or activity. Dedicated funds are monies that have been donated by individuals for a specific ministry, program or purpose. Dedicated funds may only be used for the specific ministry program or purpose for which they were donated. The use of dedicated funds must follow the same expenditure request process and needs approval from the Ministry Director, Pastor and Treasurer. Also see the Dedicated Funds policy.