

<b>TITLE: Disbursement of Funds</b>	<b>NUMBER: C-3</b>
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## **DISBURSEMENT OF FUNDS**

### **BACKGROUND:**

Committee chairs and designated parishioners buy supplies and services on behalf of Church programs and will either charge them to St. Stephen's or pay for them and need to be reimbursed. These guidelines assure proper stewardship of Parish funds.

### **POLICY/PROCEDURE:**

1. St. Stephen's is a tax-exempt corporation, chartered by the State of Tennessee. We should not pay sales tax on anything bought for the church. St. Stephen's tax exemption number is:

100149813

2. When purchasing an item for the church, the purchaser obtains a receipt, signs it and identifies the budget against which it is to be charged. The purchaser then sends the receipt to the Treasurer or leaves it in her/his box at the church.
3. Good business practice requires that each check written by the Treasurer be backed up with an approval or authorizing document, therefore, a piece of paper (bill, receipt, note or memo) is required if a request for payment from church funds is being made.
4. Promptness in settling accounts can yield the church an extra discount or avoid service charges, so promptly settle bills and accounts.
5. Under normal circumstances, an expenditure from the General Fund of \$1000 or more for any single item or purpose requires advance approval by the Vestry, even though it may be part of an approved budget. The reason is to be sure that the expenditure will not cause a cash flow problem. This does not apply to releasing funds from a Temporarily Restricted fund. The appropriate Committee Chair has the authority for this release.
6. In the case of emergencies only, an expenditure of up to \$1500 can be authorized by the Senior or Junior Warden or the Vestry Chair of the Buildings and Grounds Committee. An emergency, for the purpose of this paragraph, is defined as infrastructure or system or utility equipment failures that cause St. Stephen's building and grounds to be non-functional for necessary normal operations.