

Policy on Expenditure Control

General Intent

Control of expenditures is exercised to ensure that unexpectedly high costs do not result in the budget being exceeded without proper authorization.

Specific Policy

1. Recurring costs that have been included in a Committee's budget may be approved by the Committee Chairperson.
2. Unexpected expenditures or costs forecast to exceed the **budgeted amounts** in excess of **\$1,000** require approval of the Committee Chair before purchase.
3. **Non-budgetary expenditures for Special Projects** outside of your budget, including those being researched or developed by another group of the church on your respective behalf, it is the responsibility of the requestor to seek out advice and all detailed information required, such as people, resources, funding needs etc., including input from relative committees that may be involved. This data is to be submitted with the request to the Church Council and the congregation if deemed prudent, for approval of the expenditure, **before proceeding.**
4. **Extra Ordinary Expenditures**, required to address an emergency situation, not exceeding \$5,000, can be made at the discretion of the Committee Chair, with the Treasurer and/or Chair of Finance advised as soon as possible, as circumstances warrant. The latter may consider it prudent at the time, to further escalate the issue to the Executive Committee of Council, which has the power to resolve any emergency issue that may arise between Church Council meetings. Any additional expenses arising from the emergency and needed, to restore the damaged area, require the approval of the Church Council before proceeding. Should it be deemed preferable to carry out such improvements immediately, a request to do so can be made, at the discretion of the Council Chair, to either a) the Executive Committee, or b) Council via the Council Secretary, who will initiate an E-mail vote in a time sensitive manner.
5. Where possible, quotations from three sources are to be obtained for items forecast to cost more than \$2000.
6. Expenditures causing a committee to be over-budget, but that are within the total approved budget for the congregation, must be approved by the Church Council.
7. Expenditures which may cause the approved church budget to be exceeded by \$10,000 or more require approval of the congregation.

Special Circumstances

1. On occasion an item is included in the approved church budget provided that specific funds are donated. These items are considered approved for purchase once the funds are in hand.
2. In situations where contemplated changes and attendant costs are unusual or outside normal operating procedures/policy, the Church Council may consider it prudent to seek congregational approval before proceeding. Once approved, the committee(s) affected may proceed as outlined.

Exceptions

1. If it has been decided that it would be counter-productive to obtain three quotations when otherwise required, the reason for not doing so is to be approved by the Committee.

Definitions

Budget means the financial plan approved by the congregation for the current year. The budgeted amount means the amount (dollars) included in the budget for a specific item.

A committee is said to be over budget when committed and forecast costs exceed the total budget for that committee.

References

1. The Constitution of New Church, October 2018 (draft to be approved by the Congregation of Christ First).
2. Financial Handbook for Congregations 2017 The United Church of Canada.
3. The Manual 2021, The United Church of Canada.

Responsibility

The Treasurer/Finance committee is responsible for keeping this policy up to date and for recommending changes for the approval of the Church Council.

Associated Procedure

The Procedure for Expenditure Control provides assurance that this policy is being followed.