

TRINITY UNITED METHODIST CHURCH

Purchasing Procedures (REVISED 2016)

I. Rationale

The Purchasing Procedure serves the purpose of providing a means for funds to flow in and out of the church in a responsible manner with receipts and appropriate paper work of how and why the funds were used.

II. Principles

In order to help the church practice good stewardship, to act responsibly with allotted funds, to structure the flow of funds so that there is accurate records and accountability for the church as a whole, individual members, ministries, and committees these principles are offered as a foundation for purchasing items and services for the church and the ministries of the church.

- To provide a procedure and tool for committees to monitor their expenses and income.
- To provide proper paperwork so that accurate auditable records are kept.
- To keep the church functioning within the General budget.
- To allow for better communication between Finance Committee, other committees, individuals, and ministries.
- To provide an effective means of receiving reimbursements.

III. Categories

1. Purchasing Procedures for purchases on a Vender Account
2. Purchasing with the Church Credit Card
3. Purchasing with a Department Debit Card
4. Purchases made on account with Sam's Card, Kroger Card, and Food City Card
5. Reimbursement for a purchase using Personal Checks, Credit/Debit Cards, or Cash.
6. Routine Purchases
7. Conducting Bids for purchases \$1,000 or higher

IV. Policies

Purchasing Procedures:

1. To Purchase on a **Vendor Account** the Church has in place (This includes "blanket" orders.), the purchaser must do the following:
 - a. Fill out a Request for Payment and Reimbursement Form at least one week in advance of purchase. The Request for Payment and Reimbursement Form is located online under the Members tab at

<http://www.knoxtrinity.org/policies-and-procedures/> and in the church office. There is also a copy of form at the end of this document.

- b. Make sure that the requisition has the approval of the Committee/Ministry chairperson.
- c. Email the Church Treasurer to check on available funds and to verify purchase. A Purchase Order number (P.O. #) will be issued.
- d. Place your order AFTER receiving the P.O. # and approval.
- e. Turn in the Request for Payment and Reimbursement Form and all purchase documents, such as packing slips, delivery receipts; register receipts, etc., to the Treasurer as soon as possible.
- f. The invoices for this order will not be paid without the appropriate paperwork. The purchaser must make sure that all the appropriate paperwork is delivered in a timely manner. Attempts will be made by the Church Treasurer to the purchaser to make sure the appropriate paperwork is received.

2. To Purchase using the **Church Credit Card** (The Church Credit Card is Held by the Finance Chairman), the purchaser must do the following:

- a. Arrange in advance to check out the Church Credit Card from the Finance Chairman.
 - b. Fill out a purchase Request for Payment and Reimbursement Form at least one week in advance of purchase, noting on the Request that the church Credit Card will be used. The Request for Payment and Reimbursement Form is located online under the Members tab at <http://www.knoxtrinity.org/policies-and-procedures/> and in the church office.
- c. Make sure that the requisition has the approval of the Committee/Ministry Chairperson.
- d. Email the Church Treasurer to check on available funds and to verify purchase. A Purchase Order number (P.O. #) will be issued.
- e. Place your order after receiving the P.O. # and approval.

- f. Turn in the Request for Payment and Reimbursement Form and all purchase documents, such as packing slips, delivery receipts, register receipts, etc., to the Treasurer as soon as possible.
- g. Since this purchase was made with a credit card there will not be an invoice to pay, but the appropriate paperwork must be received by the Treasurer. The purchaser must make sure that all the appropriate paperwork is delivered in a timely manner. Attempts will be made by the Church Treasurer to the purchaser to make sure the appropriate paperwork is received.

3. To Purchase Using a **Committee/Ministry Debit Card**, the purchaser must do the following:

- a. Each Committee/Ministry chairperson that has a Debit card account is responsible for documenting transactions and delivering receipts to the Treasurer.
- b. Each Account has monies of \$100 (or more depending on your budget) for small non-P.O. purchases for their committee/ministry.
- c. The money is part of that committee's/ministry's budget and all purchases from it will be charged to that budget.
- d. Once a purchase has been made, fill out the Request for Payment and Reimbursement Form for the amount and make sure to attach all purchase documents, such as packing slips, delivery receipts, register receipts, etc., and turn in the form to the Treasurer as soon as possible. The Request for Payment and Reimbursement Form is located online under the Members tab at <http://www.knoxtrinity.org/policies-and-procedures/> and in the church office.
- e. When the appropriate paperwork is received, the funds will be reimbursed to the committee's/ministry's debit card account.
- f. If the appropriate paperwork is not received, the debit card limit will not be reset.

4. To purchase using accounts with **Sam's Card, Kroger Card, and Food City Card**, the purchaser must do the following:

- a. If there is a regular standing item to be purchased on one of these cards (such as alter flowers), fill out the Request for Payment and Reimbursement Form. The Request for Payment and Reimbursement Form is located online under the Members tab at <http://www.knoxtrinity.org/policies-and-procedures/> and in the church office.

1. Make sure that you acquire a receipt from the store and write the P.O. # on the top of the receipt.
 2. Turn in the Receipts to the Treasurer as soon as possible.
- b. When making any other routine store purchases, such as Wednesday Night Supper, make sure that you have your committee/ministry chairperson's approval.
1. Make your purchase as required
 2. Fill out a Request for Payment and Reimbursement Form. Separate forms must be filled out for each different store where items are purchased. The Request for Payment and Reimbursement Form is located online under the Members tab at <http://www.knoxtrinity.org/policies-and-procedures/> and in the church office.
 3. Turn in the Request for Payment and Reimbursement Form and all purchase documents, such as packing slips, delivery receipts, register receipts, etc., to the Treasurer as soon as they are received. (Some of these invoices come weekly.)
- c. When making a purchase for a special event (family promise, mission dinner, etc.) always make sure that the committee/ministry chairperson and Treasurer have approved the request BEFORE the purchase is made.
1. Make your purchase as required.
 2. Fill out a Request for Payment and Reimbursement Form. Separate forms must be filled out for each different store where items are purchased. The Request for Payment and Reimbursement Form is located online under the Members tab at <http://www.knoxtrinity.org/policies-and-procedures/> and in the church office.
 3. Turn it the Request for Payment and Reimbursement Form and all purchase documents, such as packing slips, delivery receipts, register receipts, etc., to the Treasurer as soon as they are received. (Some of these invoices come weekly.)
- d. The invoices for these orders will not be paid without the appropriate paperwork. The purchaser must make sure that all the appropriate paperwork

is delivered in a timely manner. Attempts will be made by the Church Treasurer to the purchaser to make sure the appropriate paperwork is received.

5. To receive reimbursement from using **Personal Checks, Credit/Debit Cards, or Cash**, the purchaser must do the following:

- a. Committee/Ministry Chairperson must approve item before it can be purchased.
- b. The church is a Non-Profit organization and therefore does not have to pay taxes on purchases when the appropriate paperwork is done beforehand. The purchaser must get a tax exempt sheet from the office so that taxes will not be charged to the church. The church will email the certificate to the purchaser if he/she request it.
- c. Purchase the item.
 - d. Fill out the Request for Payment and Reimbursement Form. Make sure to attach all purchase documents, such as packing slips, delivery receipts, register receipts, etc., and turn in the form to the Treasurer as soon as possible. The Request for Payment and Reimbursement Form is located online under the Members tab at <http://www.knoxtrinity.org/policies-and-procedures/> and in the church office.
- e. If all the appropriate paperwork is received, the Treasurer will cut a reimbursement check for the item(s) purchased.

Again, please try to keep in mind that reimbursement purchases are usually going to cost the church more money because of the added taxes. So please use this method only when truly necessary. As communication and pre-planning of purchases increase in each department, there will be less need for last minute personal purchases.

6. When making any **other routine purchases** make sure that you have your committee/ministry chairperson's approval. Routine purchases include: **Quarterly educational literature, office supplies, and emergency repairs of church property and vehicles.**

- a. Purchase the item(s).
- b. Fill out a Request for Payment and Reimbursement Form. Separate forms must be filled out for each different store/company where items are purchased. The Request for Payment and Reimbursement Form is located online under the

Members tab at <http://www.knoxtrinity.org/policies-and-procedures/> and in the church office.

- c. Turn in the Request for Payment and Reimbursement Form and all purchase documents, such as packing slips, delivery receipts, register receipts, etc., to the Treasurer as soon as they are received.

7. Conducting A Bid: For purchases for \$1,000.00 or higher, there must be solicitation of bids from at least three vendors. The purchaser must show evidence of the three vendors bid and details of the service or product. Award decisions should be made to the vendor representing the best overall value to TUMC.

a. **Sole source** - If there is no ability to solicit multiple bids, the committee or ministry must demonstrate that the purchase from a particular vendor is sufficiently justified as a sole source. Sole source means that a single vendor is uniquely qualified to meet the committee/ministry's objective. To be considered a sole source and therefore exempt from the bid process, one of the following conditions must be met:

- The actual product or service needed is the only one that will meet the committee/ministry's objective and it can only be purchased from one source (manufacturer or distributor).
- The product or service must match or be compatible with current equipment or services.
- The product needed is specifically required for use in conjunction with a current contract or service.
- An unusual or compelling urgency exists.

If the need meets one of the above criteria, the committee or ministry can negotiate with the vendor directly.

b. After conducting a bid or justifying there is no ability to solicit multiple bids, the purchaser must follow one of the purchasing procedures listed above in 1-6 for purchases on a Vendor Account, the Church Credit Card, Department Debit Card, accounts with Sam's Card, Kroger Card, and Food City Card, Cash, or Personal Checks/Credit/Debit Cards.

TRINITY UNITED METHODIST CHURCH
Request for Payment or Reimbursement Form

Please fill-in this form if one of the following applies:

A. You order or purchase an item and it is billed to Trinity United Methodist Church. Attach the receipt(s) or order acknowledgement to the form and check **PAYMENT**.

B. You paid for an item and request reimbursement. You must attach a receipt to the form and check **REIMBURSEMENT**.

C. You need an advance check to pay for an item to be purchased. Check **ADVANCE** and after the purchase turn-in a receipt to be attached to the form.

- Purchase Order # _____ (This number is given by Church Treasurer)
- Request (Please check one):

PAYMENT

REIMBURSEMENT

ADVANCE

- How did or will you pay for item(s) (Please check one):

TUMC Check

TUMC Credit Card

TUMC Debit Card

TUMC Food City Acct

TUMC Sam's Acct

TUMC Kroger Acct

Personal Check

Personal Credit/Debit Card

Cash

Other - If checked other, please explain _____

- Amount: \$ _____ Where purchased _____ Date of purchase: _____

• Description of Purchase: _____

• Purpose of Purchase: _____

- Was purchase approved by Committee/Ministry Chairperson? Yes or No

• Name (Please Print): _____

• Signature: _____