SMITH MILLS CAMP MEETING ASSOCIATION

POLICY SMCMA

Title: FIN 002 “Spending Authority”

Date Adopted: October 19, 2021

Policy: The purpose of this policy is to add structure and accountability to the spending requirements of Smith Mills Camp. This policy is meant to preserve the integrity of the SMC finances, and respect the sacrificial giving of people who fund the camp.

Authorized Spenders

- President
  - Shall be authorized to commit spending and other compensation (e.g. room and board) to all paid positions at SMC, including but not limited to evangelists, music evangelist, VBS director, Head Cook, Nurse, and such other paid positions as may be required, and shall prepare a proposed itemized annual budget for the same for submission to the Board by the November board meeting for approval prior to the start of the fiscal year.
  - Shall be authorized to commit all other spending required but not specifically designated to another position noted below, provided that such spending is included and approved in the proposed annual budget. For example, VBS curriculum/supplies, AV Equipment, etc…
  - Shall be accountable to receive proposed budgets prepared by positions reporting directly to the President for presentation to the Board for approval.

    - Shall not be authorized to spend any funds beyond the approved budget without further approval by the Board.

- Vice President of Grounds

    - Shall be authorized to commit spending related to grounds maintenance, building maintenance, and the physical assets and equipment of the camp (including the Kitchen and Snack Shack, in consultation with the Head Cook and Head of Concessions).

    - Shall prepare a proposed itemized annual budget for submission to the Board by the November board meeting for approval prior to the start of the fiscal year.

    - Shall be authorized to commit spending without board approval, but in consultation with the President and CFO, in emergency situations.

        - Emergency situations are specifically defined as unanticipated situations requiring immediate action to protect and preserve life, limb, and property. Such situations may include natural disaster, imminent severe weather, or building structural failure.
        - The scope of emergency spending shall be the minimum amount required to make safe the emergent condition. In the event of such emergency spending, the VP of Grounds shall provide a full accounting and explanation of emergency spending at the next board meeting.

    - Shall not otherwise be authorized to spend any funds beyond the approved budget without further approval by the Board.

- Head Cook
    - Shall be authorized to commit spending related to food, paper goods/cleaning supplies (for kitchen and bathrooms), and cookware utilized in the dining hall.
    - Shall prepare a proposed itemized annual budget for submission to the Board by the March board meeting for approval in the April board meeting. Include an estimated "cost per meal" for breakfast, lunch, and dinner for use by the Board to establish sale prices of meals, youth program, and meal plans.
    - Shall be authorized to commit spending to restock food and paper goods at the dining hall without further Board approval but must follow up with an explanation to the board at the September board meeting for any overruns to the approved budget.
- Youth Director
    - Shall be authorized to commit spending related to the youth program. Including annual trip, games, supplies, transportation, medical supplies for the nurse, and such other expenses as may be required by the youth program.
    - Shall prepare a proposed itemized annual budget for submission to the Board by the March board meeting for approval in the April board meeting.
    - Shall not be authorized to spend any funds beyond the approved budget without further approval by the Board.
- Head Concessions
    - Shall be authorized to commit spending related to food, paper goods, and cookware utilized in the snack shack.

- Shall prepare a proposed itemized annual budget for stocking of the snack shack for submission to the Board by the March board meeting for approval in the April board meeting.

- Shall be authorized to commit spending to restock food and paper goods at the snack shack without further Board approval but must follow up with an explanation to the board at the September board meeting for any overruns to the approved budget.

- Chief Financial Officer

  - Shall be authorized to pay for all recurring bills such as insurance, utilities, dumpsters, credit cards, and such other recurring operational bills as are required to run the camp.

  - Shall report on status of all approved budgets at monthly meetings.

  - Shall maintain annual comparisons of budgets for historical tracking of costs.

- No person other than those listed in this document have the authority to spend SMC funds.

<u>Delegation of Spending Authority</u>

- Authorized spenders may delegate their spending authority to other individuals so long as the delegated spending falls within the budgets approved by the Board of Directors.

  - When delegating spending authority, the authorized spender shall provide specific permission and instruction for what items shall be purchased

- The authorized spender is responsible for receiving the receipt of purchase from their delegate and turning those receipts in to the treasurer.
- In the event a delegate makes purchases not specifically authorized by the authorized spender, it is the responsibility of the authorized spender to notify the treasurer immediately, and the Board of Directors at the next board meeting. Unauthorized spending on the camp credit card shall be reimbursed to the camp.
- Delegation of authority shall only be used in an assistive capacity to spread the workload of purchasers (for example, the Head of Concessions has a helper purchase more french fries).
- <u>The authorized spender delegating their authority is accountable for all purchases made by their delegates.</u>

<u>Means of Purchase</u>

- Each authorized spender shall be entrusted with a SMC credit card.

- The authorized spenders are required to turn in all receipts of purchase to the camp treasurer. In the event of a lost receipt, the authorized spender shall sign an affidavit testifying that the purchase was made for the sole benefit of Smith Mills Camp.

- Invoices sent directly from SMC vendors shall be physically signed off on by the appropriate authorized spender. For example, invoices from the Fire Extinguisher vendor, food vendors, etc…

- To the extent possible, Smith Mills Camp credit cards or check shall be used whenever practical for the purchase of any goods for the camp. In the event an authorized spender delegates their spending authority to another individual who uses their personal finances to make the purchases, the authorized spenders shall physically sign off on the receipt prior to reimbursement by the treasurer. No receipts shall be reimbursed if the purchase was made without the approval of an authorized spender.

Budget Structure

- Proposed budgets shall be itemized to show logic and general outline of reasonably anticipated expenditures. However, savings in each line item may be used by these authorized spenders to offset overruns on other line items, so long as the overall approved budget is not overrun.

- Special spending requests not included/approved in the annual budgets shall be made to the board no less than three months ahead of the needed purchase to enable thoughtful consideration by the board. Such special request shall be accompanied by a written explanation for the necessity of the request and associated costs, as well as options for consideration to fulfill the intent of the request.

Pricing Economy

- When purchasing any single item or service in excess of $500, the authorized spender shall be responsible for obtaining three bids or price comparisons and shall purchase the most economical option. In the event there is good reason to choose a more expensive option, the authorized spender shall present the three bids/price comparisons, along with an explanation as to why the more expensive option is better to the board for their approval. Bids/price comparisons shall be “apples to apples” comparisons.

- For single items less than $500, the authorized spender shall make a good faith effort to purchase the most economical options available, keeping in mind the sacrificial donations people have made to fund the camp.

- The Head Cook and Head of Concessions may make consolidated purchases from a sole vendor to simply and consolidate the purchasing and delivery of food items and paper goods. The Head Cook and Head of Concessions shall make a good faith effort to compare pricing of similar vendors to ensure the most economical vendor is chosen. When in a bind, the Head Cook and Head of Concessions may make purchases from stores such as BJs and Stop and Shop to ensure food is available.

Policy Updating

- This policy shall be reviewed at the September board meeting each year and updated from time to time as necessary.