

CBCGB

Policies for Capital Expenditure Revision (V4)

10/9/2021

Definition:

1. Any new equipment purchases or facility improvement which is expected to last for five or more years and cost at least **\$2,500** will be considered as Capital Expenditure.
2. Replacement of any major equipment (for example; AC units, entire Video/Audio system, Kitchen stoves) or major repair (for example; repair roofing, replace carpet in the sanctuary) which is expected to last for five or more years and cost at least **\$2,500** will be considered as Capital Expenditure.

Funding:

1. Funding for Capital Expenditure will come from the CBCGB Capital Fund.
2. The dispensing of the funding will be in accordance with the annual budgeting process
3. CBCGB Capital Fund is funded from three sources;
 - a. Member's donation which is specifically designated for building or capital fund.
 - b. Interest earned from church's bank accounts.
 - c. Surplus from the General Fund at the end of the fiscal year will go to General Reserve Fund. If the General Reserve Fund has reached the 25% of the previous fiscal year's total expenses the rest of the surplus from the General Fund will be transferred to the Capital Fund. If the Capital Fund reaches **\$1,000,000** the dispensing of the rest of the surplus from the General Fund will be decided by the Church Council.

Approval;

1. Any Capital Expenditure less than **\$6,000** can be approved in the Stewardship Council but reported back to the BOD.
2. Any Capital Expenditure request equal to or more than **\$6,000** but less than **\$85,000** should be submitted in writing to the BOD for discussion and approval.
3. Any Capital Expenditure request equal to or more than **\$85,000** should be submitted and to be approved by the Church Council.

Procedure:

After a Capital Expenditure request has been approved by either Stewardship Council, BOD or Church Council, the requester shall fill out the proper requisition form(s), signed by the Stewardship Council Chairman, BOD Chairman or church Council Chairman,

depending on the amount of funding requested and submit the completed requisition form(s), to the CBCGB Finance Committee for payment or reimbursement. All receipts or invoices should be attached to the requisition form(s).