

AUTHORIZATION TO COMMIT ORGANIZATION'S FUNDS

Effective Date: September 2006

Review Date: Yearly

Policy No. P06

PREAMBLE

The Organization's funds are to be allocated in accordance with the Approved Annual Budget. The responsibilities to spend these funds rest with the Board of Directors of the Organization and its Executive Director.

PURPOSE

To establish the level of approval required to commit the Organization's funds.

POLICY

1. The Executive Director has the authority to commit funds that have been allocated, with the exception of commitments related to personnel and unusual or non-reoccurring items. All changes to personnel budgets must be reviewed and approved by the Board of Directors. The Executive Director has the authority to bind the organization contractual for any products or services when authority is given to expend organizational funds, the appropriate purchasing procedures must be followed. Failure to comply with these procedures may result in the personal liability of the Executive Director.
2. The Executive Director may delegate signing authority to subordinates. This delegation must be in writing and should specify the type of expenditure that may be approved and the maximum amount that may be committed. Written delegations must be forwarded to the Treasurer with a specimen signature of the authorized employee. This delegation of authority does not lessen the responsibility of the principal delegate.
3. When the Organization's policy or procedures require specific levels of approval, authority will not be re-delegated without the written approval of the Board of Directors.
4. This policy will be reviewed annually by the Officers of the Board.