

Chandler Museum Foundation

Spending Policy – DRAFT v1

I. Purpose

The spending policy defines the guidelines for how Chandler Museum Foundation (CMF) Funds can be spent to support CMF activities, while ensuring compliance with all city and regulatory requirements.

II. Scope

The requirements stated within this policy apply to all spending undertaken by CMF as defined.

III. References

[LIST OF APPLICABLE CHANDLER CITY AND/OR CHANDLER ARTS AND CULTURE POLICIES AND PROCEDURES – particularly those that pertain to Vendors or conflicts of interest]

[LIST OF APPLICABLE STATE AND FEDERAL REGULATIONS REGARDING CHARITABLE ORGANIZATIONS]

IV. Terms and Definitions

Budgeted Expenditures: Distribution of Funds tied to approved CMF budgeted line items.

CMF Members: Members of the Chandler Museum Foundation board.

Discretionary Spending: Distribution of Funds to support the CMF mission as defined by CMF Members.

Endowment Spending: Distribution of Restricted Funds specified for a specific purpose. Any spending from Restricted Funds must meet all requirements of the donor as determined by the CMF Members.

Funds: Sources of revenue as listed as CMF budgeted line items. Funds may be restricted or unrestricted.

Museum Staff: Chandler Museum employees with the authority to spend CMF budgeted line items.

Restricted Funds: Donated funds with donor instructions on the particular purpose for which the funds can be spent.

Supplier: Any outside entity providing a good or service in which CMF can direct Funds.

Unrestricted Funds: Funds without designated restrictions for distribution. Sources of Unrestricted Funds include interest on endowments, museum store sales, space rentals and general donations.

V. Responsibilities

All CMF Members and Museum Staff that are involved in any financial expenditures or discretionary spending to any supplier must comply with this policy.

VI. Discretionary Spending Procedure

To authorize spending of Unrestricted Funds for activities **NOT** listed in the CMF budget:

- a. Draft a written statement that clearly outlines the purpose of the spending request. The request should identify what part(s) of the CMF Mission Statement are relevant to approve the expense.
- b. Submit the written statement to obtain approval from either the Executive Committee or the Finance Committee
- c. If approved, direct the Funds to the Supplier per the references listed in Section II

VII. Endowment Spending Procedure

To authorize spending of Restricted Funds:

- a. Identify the line item on the CMF budget that pertains to the endowment fund source and that Funds remain in that budgeted line item
- b. Verify with Museum Staff that the expenditure meets the requirements of the donor
- c. If the expenditure is less than \$500, direct the Funds to the Supplier per the references listed in Section III
- d. If the expenditure is more than \$500, obtain approval from either the Executive Committee or the Finance Committee prior to directing the Funds to the Supplier per the references listed in Section III

VIII. Budgeted Expenditures Procedure

To authorize spending of Funds identified in the CMF budget:

- a. Identify the line item on the CMF budget that pertains to the spending request
- b. Verify with Museum Staff that Funds remain in that budgeted line item
- c. If the expenditure is less than \$500, direct the Funds to the Supplier per the references listed in Section III
- d. If the expenditure is more than \$500, obtain approval from either the Executive Committee or the Finance Committee prior to directing the Funds to the Supplier per the references listed in Section III

IX. Supplier Documentation

Upon request, Supplier will provide written documentation including receipts for payment, adherence to applicable regulations, warranties for work provided, etc. as required to support CMF financial and compliance audits.