

Chandler Museum Foundation Spending Policy – DRAFT v2

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

Chandler Museum Foundation Deposit and Investment Policy, Adopted by the Chandler Museum Foundation on March 15, 2021

Current City of Chandler Financial Policies, Effective January 14, 2016

Chandler Museum Foundation Fundraising Policy, Adopted by the Chandler Museum Foundation Board on February 16, 2021

Chandler Museum Foundation Board Member Conflict of Interest Statement

Chandler Museum Foundation Whistleblower Protection Policy, Adopted by the Chandler Museum Foundation on December 14, 2020

Chandler Museum Foundation Non-Discrimination Policy, Adopted by the Chandler Museum Foundation on December 14, 2020

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 Subcommittee or the Finance Subcommittee.
- 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 Subcommittee or the Finance Subcommittee 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 \$5000, direct the Funds to the Supplier per the references listed in Section III
- d. If the expenditure is more than \$5000, obtain approval from either the Executive Subcommittee or the Finance Subcommittee 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.

DRAFT