

## Expenditure Approval Policy

### IDENTIFIED NEED

The WISE by-laws do not specifically state that the WISE Council approves the expenditures of the organization, except as implied in the broad statement of Article V, Section B, paragraph 1: “The Council shall establish policy by a majority vote and oversee operations as appropriate. A simple majority of the Council membership shall constitute a quorum.”

The WISE Director, an employee of Assumption College, is the officer responsible for managing the finances of the organization. The Director signs all checks and approves all payments and expenses of the organization. The policy to-date assumes that all major expenditures are approved by the Council prior to any action taken by the Director.

There is no policy that sets the threshold for expenditures that the Director is authorized to commit to without prior approval of the Council. This policy looks to set reasonable thresholds for expenses above which the approval of the Council is required, but below which the Director, employing his or her discretion, may commit to an expenditure without the need to obtain the prior approval of the Council.

Even for those small expenses that are below the established threshold, the Director may, at his or her discretion, discuss the advisability of proceeding with a proposed expense by first obtaining the advice of the WISE Treasurer, Finance Committee, President, or anyone else within the WISE organization.

### POLICY

- A. *Extraordinary expenses* are defined as those that had not been previously anticipated at the time that the WISE Annual Operating Budget was approved by the WISE Council. For those types of expenses, the Director should describe the nature and purpose of the expense and obtain the approval of the Council prior to committing funds, should the total cost of the item or expense exceed \$250.00.
- B. *Normal or budgeted* expenses are defined as those that had been anticipated at the time that the WISE Annual Operating Budget was created, and for which funds were set aside for the purchase or expense. For those expenses, the Director should obtain approval of the Council before committing funds if the total expense exceeds the *budgeted amount* by more than \$200.00.
- C. *Self-funded events* are defined as those for which the membership participating in the event pays a fee to cover the cost. Examples are *Special Events* travel, the Holiday Luncheon, and the Annual Luncheon. For those types of expenses, the Director is only required to obtain prior approval of the Council if it is anticipated that the out-of-pocket cost *to WISE* will exceed \$100.00 over the amount collected from the event’s participants. When such is the case, one alternative might be to have the *Special Events Committee* cancel the event itself.

**Revision –**

Approval and Adoption of Policy by WISE Council: 21 November 2016