

PMI PHOENIX CHAPTER POLICY STATEMENT

Authority Limits Policy

Approved by Board of Directors: September 28, 2020

Purpose

The purpose of this policy is to define levels of financial authority within the PMI Phoenix Chapter. The authority to obligate the chapter to any expenditure or commitment rests entirely and solely with the Board of Directors.

Levels of Authority

PMI Phoenix Board members including the President, President-Elect, and Vice Presidents may approve miscellaneous one-time expenses that are not included in the approved budget but that are necessary to meet the goals of the chapter up to \$500 per occurrence and \$700 per month. These expenses may be incurred by a Board member or other chapter member who is acting under the written direction of a Board member. The method of settlement is not the issue here. It is the level of expense the Chapter will be obligated to pay whether via an expense report from a member or from a charge that was made against a chapter debit or credit card, or in any other manner.

Expenditures in Excess of Limits Shown Above

The Board may approve expenditures that exceed the approval authority levels defined above of any Board member for items that the majority of the Board of Directors consider to be essential for the Chapter's growth and financial well-being. However, the Board may not approve any expenditure that could cause the Chapter to lose its financial solvency.

Chapter members who are not on the current Board of Directors have no authority to incur an expense on behalf of the Chapter or to commit it to anything unless explicitly directed to do so in writing by an active Board member. Any such expenses will not be honored by the Chapter regardless of how good the intention was of the Chapter member.

Chapter Operational Service Agreements – President Only

Payments for recurring expenses that are contractual obligations of the Chapter and/or that have already been approved by the Board such as phone bills, web hosting fees, travel and transportation costs, food & beverage and venue expenses for Chapter meetings, etc. may be approved by the President up to \$5,000 per occurrence or as an annual estimated total expenditure. Agreements that will exceed this dollar limit must be approved by the Board.

Annual budget

Approval of the annual budget by the Board implies that all expenditures that are included in it have been approved by the Board. The approved annual budget has the status of a policy of the chapter and shall be treated as such.

Bill Payments

Checks or online payments for Chapter expenses should be made by the same person who is doing the accounting for the Chapter. But that person does not have authority to sign checks or to obligate the Chapter to any long-term obligations. Checks can only be signed by the President or other Board member who has been approved by the Chapter's Board and is on the check signatory list at the bank. This policy applies equally to expenses that are charged to a Chapter debit or credit card as it does to expenses that must be settled with a Chapter disbursement check. Recurring expenses that are included in the annual budget may be settled with a Chapter debit or credit card. ACH payments for authorized expenses may be approved by the President.

Change Log

- 06/25/18 – Policy approved by Board of Directors.
- 6/27/18 – Formatting changes. No content changes.
- 2/1/19 – Capitalized "Chapter".
- 9/28/20 – Clarification of "Levels of Authority" section