



CP-005 Spending Limits



CP-005 Spending Limits & Why it Matters

- This policy outlines who can make financial decisions, including spending money, signing contracts and managing budgets.
- It sets limitations to the amount that individuals can spend or authorize, to ensure financial responsibility and prevents overspending.
- This policy is connected to policy *CP-004 Delegated Authority*

Who does this apply to? This policy applies to all Stampede Volunteers and Employees.



Who Can Make Financial Decisions?

- The Board of Directors has unlimited financial authority and sets the financial decision-making power of the CEO.
- The CEO and Executive Management Team manage budgets and spending.
- Volunteers and Employees can only make financial decisions if officially given permission.
- All Members must understand their spending authority and follow the correct financial processes.





What You Need to Know

- Every financial decision must follow the delegation schedule (a document that outlines who can approve what amounts – *found in CP-005 Spending Limits*).
- Increases in limits can occur, when necessary, but must be approved and documented.
- You cannot split large expenses into smaller ones to avoid approval rules.
- Each year, annual budgets are approved for departments and committees.
- The Executive Management Team can reallocate funds within approved budgets, but significant changes must be reported.
- Unexpected spending (beyond the approved budget) needs special approval, depending on the amount.
- Leaders must follow assigned spending limits, and all personal expenses require approval based on the policy's defined structure.



Spending Limits for Contracts & Competitive Bidding

- Contracts over \$100,000 require at least **three** competitive quotes.
- Contracts over \$200,000 require a formal **Request for Proposal (RFP)** process.
- Multi-year contracts must be approved based on the total contract value, not just annual spending.
- Non-competitive (sole source) contracts are only allowed in specific situations.





How this helps YOU

- Ensures financial decisions follow clear rules and all Members are aware of who can approve financial transactions.
- Keeps financial decisions fair and transparent, especially through competitive bidding that protects against unnecessary costs.
- Prevents overspending, mismanagement and conflicts of interest, ensuring organizational resources are used responsibly.
- Protects the organization and ensures compliance.



Real-World Impact

What happens if someone approves a big purchase without following the rules?

Even with good intentions, skipping the approval process, like avoiding an RFP, can lead to serious issues like budget overruns, supplier challenges or audit concerns. This policy protects both you and the Stampede from those risks.





Where to go for help

- The full Spending Limits Policy can be found on the Volunteer Website or the Intranet and People System for Employees.
- Leaders who have questions about this policy may contact the Executive Vice President & Chief Financial Officer.
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