



**PALM DRIVE HEALTH CARE  
DISTRICT**

Title: Cash Expenditure Policy	First Approved:
Custodian: Alanna Brogan	Effective Date:
Approved By: Palm Drive Healthcare District	Review Date:

**PURPOSE:**

This policy is to establish a formal process for cash expenditures by the District Executive Director (ED), the Finance Committee, Board Officers and the District Board.

**POLICY:**

The Executive Director of Palm Drive Health Care District (PDHCD), the PDHCD Board and Board Officers, and the Finance Committee of the Board will follow the Cash Expenditure Policy when reviewing and approving payments for District operations, ~~consulting contracts~~ and in dealing with other occurrences that affect the District budget.

**PROCEDURE:**

Executive Director/Board Treasurer/Board President ~~Approval Rights~~ for ~~Budgeted and Unbudgeted~~ expenditure of District cash shall be as follows ~~balances~~:

1. ~~SERVICE CONTRACTS~~: Please see ~~Service-Contract Processing~~ Policy
2. ~~OTHER DISTRICT OPERATIONS~~ EXPENDITURES:

**BUDGETED ITEMS:**

- Budgeted expenses that have been approved by the District Board, when ~~and~~ the actual costs are less than or equal to the budgeted amount, can be approved for payment by the Executive Director.
- The Executive Director can approve overages in budgeted expenses up to \$2500. If overages occur the ED will keep the Board Treasurer apprised.
- Budgeted expenses that exceed the budget by \$2500 - \$5000 dollars or more must be approved by the Executive Director and Board Treasurer. The variance needs to be reported to the Finance Committee at their next regular meeting.
- Expenses that exceed the budget by more than \$5000 need to be approved by the Finance Committee and the Board prior to the expenditure.

### **UNBUDGETED ITEMS/CONTRACTS:**

~~1. The Executive Director or Board Treasurer or Board President Approval Rights for Unbudgeted Items:~~

- Unbudgeted expenses of \$2500 or less can be approved by the Executive Director. This needs to be reported to the Board Treasurer and the Finance Committee.
- Unbudgeted expenses over \$2500 and less than \$5000 can be approved by the Board Treasurer or Board President and need to be reported at the next Finance Committee and the next regular Board meeting.
- Unbudgeted expense beyond \$5000 must be approved by the Finance Committee and the District Board.
- Special meetings can be called to approve expenditures if there is an urgent or emergent situation.
- If a natural disaster occurs, the Executive Director, Board Treasurer or Board President can approve expenditures up to \$25,000 and report this as soon as possible to the Finance Committee and District Board.