

**Policy No. UKB-006**  
**Adopted Date: 7/16/14**  
**Amended Dates: N/A**

## **Expense Authorization Limits**

### **Purpose and Need**

The purpose of this policy is to provide the Program Manager authority to expend up to \$5,000 in unallocated budgeted monies, without formal Board approval but with the review and approval of the Chairman, Vice-Chairman or Treasurer of the Authority.

### **Background**

The Kings Basin Water Authority (KBWA) Board considers and approves the annual budget in July of each year. The regular meetings of the Board are on a quarterly schedule. At the quarterly meetings financial reports are reviewed and approved and occasionally changes and adjustments to the budget are considered and contracts for services are authorized. Article I, Section (m) of the KBWA Joint Powers Agreement provides that any decision by the Board of Directors to adopt or amend the Authority's budget requires the affirmative vote of two-thirds of the members of the Board (a "Supermajority Decision").

The infrequency of Board Meetings and the Supermajority voting requirement for budget approval or adjustment makes it difficult for the Authority to be nimble in the competitive marketplace, especially in the competition for grants. Sometimes opportunities arise and expire within the timeframe between Board Meetings. The Program Manager needs the authorization to act quickly to meet deadlines. There may be a need to incur an expense and/or enter into a consulting agreement in order to respond quickly to an opportunity.

### **Policy**

The Authority Board hereby authorizes the Program Manager, with the approval of the Chairman, Vice-Chairman or Treasurer, to commit the Authority to expend up to \$5,000 in Authority funds before receiving Board approval for the contract or expenditure. The Program Manager and the Chairman, Vice-Chairman or Treasurer shall assure that the contract or expenditure is in the best interest of the Authority and in line with the purpose of the organization.