

# Galleria Rule

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## PURCHASE OF GOODS AND SERVICES PROCESS

### 1. Expenditure Pre-approval Process:

To enable control, verification of value and bookkeeping, all purchases of services or supplies require pre-approval by the Board where not included within the Annual Budget. Decisions to change providers or discontinue a service require Board decision to approve a new contract. Contracts or agreements must specify scope, term, invoice directions and specifications for the expenditure.

### 2. Scope and/or Specifications:

Scope and/or specifications are required for all services required by the Corporation. Some of these are very simple and be written directly on the agreement or contract. Others may be complex and should be an attachment. The specification may be the product of a Quotation Request or a Proposal initiated with preliminary specifications resulting in amendments to form a final scope and/or specification.

In addition to the description of services to be provided, scope and/or specifications must include any constraints such as hours of work, communication required with the Project Manager, commencement and completion date, disposition of excess materials and warranty. The Project Manager must approve the completed work.

### 3. Invoice Approval:

The contract and/or agreement, including the scope and/or specifications shall be in such detail to allow accounting services to track and authorize payment for an invoice. The Project Manager may be required to track the provision of services, verify the service is satisfactory and authorize the invoice. Items not within approved budget will require Board approval.

### 4. Committee Discretion for Expenditure:

Committees of the Board or those authorized to act on their behalf may spend up to \$1,000 for services in keeping with their assignments but are expected to follow the expenditure pre-approval process and to report to the Board during regular Meetings. If the item is not within approved budget the, committee shall request approval of the Board for the expenditure.

### 5. Out-of-Pocket Purchases by Board Members:

The only exception to the requirement for contract and/or agreement and scope and/or specifications is for minor items of a petty cash variety that may be the consequence of a Board Member's assignment. The Board Member will provide the Treasurer with the expense rationale and the original receipt of expenditure. The Treasurer shall bring this promptly to a Board Meeting for approval by specific motion.

### History of Rule:

First Drafted: January 29, 2009  
First Approved: February 4, 2009

### Board Approval of Rule:

Board Approved: February 10, 2021