

**Venice Neighborhood Council**  
**STANDING RULE**  
**Adopted 6/8/06 by the VNC Budget & Finance Committee**  
**VNC GUIDELINES FOR EXPENDITURES**

**THE ONLY THREE WAYS THAT VNC CAN SPEND MONEY:**

1. CITY CHECK (Demand Warrant): REQUIRED FOR PURCHASES OF \$1000 OR MORE. Vendor must invoice AFTER the job/service is completed/delivered. The invoice (along with other required documents) is submitted to DONE for payment with a City check. Vendor should expect payment within 2-3 weeks of submitting all required documents.
2. PREPAID CARD: For expenditures less than \$1000. VNC can pay the vendor with the VNC prepaid card at the time of delivery.
3. PETTY CASH: ONLY FOR SMALL AMOUNTS. VNC is able to reimburse a Board member for expenditures providing the original receipt and a "Request for Reimbursement" form are submitted after goods are received. DONE frowns on this, so this method should be used as little as possible. It is also possible to reimburse Board members with a check from the City. NOTE: ONLY ELECTED BOARD MEMBERS CAN BE REIMBURSED.

**VNC PROCEDURE FOR BUDGET ALLOCATION/APPROVAL:**

1. All requests for budget allocations MUST BE SUBMITTED BY THE COMMITTEE CHAIRPERSON WHO WILL OVERSEE THE EXPENDITURE.
2. Committee Chair must submit a "Request for Budget Allocation" form to Budget Committee for allocation of funds (must be received at least 6 days before the Budget Committee's monthly meeting on the first Thursday of the month). The Budget Allocation Request can be an estimate of the dollar amount and must include the category to which the dollars will be allocated. There are two kinds of Budget Allocations:
  1. A General Allocation - A request for an open budget amount (i.e. printing of handouts, personnel for minute taking, facility rental)
  2. A Specific Allocation - A request for a specific expenditure - maximum dollar amount must be submitted (i.e. the Lincoln Place Mediation)
3. If recommended by the Budget Committee, it will be placed on the agenda for the next Board meeting (third Tuesday of the month) for approval by the Board. Only after the Budget Allocation is approved by the Board can the funds be committed.
4. All expenditures over \$300 must provide 3 bids (where practical) and the specific expenditure must be approved in advance by the Board. (This can be done simultaneously with the Budget Allocation Request if the request is for a specific item and actual bids are submitted along with the request.) Expenditures under \$300 can be made as soon as the Board approves the Budget Allocation.

**VNC STANDING RULES REGARDING EXPENDITURES** (Approved by the VNC Board of Officers 11/15/2005):

1. All expenditures exceeding \$300.00 need to be approved in advance by the VNC Board at a publicly noticed meeting.
2. All expenditures (regardless of amount) need to be included in the VNC Board-Approved Itemized Allocated Budget.
3. The VNC purchasing policy shall include that first priority be given to Venice vendors and that 3 competitive bids be required for expenditures over \$300.00.

**DONE GUIDELINES AS TO WHAT VNC CAN SPEND MONEY ON AND WHAT IS REQUIRED FROM EACH VENDOR:**

- A. The vendor must have a taxpayer ID number and a LA City Business License number.
- B. What is considered an acceptable expenditure? See "Acceptable/Unacceptable Purchases" on the web site under the Budget Committee.
- C. What is required prior to payment? See "Requirements for Demand Warrants" on the web site under the Budget Committee.