

Subject: Spending money from the Repair & Replacement Fund

Purpose: To provide a system for spending money from the Repair & Replacement Fund

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Depending on what item is being purchased, the Chief Financial Officer (CFO) may need the Board of Directors' approval to spend money from the Repair & Replacement Fund.

### **Purchases Not Requiring Board Approval**

The CFO does not need the Board of Director's approval to spend money from the Repair & Replacement Fund for the following situations:

- Woodhaven is replacing an existing asset that has been capitalized as a fixed asset on the general ledger.
  - Note: the replacement must be done at a cost of less than the amount requiring Board approval that is listed in procedure 3-9-3
- Woodhaven is repairing or replacing a vital portion of an existing property or vehicle for a cost of at least \$500 but less than the amount requiring Board approval that is listed in procedure 3-9-3.
  - Examples of a vital portion of an existing property or vehicle. These examples are not intended to be all inclusive.
    - property items
      - floor covering
      - roof
      - HVAC, plumbing, electric systems
      - Appliances
      - foundation repair
      - home lift system
      - damage done by water leaks
    - vehicle items
      - mobility seat
      - ramp
      - motor
      - electric / computer system
  - These items are specifically excluded as a vital portion of an existing property or vehicle. This means that Board approval would be required in order to spend Repair & Replacement Fund money on the items listed below.
    - painting the walls
    - property remodeling
    - landscaping for aesthetic reasons
    - converting a standard shower due to the needs of our individuals served
    - standard vehicle maintenance including new tires
    - modifying a standard vehicle due to the needs of our individuals served

### **Purchases Requiring Board Approval**

The CFO needs to get the Board's approval to spend money for any item that does not fall under the situations listed above.

The Board may grant their approval through the Capital Budget.

### **Funding Levels for the Repair & Replacement Fund**

The CFO will recommend a strategy for the Chief Executive Officer's (CEO) for how the Repair & Replacement Fund will be funded. The CEO and CFO should review the strategy annually to make sure the strategy is still appropriate.

