



DURANGO ARTS CENTER & BOARD OF DIRECTORS
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DURANGO ARTS CENTER, INC.

CAPITAL EXPENDITURES POLICY

Board of Directors Policy Statement

Definition

A capital acquisition is an individual asset that has a useful life of more than one year and a cost of \$500 or more.

Budget

Anticipated capital acquisitions shall be included in the normal budgetary process, and when necessary, as part of the separate capital acquisitions budget. The annual budget shall include purchase requests for all new and replacement acquisitions.

Purchasing

Any capital acquisitions with an estimated value of \$5,000 or more shall be purchased through competitive bidding or comparative pricing by a minimum of two vendors whenever possible. Comparative pricing or competitive bidding may also be used periodically for regularly purchased materials, supplies, services, and insurance at the discretion of the Executive Director.

Executive Authority

The executive director shall have the authority to make purchases that are part of the approved annual budget without additional approval from the board. Such acquisitions shall be reported to the board and finance committee at their next regular meeting.

Discretionary Powers

The executive director shall have the authority to spend up to \$20,000 from unrestricted or temporarily restricted funds, if appropriate, on any single acquisition without prior approval from the board. Such acquisitions shall be reported to the board and finance committee at their next regular meeting. The purchase or sale of any capital asset of higher value shall be approved by the board. Purchase or sale of any real estate must be approved by the board.

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