

Policy: Purchasing

Policy # 10 **Number of Pages:** 3 **Date of Approval:** Sept 1995
Approved By: Board of Directors, Management **Review Date:** April 2017
References: Administrative Policy #19

Statement:

The Society of Saint Vincent de Paul, Toronto Central Council (hereinafter referred to as the Society) is committed to providing effective internal controls to ensure the integrity of all purchasing and tendering transactions.

All financial transactions shall be governed by an internal set of controls including spending limitations, authorization for expenditures and purchase orders.

Procedures:

Authorization

Within the limits imposed by the approved budget and subject to the availability of funds, the delegation of authority for purchasing is as follows:

up to \$500	Program Director;
\$501 to \$1,000	Executive Director;
\$1,001 to \$2,000	Committee Chair;
\$2,001 to \$3,000	President/ Vice-Presidents;
\$3,001 to \$10,000	Officers
over \$10,000	Toronto Central Council

Management staff must ensure that any purchasing/tendering transaction is appropriate, funds are available, adequate controls are exercised, and necessary prior written approvals have been obtained.

Tenders

The tendering methods stated below generally apply:

- Estimated cost is less than \$500 - no quotations are necessary;
- Estimated cost is from \$501 to \$1,000 - verbal quotations are requested from 3 sources;
- Estimated cost is from \$1,001 to \$10,000 - written quotations are requested from 3 sources
- Estimated cost is over \$10,000 – tenders from at least 3 sources

Petty Cash Purchases

The limit on any purchase of goods, services, etc., by cash will be \$200. For purchases over \$200, the item(s) must be obtained through a Purchase Order.

Gasoline Credit Card

The Society's policy is to deal with approved dealers for the purchase of fuel for its vehicles. Gasoline credit cards are to be used for the purchase of *gas only* for Society-owned vehicles. Other purchases, repairs, etc., must be invoiced and the procedures for Purchase Orders applies.

Other Credit Cards

No one may obtain and/or use a credit card in the name of the Society of Saint Vincent de Paul without approval from the Board of Directors of Toronto Central Council.

Purchase Orders

A purchase order must be completed for any purchase over \$200.00 (with the exception of food for the programs) and all purchases must comply with the Authorization and Tendering policies above.

Copies of purchase orders are distributed as follows:

- Copy 1: is sent to the supplier as a request to purchase and as authority to ship the merchandise listed
- Copy 2: is sent with the approved invoice, to the Director of Finance at Central Council office

Recurring Needs for Particular Goods or Services

Each Program Director shall maintain a list of reliable suppliers for guidance and direction when purchasing routine goods or services and will regularly ensure that these suppliers are maintaining competitive pricing. New suppliers must be authorized by the Director of Finance or the Executive Director.

New Accounts for Goods or Services

The opening of new accounts for goods or services shall be authorized by the Executive Director or Director of Finance.

Invoice Approval

No invoice may be paid until the following procedure has been completed:

Each Program Director will check each invoice against goods received and purchase order completed, initial to indicate approval, and return the invoice and copy 2 of the purchase order to the Director of Finance for payment.