



FINANCIAL MANAGEMENT 4 – Purchasing Authority and Procedure

Original Date: Mar. 5, 2003 Revised Date: September 14, 2016 Responsible Admin: Secretary-Treasurer

1.0 RATIONALE

All purchases fall within the framework of budget limitations and shall be consistent with good purchasing practices and the approved educational goals and programs of the Division.

2.0 GUIDELINES

- 2.1 The Division will seek the maximum value for every dollar expended, consistent with good educational and purchasing practices.
- 2.2 Authorized employees are to purchase locally whenever goods and services of equal quality at competitive prices are available.
- 2.3 Sufficient funds must be in the approved budget of the appropriate school/department centre to which the expenditure authority is linked, before initiating a purchase.
- 2.4 All items purchased in the name of the Division, using the Division funds, become the property of the Division.

3.0 PROCEDURES

- 3.1 The Secretary Treasurer is responsible for establishing and maintaining purchasing procedures.
- 3.2 The Superintendent, Secretary-Treasurer, Associate Superintendent of Education Services, Associate Superintendent, directors and principals are delegated responsibility for purchasing within the limits of budgets allocated to them.
- 3.3 The Managers are delegated responsibility for routine purchases for their Departments.

References: *Board Policy: D/I/8 – Purchasing
E/III/1 – Employee Expense Reimbursement
Admin Practice(s): Financial Management 7 – Employee Expense Reimbursement
New West Partnership Trade Agreement*



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- 3.6.3 All large purchases of the types and amounts specified in 3.6.1.3 and 3.6.2.3 must comply with the New West Partnership Trade Agreement regulations.

- 3.7 Sole or single sourcing is approved by Secretary Treasurer or the Superintendent under the following conditions:
 - 3.7.1 Emergency;
 - 3.7.2 Confidential situation;
 - 3.7.3 Urgent purchases that would interrupt the normal business;
 - 3.7.4 Occasional instances where it may be in the best interest of the Division.

- 3.8 All purchases must be supported by an invoice or itemized receipt.
 - 3.8.1 Invoices or receipts should include:
 - 3.8.1.1 Name and address of the vendor;
 - 3.8.1.2 GST number and GST amount, if applicable;
 - 3.8.1.3 Quantity, cost and description of individual supplies and services purchased;
 - 3.8.1.4 Restaurant receipts should also include the description of the event and attendees;
 - 3.8.1.5 Terms of payment, if applicable.
 - 3.8.2 Documents that are considered insufficient for payment include:

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3.8.2.1 Vendor statements

3.8.2.2 Purchasing card, credit card or debit card slips that are not accompanied by an itemized receipt or invoice; and

3.8.2.3 Hotel invoices that contain room service charges that do not provide details of the charges.

3.9 In the event that an employee submits an expense claim form or a purchasing card statement without appropriate documentation, the employee will be required to fill out a lost receipt voucher.

The Division may accept the lost receipt voucher provided that:

3.9.1 The total amount is small (and is approved by the Secretary Treasurer);

3.9.2 The amount can be justified as school or divisional business;

3.9.3 The employee has the authority to make a purchase;

3.9.4 The employee's supervisor authorizes the voucher;

3.9.5 The submission of lost receipt vouchers is not re-occurring. If it is considered a re-occurring situation, the unsupported lost receipt voucher may be rejected, and therefore considered a personal purchase.

3.10 Repeated occurrences of lost receipts will result in a review of the employee's ability to make purchases on behalf of the Division.

3.11 Personal purchases do not qualify for reimbursement.

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- 3.12 All alcoholic beverages are considered personal purchases unless an exemption has been previously approved by the Chair on behalf of the Board of Trustees or in the case of staff, the Superintendent.
- 3.13 If the division purchasing card has been used for a personal purchase, the employee is required to reimburse the division immediately upon becoming aware of the error.
 - 3.13.1 The employee's purchasing card may be suspended if there are multiple instances of personal purchases on the division purchasing card. The employee card may be reissued when all outstanding personal purchases have been reimbursed to the Division and the employee's administrator requests that the card be reissued.
- 3.14 All Sturgeon School Division credit card holders are expected to read, sign and comply with the Agreement to Accept the Scotiabank Commercial Card. (Agreement attached.)
- 3.15 Employees should not purchase cash gift cards or awards and non-cash gifts or awards without prior approval of a supervisor.
 - 3.15.1 Cash and near cash gifts and awards are always a taxable benefit for the employee. Near cash gifts are gifts that can be easily converted into cash.
 - 3.15.2 Non cash gifts or awards previously approved by a supervisor for an employee cannot exceed a combined total value of \$500 annually. If the fair market value (not the cost) of the gifts and awards given to employees is greater than \$500, the amount over \$500 must be included in the employee's income.
 - 3.15.3 Items of small or trivial value are acceptable and may include:

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3.15.3.1 Coffee or tea

3.15.3.2 T-shirts with employer's logo

3.15.3.3 Mugs

3.15.3.4 Plaques or trophies

3.15.4 Gifts, entertainment, trips or other personal services (excepting meals or relatively inexpensive items of an advertising nature such as pens or books) are not to be accepted or solicited by divisional staff.

3.16 A violation ticket issued to any company vehicle driven by a Sturgeon School Division employee is considered a personal purchase and must be paid by the employee who was operating the vehicle at the time of the infraction.

3.17 Any suspected purchasing fraudulent activities may result in severe consequences up to and including termination.

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