

AP 515 APPENDIX –PURCHASING & PAYMENT PROCEDURES

Purchase orders are required for all purchases, regardless of the method of payment, with the exception of the staff reimbursement claims or petty cash.

1. Issuing of Purchase Orders

1.1 All orders placed with suppliers need to have a purchase order issued and numbered prior to the products being ordered.

1.2 School Purchases

Purchase orders are prepared, coded to the appropriate general ledger account, and assigned a number by the school. Two (2) copies are made once approved. One copy is to be retained in a numerical file at the school and the second copy (yellow) is to be delivered to Division Office as soon as conveniently possible.

1.3 Division Purchases

Purchase orders are prepared, coded to the appropriate general ledger account, and assigned a number by the originator of the purchase order, Superintendent of Administration, or the Accounts Payable Manager. One copy is made once approved and is to be retained in a numerical file.

1.4 Maintenance Purchases

No physical purchase order is produced when maintenance or janitorial personnel purchase goods or services for routine maintenance. The purchaser must contact the Accounts Payable Manager and will be assigned a purchase order number with a prefix M. Written purchase orders are required for purchase of materials and supplies in excess of \$1,000 or purchases that require a quote.

2. Approval of Purchase Orders

2.1 All purchase orders must be approved prior to goods and services being ordered from suppliers.

2.2 School Purchases

The Principal, or Vice-Principal in the Principal's absence, will approve all purchases of goods and services from the decentralized budget with the following exceptions:

Purchases in excess of \$2,000 (including multiple payments)

Purchases denominated in foreign currency
Purchases for which payment is to be made by credit or debit card.

The Principal, or Vice-Principal in the Principal's absence, will approve all purchases of goods and services from the school generated funds budget with the following exceptions:

Purchases in excess of \$500 (including multiple payments)
Purchases denominated in foreign currency
Purchases for which payment is to be made by credit or debit card.

If school personnel are unclear as to coding, contact the Division Office.

Purchase commitments that will be paid by installments must be approved by the Superintendent of Administration if the value of the total commitment exceeds the purchase limits noted above.

Purchase commitments to the same supplier will not be split to circumvent the purchase limits noted above. Evidence of such activity may result in purchasing authority being rescinded until such time as Division Office can be assured that the Principal is knowledgeable of and compliant to purchasing procedures.

Purchase orders that exceed the above-noted values must be forwarded to Division Office for approval by the Superintendent of Administration, or his designate in his absence.

The Superintendent of Administration, or his designate in his absence, must approve all division purchase orders and maintenance purchase orders in excess of \$1,000.

3. Authorization of Invoices for Payment

3.1 Packing slips will be submitted for authorization of invoices payment as follows:

3.1.1 All items listed on the packing slips will be ticked to verify receipt of items

3.1.2 Backorders items will be marked accordingly

3.1.3 All packing slips need to be signed by person receiving goods and indicate any errors or damages directly on the packing slip

3.1.4 The last packing slip coming to the office for a particular Purchase Order will be stamped COMPLETE as a double check to verify that all items have been received. There is not a need to stamp with the authorization stamp and have signed by the principal. Please forward all stamps to the division office.

3.2 Contract Invoices

3.2.1 There are some invoices that are received from a supplier prior to a purchase order being issued in the standard format as above. An example of this would be for photocopy charges. These invoices would have purchase orders typed up after the invoice has been received at the school and processed in the same format for approval of payment as above.

4. Maintenance Invoices

4.1 All maintenance invoices should be verified by a maintenance/janitorial staff member as complete and then have these invoices signed by the Principal or designate and forward to Division Office for payment.

4.2. Staff reimbursements are limited to \$100 and must have original invoices attached. Principals are required to code and approve the purchase. Staff purchases in excess of \$100 must follow the purchase order process.

4.3. Payment to Suppliers

4.3.1 Purchasers are encouraged to discuss payment options with the supplier. If the supplier is willing to extend credit, then a cheque will be issued in payment upon receipt of an approved invoice. In some instances, the vendor may require a deposit in advance and will invoice the remaining balance. Goods and services required by the Division may need to be purchased from vendors that do not extend credit. If credit is not available, then the credit card or debit card may be used. The nature of the purchase will dictate which of the cards should be selected.

4.4 Petty cash

4.4.1 Petty cash is to be used for purchases of an immediate and incidental nature with a limit of \$50. Petty cash may also be used for purchases in excess of \$50 at the discretion of and approval by the principal.

5. Cheques

5.1 Cheques are issued weekly by the Division Office in accordance with supplier terms. Staff reimbursements will be processed as soon as conveniently possible.

6. Debit card

6.1 The debit card may be used for out of town transactions where the dollar amount is not known prior to the purchase. It may also be used at stores within the City that will not extend credit, such as Superstore, Canadian Tire and Peavey Mart.

6.2 The Purpose Order must indicate payment is to be made by debit card and arrangements for the use of the debit card must be made 5 business days in advance of the date required. The debit card may be picked up at the Division Office upon presentation of a copy of the approved purchase order. The card is to be returned to Division Office with all receipts as soon thereafter as possible. Personnel who accept the returned debit card should attach the debit card receipts and original invoices to the copy of the purchase order previously submitted and submit package to the Accounts Payable Manager. The purchaser will be required to sign for the card upon its release and return.

6.3 The purchase limit per day is \$2,000.

7. Credit Card

7.1 The Credit card may be used for transactions that are denominated in foreign currency, transactions that require a credit card for confirmation purposes, transactions that require payment to be made by telephone, fax or internet. The Purchase Order must indicate payment is to be made by credit card and all ordering instructions and vendor contract information are to be submitted to the Accounts Payable Manager. The Accounts Payable Manager will process the order and provide confirmation that the order has been placed.

Reference: Sections 69, 85, 108, 109, 110, 344, 349, 352, 354, 355, 368 Education Act