

	Lloydminster Catholic School Division – Administrative Procedures	
	AP 516 – Purchasing and Payment Procedures	
Related LCSD AP's	AP 515 – Purchasing	
Form(s)		
References:	<i>The Education Act, 1995</i> sections 69, 85, 87 The Education Regulations, 2019 sections 72, 73	
Received by the Board: August, 2020		Update: August, 2020

Purchasing

Goods and services may be requisitioned and paid for by petty cash, purchase orders, or purchase card. Refer to the attached Purchasing/Approval Matrix for guidance.

All purchases must be approved. Unless specifically outlined below, a purchase order must be prepared and approved in advance by the Principal for all purchases in excess of \$500 and approved by both the Principal and Chief Financial Officer for all purchases in excess of \$1000.

Petty cash is to be used for purchases of an immediate and incidental nature with a limit of \$100. Petty cash may also be used for purchases in excess of \$100 at the discretion of and approval by the principal.

Staff reimbursements are limited to \$100 petty cash reimbursement 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.

Cheques are issued bi-weekly by the Division Office. Staff reimbursements will be processed weekly.

The use of purchase orders and purchase cards is dependent upon who is requesting the purchase and the nature of the purchase. Purchase cards are assigned based on need. An application form must be approved by Chief Financial Officer. A user agreement must be signed by both the cardholder and the Chief Financial Officer. Refer to the Purchase Card User Manual for guidance.

The use of purchase cards is encouraged for all purchases, however, if purchase cards are not accepted as a method of payment then a purchase order is required to expedite processing. Refer to AP 518 Purchasing/Approval Matrix.

1. School decentralized budget:

All purchases up to the annual decentralized budget are deemed to be approved by the Chief Financial Officer when the annual budget is approved by the Board of Education. A purchase order must be prepared and approved by the principal or designate if the dollar value of the purchase is greater than \$500 or alternatively, if the vendor will be paid by Division office

cheque. The Principal of the school must approve all invoices for payment to acknowledge receipt of goods and/or services and appropriate GL coding.

2. Academic fees (by class/grade):

All purchases of goods and services contemplated in the annual class or grade fees as approved by the Director of Education up to a transaction limit of \$1,000 are deemed to be approved by the Chief Financial Officer when the annual budget is approved by the Board of Education. A purchase order must be prepared and approved by the principal or designate if the dollar value of the purchase is greater than \$500 or alternatively, if the vendor will be paid by Division office cheque. The Chief Financial Officer must provide approval in advance for purchases in excess of \$1,000. The principal of the school must approve all invoices for payment to acknowledge receipt of goods and/or services and appropriate GL coding

3. Raider sports teams:

An annual budget must be submitted for approval to the Chief Financial Officer by April 30th. All purchases of goods and services outlined in the annual Raider sport team budget are deemed to be approved by the Chief Financial Officer when the annual budget is approved by the Board of Education. Purchases that are not contemplated in the annual budget and are in excess of \$1,000 must be approved in advance by the Chief Financial Officer. The athletic director must approve a purchase order prior to the purchase if the dollar value of the purchase is greater than \$500 or alternatively, if the vendor will be paid by Division office cheque. Travel and hotels for sports teams paid by pcard may go over \$1,000 without requiring a purchase order. The Athletic Director must approve all invoices for payment to acknowledge receipt of goods and/or services and appropriate GL coding.

4. SCC:

All purchases up to the annual SCC budget as submitted to the Director of Education's designate are deemed to be approved by the Chief Financial Officer when the annual budget is approved by the Director of Education's designate. The Principal of the school must approve the purchase order prior to the purchase if the dollar value of the purchase is greater than \$500 or less than \$1000 or alternatively, if the vendor will be paid by Division office cheque. The Principal of the school must approve all invoices for payment to acknowledge receipt of goods and/or services and appropriate GL coding. The Chief Financial Officer must provide approval in advance of purchases in excess of \$1,000.

5. Transportation & Maintenance:

The supervisor must approve all invoices for payment to acknowledge receipt of goods and/or services and appropriate GL coding. The respective supervisors must assign a purchase order prior to the purchase if the dollar value of the purchase is greater than \$500 or alternatively, if the vendor will be paid by Division office cheque. The Chief Financial Officer must provide

approval in advance of purchases in excess of \$1,000 for maintenance purchases and bus repairs in excess of \$2,500.

6. Centrally funded budgets:

The Chief Financial Officer must approve a purchase order prior to the purchase if the dollar value of the purchase is greater than \$1000 or alternatively, if the vendor will be paid by Division office cheque. The Chief Financial Officer, Deputy Director or Director must approve all invoices for payment to acknowledge receipt of goods and/or services and appropriate GL coding.

7. Raider Fundraising Committee:

An annual budget must be submitted for approval to the Chief Financial Officer by April 30th. In addition, budgets must be presented and results reported to the Raider Fundraising Committee for all fundraising projects and events. Fundraising results are to be available to the Chief Financial Officer as requested. The Principal must approve a purchase order prior to the purchase if the dollar value of the purchase is greater than \$1000 or alternatively, if the vendor will be paid by Division office cheque. The Principal must approve all invoices for payment to acknowledge receipt of goods and/or services and appropriate GL coding. The Chief Financial Officer must provide approval in advance of purchases in excess of \$1,000.

Purchase Orders

Purchase orders are required for purchases greater than \$500 or if a Division Office cheque is required to pay the invoice.

1. 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.

2. Division Purchases

Purchase orders are prepared, coded to the appropriate general ledger account, and assigned a number by the originator of the purchase order, Chief Financial Officer, or the Accounts Payable Clerk. One copy is approved and retained in a numerical file. Upon receipt of invoice the approved purchase order is then filed with the invoice.

3. Maintenance/Transportation 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 Clerk and will be assigned a purchase order number with a prefix M. Written purchase orders are required for the purchase of maintenance materials and supplies in excess of \$1,000 or purchases that require a quote. Written purchase orders are required for the purchase of bus repairs in excess of \$2,500.

4. Annual Purchase Orders

Annual purchase orders will be used to authorize purchases from vendors that have repetitive and predictable monthly charges. Annual purchase orders will be created by the Accounts Payable Clerk upon request. Upon verification of receipt of goods, invoices will be paid.

5. Approval of Purchase Orders

- 5.1 All purchase orders must be approved prior to goods and services being ordered from suppliers. Approval personnel and limits are outlined in the attached Purchasing/Approval Matrix.
- 5.2 If school personnel are unclear as to coding, contact the Division Office.
- 5.3 Purchase commitments that will be paid by installments must be approved by the Chief Financial Officer if the value of the total commitment exceeds the purchase limits noted above.
- 5.4 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.
- 5.5 Purchase orders that exceed the limits outlined in the Purchasing/Approval Matrix must be forwarded to Division Office for approval by the Chief Financial Officer, or designate in case of absence.

6. Authorization of Invoices for Payment when Purchase Order issued

- 6.1 Packing slips will be submitted for authorization of invoices payment as follows:
 - 6.1.1 All items listed on the packing slips will be ticked to verify receipt of items.
 - 6.1.2 Backorders items will be marked accordingly
 - 6.1.3 All packing slips need to be signed by person receiving goods and indicate any errors or damages directly on the packing slip.

- 6.1.4 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.

7. Authorization of Invoices for Payment when Purchase card used

- 7.1 Packing slips will be submitted for authorization of invoices payment as follows:
 - 7.1.1 All items listed on the packing slips will be ticked to verify receipt of items.
 - 7.1.2 Backorders items will be marked accordingly
 - 7.1.3 All packing slips need to be signed by person receiving goods and indicate any errors or damages directly on the packing slip.
 - 7.1.4 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.

- 8. All Purchase cardholders will access BMO Statements providing transaction details, summaries, and exceptions. It is the responsibility of the principal/supervisor of all cardholders to monitor the purchasing card usage of those cardholders to ensure compliance with school division administrative procedures and budget.

- 8. It is the responsibility of the principal/supervisor to ensure the appropriate general ledger budget code distribution has been assigned for each transaction.

- 10. Principals/supervisors must approve and forward the monthly BMO statement together with all relevant original receipts to The Purchase Card Administrator- Division Office within the timelines identified.