

The Right Door for Hope, Recovery and Wellness

Chapter Title	Chapter #		Subject #
Fiscal Resources	F		250.2
Subject Title	Adopted	Last Revised	Reviewed
Expenditure Authority: Procurement Procedure	04/24/03	2/1/18	10/05/06 4/23/10 2/24/14 10/01/14 3/21/17 2/1/18

PROCEDURE

Application

This procedure shall apply to all purchasing processors of The Right Door for Hope, Recovery and Wellness.

1.0 Purchase Requisition:

The purchase requisition (PR) initiates the procurement cycle. The receipt of a PR with the necessary information and required signatures gives the authority for each specific purchase. A purchase order number (PO) will not be issued unless authorized by a proper requisition. Purchase requisitions should be prepared far enough in advance of the date that goods will be used to enable the Purchasing Department to secure competitive prices and for the vendor to make delivery.

- 1.1 The following signatures are required on all purchase requisitions:
- a. The requisitioner
 - b. The Program Supervisor
 - c. The CEO

1.2 The PR will be a single part form. The completed form is to be forwarded to the Purchasing Department for review and approval.

A PR shall include all of the following information:

- a. Date: Date PR is prepared
- b. Charge to: List program to be charged. If more than one program is to be charged indicate percentage to be charged to each program.
- c. Date Required: Always give a definite date.
- d. Suggested Supplier: If known should be indicated.
- e. Quantity: The quantity requested should clearly identify measurable units such as pieces, sheets, pounds, gallons, feet, etc.
- f. Description: Description should be complete and detailed. Specifications should be written so that no guesswork is required.
- g. Unit Price: List the unit price or an estimated unit price.

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- h. Useful Information: The requisitioner should include on or attach to the PR any information what so ever that will assist in making the best possible buy on the needed supplies or services.

2.0 Purchase Orders (PO's):

All purchase orders will be prepared, executed, and issued by the Administrative Assistant. No purchase order will be issued without a properly processed PR. All purchases, whether for single or multiple items, of fifty dollars (\$50.00) or more will require a PO.

- 2.1 The PO will be a numbered form. After the purchase order is executed, it will be issued as follows:
- a. Original – mailed, faxed, or delivered to vendor.
 - b. Copy – to numerical file (Administrative Assistant)
 - c. Copy – to alphabetical file (Accounts Payable) with original PR attached to be matched with invoice.

- 2.2 A duplicate copy of the purchase order will be distributed to the requesting department and/or point of delivery to be used as a receiving report.

- 2.3 Any individual item costing more than \$10,000 must be competitively bid.

3.0 Purchase order log:

A log will be maintained by the Administrative Assistant that will show the following:

- a. PO number
- b. Date PO issued
- c. Vendor
- d. Total dollar amount of PO
- e. Using department or program

4.0 Petty Cash Fund Purchasing:

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A Petty Cash Fund is maintained in the Accounting Department to be used to purchase small incidental items (under \$25.00) needed immediately.

- 4.1 A purchase using petty cash does not require a PR or PO.
- 4.2 Employees requesting reimbursement from petty cash must fill out a request for petty cash form, attach receipts to the form and have their Program Supervisor approve the expenditure.
- 4.3 The petty cash fund may not be used to reimburse employee business expenses.

5.0 Charge Account Purchases:

Charge account purchase agreements will be established with various vendors to expedite the procurement of frequently needed low dollar value items (under \$50.00).

- 5.1 Program Supervisors will forward a list containing the names and signatures of all personnel authorized to sign for items under these arrangements to the CFO for approval. The approved list will be maintained in the Accounting Office. Any changes to the names/signature list should be made in writing.
- 5.2 When charging supplies, the authorized employee receiving the material must sign the vendor's invoice. The employee making the purchase will forward these signed invoices to the Accounting Office daily. The Accounting Office must have all signed invoices in order to verify the accuracy of the vendor's bills.

6.0 Credit Card Purchases:

The CEO or CFO must authorize the use of the agency credit card.

- 6.1 Individuals who have been authorized to use the credit card will be required to sign for the card in the Accounting Office.
- 6.2 Receipts must accompany the return of the card to the Accounting Office.

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6.3 On a monthly basis the Chairperson of the Board of Directors shall review and initial all CEO charge card purchases; the CEO shall review and initial all CFO charge card purchases; the CFO shall review and initial all other charge card purchases.

Credit Cards shall not be used to circumvent PR's/PO's or the intent of this policy.

The CEO must authorize the use of the agency credit card by a Board member.

7.0 Receipt and Inspection:

The Administrative Assistant and/or individual shall ultimately be responsible for the receipt, inspection, and acceptance of incoming supplies and equipment. Receiving procedures are as follows:

7.1 When any or all items on the PO have been received, inspected, and accepted, the Receiving Report shall be completed indicating quantity received, date received, and signature of person receiving items.

7.2 The receiving report along with any invoices and packing slips shall be forwarded to the Accounting Office (A/P).

Robert S. Lathers, Chief Executive Officer	Date		