



Team Name: Finance Leadership Team	Reference Number: ORG.1310.PL.001
Team Lead: VP Finance & Capital	Program Area: Finance
Approved by: Senior Leadership Team	Policy Section: General
Issue Date: February 3 2015	Subject: Purchasing Authority
Review Date:	
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POLICY SUBJECT:

Purchasing Authority

PURPOSE:

Southern Health-Santé Sud will safeguard the assets of the organization and ensure the efficient use of resources by directing that the authorization to initiate purchases and approve payments is appropriately placed within the organization and that the two functions are adequately segregated. All staff authorized to purchase will do so within their scope of responsibility.

BOARD POLICY REFERENCE:

Board – CEO Linkage (BC-07) Signing Authority
 Executive Limitation (EL-05) Financial Conditions and Activities
 Executive Limitation (EL-07) Corporate Risk

POLICY:

All purchase requisitions of materials, supplies and services must be:

- within budget limitations,
- meet regional standards,
- be within existing contract (where applicable) and
- be duly authorized by an employee who is permitted to purchase on behalf of the department.

Purchasers are encouraged to purchase from Canadian vendors.

Electronic authorization is not preferred but is acceptable.

Materials, Supplies and Service

When possible materials and supply requests will be processed through Logistics and Supply Chain.

- For routine purchases
 - Less than two thousand dollars (\$2,000) will be approved by the designated manager in a facility or program.
 - Greater than two thousand dollars (\$2,000) will be approved by the designated director of the facility or program.
- For non-routine purchases
 - Less than five hundred dollars (\$500) will be approved by the designated manager in a facility or program.
 - Less than one thousand dollars (\$1,000) will be approved by the designated director of the facility or program.

- Greater than one thousand dollars (\$1,000) will be approved by the designated senior leader.
- Minor equipment (\$500 to \$2,000) will be approved by the designated senior leader.

Repairs and Maintenance

- For routine and non-routine repairs
 - Less than two thousand dollars (\$2,000) will be approved by the designated manager of the facility or program.
 - Less than ten thousand dollars (\$10,000) will be approved by the designated director of the facility or program.
 - Greater than ten thousand dollars (\$10,000) will be approved by the designated senior leader.

Basic Equipment (over \$2,000)

- Refer to the Equipment Authorization Form

DEFINITIONS:

Routine Purchases

- Standard supply or service for the department (i.e. food for Nutrition and Food Services)
- Typically on contract
- Often standing order process is in place and authorized

Non-Routine Purchases

- Unexpected or rarely used supply or service for the department

PROCEDURE:

Prior to pursuing the process to acquire new or replacement equipment the respective Program Director is consulted with respect to:

- Equipment needs given scope of services provided
- Environmental factors and compatibility with other equipment
- Other information pertinent to the proposed equipment purchase
- Equipment standardization and
- Existing contract requirements

Payment for goods and services will be done in an accurate and timely manner.

Payment Options

- Invoices on Vendor Account – in most cases purchases will be made from vendors on account. Payment of authorized invoices will be made by cheque, credit card or electronic funds transfer to the vendor.
- Corporate Credit Card –
 - Logistics and Supply Chain – Supplies – orders where it is not feasible to use a vendor account.
 - Administrative – Services – all service charges (i.e. conference fees, hotels, courses, etc.)
 - Signing Officer – designated signing officers may use a corporate credit card for reimbursable expenses under Employee Travel Policy.
- Other – US dollar cheques and foreign currency transactions arranged through banking service provider.

SUPPORTING DOCUMENTS:

[Equipment Authorization ORG.1313.PL.001](#)

[Employee Travel ORG.1310.PL.003](#)