

UMATILLA MORROW RADIO & DATA DISTRICT
PURCHASE APPROVAL POLICY

Purpose

To provide a process for documenting approval guidelines and authorization levels for staff in making purchases. This procedure will provide an accurate method of tracking individual purchases, provide purchase approval documentation, assign accountability to individual employees, and improve staff's awareness of the district's financial position in relation to budgeted line items.

Procedure

- Analyze product availability, competitive pricing, product quality, delivery, and installation and/or service factors when considering available vendor sources.
- Review district's operating budgets to determine if item is budgeted and to determine remaining budget availability for the related expense account(s).

Budgeted items, 5,001-10,000- notify Chair or Vice. Above 10,000 Board Approval.

- If item under consideration is not specifically budgeted, or if insufficient account budget funds remain unavailable; The District Administrator will obtain prior approval from the Board Chair before implementing the purchase process. Capital equipment and services purchases over \$5,000 will require prior board approval. In addition, some unbudgeted items may require board approval prior to purchase. In such cases, employee should make a request using the purchase approval document. This document requires the signature of the District Administrator.

Documentation

- When a purchase decision is initiated, employee will retain ordering and/or shipping information. This documentation will be provided to the book keeper for reconciliation to the item's invoice.
- Employee responsible for the purchase will approve the invoice prior to issuance of a vendor's payment. Approving employee will date and initial the invoice and confirm the correct expenditure account number(s) for the charge.
- The District Administrator will review and approve normal on-going budgeted operating invoices such as utility, postage, or storage bills.
- Employees will follow prudent purchasing practices when utilizing procurement cards such as Visa or MasterCard. In addition to ensuring budget authorization and availability, card users will provide the District Administrator with all receipts and/or shipping statements associated with card charges. When ordering by telephone, employee will provide District administrator with accompanying credit card ordering documentation. This documentation is required by the District Administrator to reconcile the monthly bankcard statements and to allocate charges to the appropriate budget lines. In addition, credit card users will note the purpose of the expenditure on the receipt submitted to the District Administrator.
- If an employee is considering the purchase of an item or service that is not budgeted or, if remaining unencumbered budget funds are insufficient, employee will obtain purchase approval prior to initiating the purchase process. This approval will be obtained through the use of the district's purchase approval document.