

SUBJECT: PURCHASING		
Reviewed by: Finance Committee Revised by:	Effective: 5/12/12	
	Reviewed: 3/7/12	Revised: 3/28/12
Approved by: HITE-CT Board of Directors	Page 1 of 2	
Related to Core Policy: F 100		

PURPOSE:

The following guidelines are to be followed to procure necessary supplies and services, and to establish approval limits.

PROCEDURE:

- A. In order to assure compliance with corporate contracts, incurring the most favorable pricing, expediting delivery, and establishing an efficient means of procurement, it is necessary to centralize the purchasing of goods and services as follows:
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|-------------------------------|---------------------------------|
| Goods & Services under 50K | CEO |
| Goods and Services under 100K | CEO & Chairperson or Vice Chair |
| Goods and Services over 100K | CEO and Board of Directors |
- B. Several methods of procuring services and goods for HITE-CT are used. They are Purchase Orders, Check Requests, Routine Travel and Petty Cash
1. Purchase orders are used to obligate the corporation for goods or services ordered. Purchase orders are generated upon request by the CEO of an approved routine request or special purchase request. These requests direct the purchasing agent (appropriate staff personnel) to seek the item or service and procure that item at the most favorable price and terms for use by the organization. This method of procurement should be used for nearly all acquisitions as it provides the most secure internal control of corporate expenditures. Estimates for goods or services will be sought from multiple vendors, except where response time and or contractual obligations make it advisable to secure from existing vendors. In all cases, documentation and approval must follow applicable policies and procedures.
 2. Check requests are used in those cases where a purchase order is not acceptable. Common examples include subscriptions, dues, or where the payment must be sent with an order, or where the item cannot be specifically received.
 3. Petty Cash is used for small and emergency acquisition of goods or services that is reimbursed with the petty cash voucher. The Petty Cash balance is not to exceed \$100.00. Contracts may contain language that imposes undesirable obligations or liabilities upon the corporation and can only be signed by the CEO as described in the approved Operating Procedures adopted by the Board of Directors.
- C. A Capital Budget is approved by the Board of Directors each fiscal year. The purchase of items in the Capital Budget requires signature by the CEO. Purchase of items over \$5,000 not in the Capital Budget requires approval of the Board of Directors.

D. The levels of authorization to request items or services are as follows outlined in the Board Approved Operating Procedures: