

Purchasing and Expenditure Approval
Policy and Procedure
Revised July 28, 2014

- **PURCHASE REQUISITIONS**
 - Required from Department Heads for all purchase amounts which exceed **\$ 1000**
 - All Purchase Requisitions also require approval of the Finance Director
 - If the Purchase Requisition causes the annual budget for that specific account to be unfavorable, the dollar amount of the variance must be noted prior to approval by the Finance Director
 - Supporting documentation for the Dollar amount requested to be attached to the Purchase Requisition
 - Blanket Purchase Reqs for an individual Vendor up to \$ 2000 will be allowed with prior approval of the Finance Director
 - Only one Purchase Requisition needs to be submitted if the Dollar amount to be invoiced does not change Monthly or Quarterly. The Purchase Req must be for the Total Annual amount
 - *Exemptions from Purchase Req requirements (Dept Head must still approve invoice):*
 - Annual Membership Dues
 - Subscription Renewals
 - Annual Service or Maintenance Contract Renewals
 - In addition, For Amounts > \$ 5000 and < \$ 25000, three quotes must be provided OR the State or Federal Purchasing Contract Number must be provided
 - In addition, For Amounts > \$ 25000, must go to Bid OR the State or Federal Purchasing Contract Number must be

provided. Also requires 2nd signature on P.O. (any member of Board of Selectman)

- You cannot issue multiple Purchase Reqs To avoid the (3) quote or Bid Process.
- *Exemption from Quote and BID Process:*
 - Sole Source – only one practical source for the required product or service is available
 - EZIQC (CRCOG) , PPAC, or other approved Purchasing Organization
 - 2/3 Vote from Board of Finance to approve vendor

- INVOICES

- If an Invoice is under **\$ 1000**, add account number, scan and forward to Department Head for approval
- If an Invoice is over **\$ 1000**, check list of Open P.O.'s. If Accounts Payable can match it, put P.O. number on Invoice, initial, date, and process for payment. If no P.O., forward to Department Head with instructions to prepare a P.O. (unless exempt per this policy)
- Utility, Phone and Cable bills:
 - a. Maintain a 12 month spreadsheet of all account numbers by location
 - b. Input the amount each month making sure that previous month's payment appears on the bill. If not, adjust the amount due to reflect current charge
 - c. Pay the Invoice (does not require Dept Head approval)
- Recurring Monthly or Quarterly Payments
 - a. P.O. must be for Annual Amount
 - b. If Invoice amount matches, write Invoice number, amount, and date on face of P.O

- c. **Accounts Payable to initial, date, and process for payment**
- d. **Keep separate file of these P.O.'s**

- **Payment from a statement requires authorization from the Finance Director**

- **INTERNAL VOUCHERS**

- **Department Heads can approve Internal Vouchers for their employees up to \$ 500. Greater than \$ 500 requires the Finance Director's or First Selectman's approval. All Internal Vouchers requesting payment to Department Heads require approval of either the Finance Director or First Selectman regardless of the amount.**