



Procurement and Payments

Background

KTCEA will implement processes and controls to ensure required goods and services are obtained for the best price and only valid expenditures are incurred.

Guidelines

Allowable Procurement of Goods and Services

1. The Principals and the Associate Superintendents, in conjunction with their staff, will set priorities for expenditures within each school, and within each school's budget which must be taken into consideration prior to purchasing any goods or services.
2. It is the policy of KTCEA to support the businesses and employment of KTC Members. In keeping with this policy, KTCEA reserves the right to give preference to KTC owned and local businesses in the awarding of contracts for goods and services.
3. All purchasing will be conducted in accordance with applicable legislation, regulation and other KTCEA policies or procedures (e.g. Conflict of Interest, Budget, Capital Budget, etc.).
4. Goods and services are to be purchased through fair and open competition wherever possible. Goods and services will be tendered where possible with clear and concise product and/or work specifications provided. In certain situations, it may not be feasible to tender KTCEA requirements because of emergency situations.
5. Goods, services, and program disbursements may only be incurred if:
 - They are within the mandate of the KTCEA.
 - Budgeted funds are available to support the purchase.
 - The expenditure is compliant with funding restrictions and KTCEA policies and procedures.
 - The expenditure is approved by an individual, with sufficient approval authority as described in the Delegation of Authority Procedure.
6. An employee may only order goods and services once approval has been obtained from an individual with sufficient expenditure approval authority for the impacted operational area or program as described in the Delegation of Authority Procedure.
7. All procurement contracts must be signed in accordance with the Delegation of Authority Procedure.
8. If a procurement contract is not in the format of KTCEA's approved and standard procurement contract approved by KTCEA's legal counsel, the draft procurement contract must be reviewed by KTCEA's legal counsel prior to signing.
9. In emergency situations, the Superintendent may approve the purchase of goods or services that were not anticipated in the budget and are not procured in accordance with the relevant policies and procedures. The rationale for these purchases must be documented by the Superintendent and reported immediately to the Board.
10. Employees are required to confirm the receipt of goods and services, that all goods and services have been received in satisfactory condition and that any goods not received

are clearly identified as such.

Expenditure Approval Authority Limits

1. Associate Superintendents, in conjunction with the Superintendent, have the authority to approve purchase and payment requests relating to the KTCEA's main activities and programs in accordance with the Delegation of Authority Procedure and approved budgets.
2. An Associate Superintendent may delegate full approval authority related to their activity to another Associate Superintendent or designate during times when the Associate Superintendent is not available, such as illness, vacation, or travel in accordance with the Delegation of Authority Procedure.
3. A Manager or another employee may only receive purchase and payment request approval authority upon delegation from their Associate Superintendent, and only for the program or area they are responsible for.
4. The Superintendent and Associate Superintendents do not have the authority to approve purchase and payment requests that result in an actual or perceived conflict of interest. As a result, purchase and payment requests that result in a payment to the Superintendent must be approved by the Board. Purchase and payment requests that result in a payment to an Associate Superintendents must be approved by the Superintendent.
5. Purchase and payment request approval authority is not procurement contract signing authority.
6. Employees must never separate a purchase into smaller purchase value in order to reduce the approvals required for the purchase.

Payment of Invoices – Goods and Services

1. Invoices will only be paid if accompanied by corresponding approved Expenditure Authorization Form and receiving documents.
2. Payments for reoccurring expenses, such as utilities, can be processed with a vendor invoice.
3. Payments on behalf of employees will only be paid if processed in accordance with the Payroll and Other Employment Expenses Related Procedure.
4. Invoices will be paid within 30 days from the date of the invoice unless the account is in dispute.

Cheque Signing

1. Cheques must be signed in accordance with the Delegation of Authority Procedure.
2. Signing authorities must not sign blank cheques.
3. In order to process the high volume of cheques, KTCEA may use electronic signatures of the signing authorities.
4. Only the Finance Director and designates shall have access to the blank cheques.

#	Procedure	Roles & Responsibilities
1.	<p>Ordering of Goods and Services</p> <p>1.1 Prior to ordering goods and services, employees must obtain pre-approval from the appropriate authority per the Delegation of Authority Procedure. Pre-approval should be documented, and documentation can be in the form of an email.</p>	<p>Supervisors Employees</p>
2.	<p>Payment Approval (Cheques and EFTs)</p> <p>2.1 Invoices for payment can be received by KTCEA by mail, by email and/or attached to goods received.</p> <p>2.2 Invoices received are forwarded to the Finance Branch who will then forward the invoice to the individual who ordered the goods and services (e.g. Associate Superintendent or Manager).</p> <p>2.3 The Associate Superintendent/ Manager or designate will complete the Expense Authorization Form and verify the purchase and receipt of goods by initialing and coding the invoice and signing the Expense Authorization Form in accordance with the Delegation of Authority Procedure.</p> <p>2.4 Once approved, the invoice and Expense Authorization Form are returned to the Finance Director or designate for final payment authority.</p>	<p>Associate Superintendents and Managers Finance Branch</p>
3.	<p>Payment Processing (Cheques and EFTs)</p> <p>3.1 Invoice details will be entered into the accounting system and a batch summary report (onscreen or printed copy) will be generated for review.</p> <p>3.2 If required, an individual that does not have the ability to add payment/invoice details in the system will add vendor details to the master vendor file.</p> <p>3.3 The accuracy of the payment details will be verified by matching the information to the source documents (i.e. invoice and Expense Authorization Form).</p> <p>3.4 Once the data entry has been verified, the payment data will be posted to the General Ledger, a payment batch will be generated, and the preliminary cheque register printed.</p> <p>3.5 The accuracy of the payment details per the preliminary cheque register will be verified by matching the information to the source documents.</p>	<p>Finance Branch</p>
4.	<p>Cheque Printing and Distribution</p> <p>4.1 Once the data entry has been verified, the final cheque register will be generated, and the cheques printed for signing in accordance with the Delegation of Authority Procedure.</p>	<p>Finance Branch</p>

	<p>4.2 The Expenditure Authorization Forms will be attached to the paper cheques and both will be provided to the signing authorities for review and signing.</p> <p>4.3 The signed cheques, along with a copy of the cheque stub and invoice, will be filed in the vendor file.</p> <p>4.4 The cheques will be mailed to the vendors.</p>	
5.	<p>EFT Processing</p> <p>5.1 After the final cheque register is verified, the EFT bank file will be uploaded to the Google Drive and then to the bank for processing. The EFT bank file cannot be uploaded to the bank by individuals involved in payment processing activities.</p> <p>5.2 The source documents are filed in the vendor files.</p>	Finance Branch
6.	<p>Vendor Master File Maintenance</p> <p>6.1 On an annual basis, the Vendor Master File will be reviewed for irregularities and inactive accounts.</p> <p>6.2 An individual that does not have the ability to add payment/invoice details in the system will be provided with a listing of inactive vendor accounts or other accounts (e.g. unapproved vendors) requiring deletion from the accounting system. This individual will delete the inactive vendor accounts from the accounting system prior to the next accounts payable run.</p>	Finance Branch
7.	<p>Consultants</p> <p>7.1 Before engaging any consultant, Associate Superintendents must obtain a written proposal or engagement letter from the consultant, that can be incorporated into a contract for approval in accordance with the Delegation of Authority Procedure. The proposal or engagement letter should detail:</p> <ul style="list-style-type: none"> • The specific objectives to be accomplished by the consultant • The specific tasks to be performed • The procedures to be used in carrying out tasks • The target dates for the completion of tasks • The method to be used to report results to KTCEA and/or to deliver any "product" • The total cost of the proposal including fees and projected expenses. <p>7.2 A copy of all contracts must be forwarded to the Finance Branch.</p>	Associate Superintendents Finance Branch
8.	<p>Competitive Procurement</p> <p>8.1 When KTCEA uses a competitive bid process to procure goods or services the Superintendent will decide, in consultation with external legal counsel as needed, whether specific suppliers will be invited to submit</p>	Superintendent Board

	<p>proposals as part of a Request for Proposal (“RFP”) process, or an open invitation will be issued as part of a formal tender process.</p> <p>8.2 The Superintendent and Finance Director, or their designates will prepare RFP or tender documents as required for all purchases of goods and services. All RFP or tender documents will conform to a standard for seeking proposals and will include the statement "The lowest or any other tender is not necessarily accepted."</p> <p>8.3 RFP or tender documents will clearly state date and time deadlines for tenders to be received. Any tender documents received after closing will be returned unopened to the supplier.</p> <p>8.4 The Finance Director will receive and open all tenders.</p> <p>8.5 The Superintendent and the Finance Director or designates, along with relevant employees can form a review panel and review the proposals or tenders received against pre-determined selection criteria. The review panel will provide the Superintendent and/or the Board with a recommended course of action.</p> <p>8.6 Under rare and limited circumstances, and only upon approval of the Board, a sole source contract may be awarded to a supplier in the following situations:</p> <ul style="list-style-type: none"> • There were no bids received during the RFP or tender process. • The goods or services are only available through a sole source arrangement. • There is an emergency where a delay in purchasing the good or service would result in severe loss or damage to KTCEA. <p>8.7 An Associate Superintendent will be assigned to monitor the quality and completeness of the work of the contractor and report any issues back to the Superintendent.</p> <p>8.8 A copy of all contracts must be forwarded to the Finance Branch.</p>	<p>Finance Director Associate Superintendents</p>
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Definitions:

Emergency Procurement is unexpected and not anticipated in the budget; and would negatively impact the delivery of a program or service or profitability of KTCEA if the procurement were delayed as a result of following the regular approval process.

Expense Authorization Form means the form employees have to complete to initiate and obtain approval of goods and services for KTCEA (Appendix A).

Receiving documents means packing slips, invoices and any other shipping documents accompanying the delivery of goods and/or services.

References:

Delegation of Authority Procedure

Procedure Amendments and Updates:

The responsibility for updating and amending this procedure rests with the Associate Superintendent Corporate Services.