

## **POLICY 11 - PURCHASING POLICY**

### **INTRODUCTION:**

It is recognised that members performing a service such as Class Leader will from time to time require new or additional material or equipment to enable them to deliver their program. Office holders may also, from time to time, wish to purchase equipment that they believe would provide an enhancement of the organisation and/or its business. It is in the financial interests of the organisation to ensure that purchasing protocols are put in place and followed.

### **PURPOSE:**

The purpose of this policy is to ensure that appropriate processes and procedures are in place to govern purchases made on behalf of the organisation and to comply with Section 45 of the constitution of U3A Croydon Inc. Advice from U3A Croydon Inc's Auditor has been incorporated into the policy.

### **POLICY:**

All purchases made on behalf of the organisation must be authorised, pre-approved and within budget.

Every member who purchases on behalf of U3A Croydon Inc. must have appropriate authorisation to purchase.

It is the responsibility of the Management Committee to ensure that Leaders and officers are aware of this policy.

### **PROCEDURE:**

#### **1. Contracts and Leases**

The President or Delegate, representing the Management Committee is authorised to negotiate and extend lease agreements for facilities where U3A classes and activities are conducted.

A majority of the Management Committee will approve the terms of such leases and allow regular payments to the Lessors in accordance with the terms.

#### **2. Recurrent Purchases**

The Office Administrator is authorised to order goods and services for the efficient operation of the U3A Croydon Inc. Upon receipt of the invoices for these goods and services the Office Administrator must certify on the invoices that the goods and/or services have been received in good condition and forward the invoices to the Treasurer for payment.

#### **3. Non-Recurrent Purchases**

The Management Committee must pre-approve the purchase of goods and services valued at \$500.00 and above. This approval will be made at the regular Management Committee

meeting with a majority of members voting in favour of the purchase.

If the purchase is urgent, the President will contact members of the Management Committee and provide details of the goods or service required and the cost. Members will indicate to the President if they agree or disagree with the purchase. The purchase will be approved if the majority agree to the purchase.

Leaders wishing to acquire additional or replacement equipment must put their request and an estimate of cost in writing to the Course Coordinator for approval or consideration by the Management Committee.

When a request for purchase has been approved by the Management Committee, the Treasurer will be advised of the details of the purchase.

#### 4. Methods of Payment

The Office Administrator must certify on invoices for payment by the Treasurer that the goods and/or services have been received in good condition and are due for payment.

The Treasurer will ensure that the closing balance of the monthly statement will be paid in full by the due date each month.

The cost of unauthorized purchases will not be reimbursed unless the Management Committee considers that the purchase was made in exceptional and extenuating circumstances.

#### 5. Asset Management

Subject to the following paragraph, all authorized purchases become the property of U3A Croydon, Inc. Equipment with a value of over \$300.00 will be tagged and entered into the Asset Register. Certain items considered "Portable and Attractive" with a value of less than \$300.00 will also be included in the Asset Register.

Occasionally the Management Committee may approve the purchase of a piece of equipment to be fixed in a rented facility (e.g. shelves) where classes are conducted and the equipment ultimately becomes the property of the owner of the facility. The Management Committee may approve arrangements that allow the Leader to enter into an agreement to reimburse the Management Committee for the purchase of the equipment and forego rental of the facility to the value of the equipment.

#### **AUTHORISATION:**

This policy was adopted by the Committee of Management of U3A Croydon Inc and minuted as such on 23<sup>RD</sup> July, 2023.

Version Number	Purchasing Policy
23 July 2023	Date endorsed by Committee of Management of U3A Croydon