

Rural Municipality of Riding Mountain West

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Policy No. ADM 11	Reference: Resolution 21-013
Policy Title: Purchasing and Invoicing	Pages: 2
Policy Effective: 13 January 2021	Policy Amended: New Policy

Supersedes

New policy.

Purpose

1. This policy details the process to be followed by administration to manage our purchasing and invoicing. The point of the process is to prevent a gap between purchase order and paying the invoice, or in other words, to prevent us paying for something we did not order or did not get.

Background

2. Purchasing a good or service is a multi-step process:
- a. Initial authority is made – normally through the budget, but in many cases by Council resolution for spending outside the budget;
 - b. In the case of budgeted spending, the Chief Administrative Officer (CAO) may spend up to \$500.00 on any given good or service. The CAO may delegate spending authority the Assistant CAO, the Operations Foreman, or the Utility Operator;
 - c. During emergencies, Council may authorize spending as necessary;
 - d. Tendering and ordering is done per the Procurement Policy as necessary;
 - e. A purchase order (PO) is issued

- f. The good or service is delivered;
- g. An invoice is received; and
- h. The invoice is paid.

Purchase Orders

- 3. PO books will be used which provide two copies of each PO. One book will be held by the Operations Foreman for use by Public Works and Solid Waste, and one book held in the municipal office for use by the office, the Fire Departments, and the Utility and for miscellaneous purposes.
- 4. A copy of all purchase orders will go to the Financial Assistant. The Financial Assistant will keep these to match against invoices.
- 5. POs for amounts greater than \$500.00 will have the authorizing Resolution of Council marked on them.

Invoices

- 6. Every week or twice a week, the Operations Foreman and the Utility Operator will meet with the Financial Assistant and sign invoices, the point of this being to confirm that the good or service was received in good order. A telephone meeting is fine for this if more convenient for those involved. The point is to confirm the receipt of the good or service.
- 7. The Financial Assistant will then process the invoice for payment.
- 8. The cheques are then compared against the invoice details by Council and once approved, are mailed.