

Purchasing and Repairs Policy

Purpose of the policy

The purpose of this policy is to establish clear requirements for spending authorizations and outline responsibilities related to the purchase of goods and services, to ensure fiscal oversight and efficient co-op operations.

The process for how purchasing decisions are made is outlined by the co-op's 10-year Financial Plan, Replacement Reserve Plan, CHFBC's Bulk Purchase Plan, and other policies (e.g. Flooring Policy).

Definitions

A **purchase** is any commitment to buy goods or services, or have work done at the co-op's expense.

Emergency expenses are unbudgeted purchases of work or materials that must be made immediately because a delay can:

- result in property damage
- endanger the safety of people or property, or
- disrupt essential services to members.

Policy

Spending authorization for *Maintenance Coordinator or Board Member*

1. ***The Maintenance Co-ordinator or Board Member*** will only purchase goods or services on behalf of the co-op for the following reasons:
 - to complete a co-op work order
 - to fulfil a requirement of the warranty agreement
 - to complete work identified on the annual maintenance calendar and replacement reserve plan
 - for emergency repairs
 - to complete upgrades or renovations approved by the Board.
2. **Purchase of goods and services**

The Maintenance Coordinator or Board Member will undertake to purchase goods or service on behalf of the co-op to ensure work that is identified through work order processes, annual calendar, replacement reserve plan, warranty requirements or additional items requested by the board, with established co-op trades people.

 - Purchases over **[\$5,000]** for non-emergency, unplanned repairs will be brought to the board for approval.
 - Where purchase price for a job is over **[\$7,000]**, the Board may request three quotes.
 - For costs of **[\$100,000]** or more, public tender for construction work in all cases, or competitive bids from at least six sources.

3. Emergency expenses

- **Maintenance Coordinator or Board Member** will respond to all Emergency Calls and arrange for the goods or services to be purchased to remedy the emergency, following the Emergency Procedure.
- Emergency expenses over **[\$1,000]** will be reported to the next board meeting.

Payment

4. When using co-op credit accounts, **Maintenance Coordinator or Board Member** will approve invoices for goods or services and forward them to the co-op as quickly as possible.
 - The co-op will ensure payment is made to the supplier by the required due date.
5. When goods or services are purchased on **Maintenance Coordinator or Board Member** personal credit accounts, **Maintenance Coordinator or Board Member** will approve and pay invoices for completed work directly.
 - The co-op will be invoiced for these purchases and any applicable processing costs. Copies of invoices will be included. The co-op will ensure payment to the **Maintenance Coordinator or Board Member** in a reasonable time.

Policy approved: **March 23, 2021**

Replaces policy/policies dated: **1997**

Documents and Procedures needed to carry out this policy

1. Approved Trades Listing including credit account numbers (Office and Board access only)
2. **Maintenance Coordinator or Board Designate** Job Description (Office and Board access only)
3. Emergency Procedures
4. Purchase Order Procedure
5. Cheque and Cash Disbursement Procedure