

POLICIES AND PROCEDURES MANUAL

KEYSTONE COMMUNITY RESOURCES, INC.

KEYSTONE INDEPENDENT LIVING, INC.

**Policy Title:**

Authorization of Agency Funds for Program Purchases

Chapter:

5 Fiscal

Effective Date:

2/2/2009

Revision Date:**Policy Number:**

5-300-003

Chief Operating Officer

SCOPE:

This policy includes all departments within Keystone Community Resources, Inc., and Keystone Independent Living, Inc.

INTRODUCTION:

To assure proper management of Keystone funds handled by KCR/KIL, employees who have the responsibility to handle funds by KCR/KIL, accept a fiduciary role with legal obligations and responsibilities. This fiduciary role requires the employee to act in a trustworthy and confidential manner and to be financially responsible for the funds.

As part of the legal, fiduciary responsibilities and obligations, employees are responsible for sound management of funds, including: all required accounting, documentation and reporting of such management.

Overview

The Program Manager, Coordinator and Director will formulate a financial plan for the home to ensure current and future purchases/needs are considered. This includes: planning for the program's needs, money management training (if applicable), and planning for unexpected purchases.

Handling KCR/KIL funds involves the following:

- Use funds/purchases for the benefit of the residents/staff in the home/program in line with the approved budget.
- The Program Manager can purchase items totaling no more than \$100.00.
- The Program Manager will obtain prior authorization for purchases exceeding \$100.00 but less than \$300.00 from the Program Coordinator.
- The Program Manager will obtain prior authorization for purchases exceeding \$300.00 but less than \$500.00 from the Program Director.
- Purchases exceeding \$500.00 and less than \$1,000.00 require prior authorization from the Executive Director.
- Purchases over \$1,000.00 require prior authorization from the Chief Operations Officer, with the exception of pre- approved budget items.

PROCEDURE:

This policy includes all departments within Keystone Community Resources, Inc., and
Keystone Independent Living, Inc.

Purchases up to \$100.00

- 1) The Program Manager completes a purchase order and shops within 7 days.

Purchases from \$100.00 to \$300.00

- 1) The Program Manager/area completes a purchase request and submits to the Program Coordinator/Maintenance Supervisor.
- 2) The Coordinator/Maintenance Supervisor approves or denies purchase request, then returns to the Program Manager/area.

Purchases from \$300.00 to \$500.00

- 1) The Program Manager/area completes a purchase request and submits to the Program Coordinator/Maintenance Supervisor.
- 2) The Program Coordinator/Maintenance Supervisor reviews request and, if approved, completes a purchase order and forwards to Program Director.

- 3) The Program Director approves or denies purchase order, and forwards to the Program Manager/area.

Purchases from \$500.00 to \$1000.00

- 1) The Program Manager completes a purchase request and submits to the Program Coordinator.
- 2) The Program Coordinator/Maintenance Supervisor reviews request and, if approved, completes a purchase order and forwards to Program Director.
- 3) The Program Director reviews purchase order and, if approved, forwards to Executive Director.
- 4) Executive Director approves or denies purchase order and returns to Program Director who then forwards to the Program Manager/area.

Purchases over \$1000.00 (excluding Capital Budget Items)

- 1) The Program Manager completes a purchase request and submits to the Program Coordinator.
- 2) The Program Coordinator/Maintenance Supervisor reviews request and, if approved, completes a purchase order and forwards to the Program Director.
- 3) The Program Director reviews purchase order and, if approved, forwards to Executive Director.
- 4) Executive Director approves or denies purchase order and, if approved, forwards to Chief Operations Officer.
- 5) Chief Operations Officer approves or denies purchase order and returns to Executive Director.
- 6) Executive Director will return to Program Director who then forwards to the Program Manager/area.

Capital Budget Items

- 1) Purchase orders are completed by the Program Director, marked "Capital" and forwarded to the Executive Director
- 2) The Executive Director approves the purchase order and returns it to the Program Director who then forwards to the Program Manager/area.

Approved Purchase Requests/Orders

- 1) The yellow and white copies of the purchase order are given to the area/program. Shopping is to be completed within 7 days. The yellow copy is retained by the store/vendor.
- 2) After the purchase is complete, the purchase order number (#) and the name of the area/program are noted on the receipt. The receipt is then attached to the white copy of the purchase order and returned to the Program Director. The pink copy is to be retained in the area/program.
- 3) The Director tracks the purchase and forwards the white copy of the purchase order and the receipt to the fiscal department.
- 4) The Director notifies the Program Coordinator/Maintenance Supervisor of completed purchases.

Denied Purchase Requests/Orders

- 1) If a purchase order is denied by the Program Coordinator/Maintenance Supervisor, the Program Coordinator/Maintenance Supervisor notifies the Program Manager.
- 2) If a purchase order is denied by the Program Director, Executive Director or Chief Operations Officer, the Program Director notifies the Program Coordinator/Maintenance Supervisor and the area/program.