

Kids Central, Inc. System of Care Policy & Procedure

Series: Finance, Accounting and Contracts

Policy Name: Purchasing

Policy Number: 912

Origination Date: 09/15/03

Revision Date: 8/30/06

Authority:

Policy:

It is the policy of Kids Central, Inc. to ensure the maximum effectiveness of expenditures through proper purchasing procedures and to ensure compliance with the Board of Directors and funding sources fiscal requirements. This policy does not cover goods and services that are procured via negotiated contract. It also does not cover mandatory payments for child care, such as foster care, adoptions subsidies and independent living scholarships.

Procedure:

1. All vendors are informed of the organization's tax exempt status prior to making purchases. A copy of the exemption certificate is made available to any vendor upon their request.
2. All requests for goods and services over \$50 require the submission of a Purchase Order. The Purchase Order is to be completed in full and include the date, source of the supplier, the quantity, stock numbers when available, the quoted price and the program/department requesting the purchase.
 - a. Purchase Orders are numbered in sequential order. Accounts Payable will also keep Purchase Orders and a Purchase Order Log.
 - b. Upon Completion of the Purchase Order, Directors or Managers must approve the request by signing and dating the form. All purchases are based on valid, budgeted, approved requests that are properly executed as to price, quantity, quality and selected vendor.
 - c. The original copy goes to the vendor to initiate the order. One copy is filed until the order has been filled and is then matched with the invoice as received. Another copy is maintained with the Purchase Order Log as a numerical control.
3. All requests for goods and services over \$50,000 in value require three independent written bids or as required by state or federal funding sources. The lowest bid will not necessarily be the one selected, but cost effectiveness is to be the main consideration in the selection process.
4. All procurement transactions shall be conducted in a manner that provides open and free competition and shall not restrict or eliminate competition.

Kids Central, Inc. System of Care Policy & Procedure

5. Through our contracts with the Department of Children and Family Services, we are required to comply with FS 287.045 and 403.7065 as it pertains to any products or materials that are included therein. The Purchasing Department will take this into consideration when procuring such products and materials. Quality, availability, and cost of merchandise to be purchased will be the final determining factor in whether to purchase recycled products.
6. In accordance with Kids Central, Inc.'s contract with the Department of Children and Families, Kids Central, Inc. will make appropriate purchases from PRIDE, Inc., identified under Chapter 946, FS, in the same manner and under the procedures set forth in subsections 946.515 (2 and 4). Quality, availability, and cost are the final determining factors.
7. Kids Central, Inc. will abide by Chapter 287.042 of the Florida Statutes by assisting Certified Minority Business Enterprises in the area in gaining access to State funded business opportunities. Kids Central, Inc. will assist Florida's Small and Minority businesses in gaining entry to do business with the State of Florida.

Kids Central, Inc. will give preference to all certified minority business vendors. Quality, availability, and cost of the service/product being purchased will be the final determining factors.

8. The Finance and Contract Department shall maintain all records sufficient to detail the history of procurement. These records shall include, but are not limited to, information pertinent to the following:
 - a. Copies of receipts.
 - b. Copies of service agreements or contracts.
 - c. Copies of lease agreements.
 - d. List of all bidders, if applicable.
 - e. Copies of completed bid process with explanation of selection process, if applicable.
 - f. Copies of small, minority business certification.
9. Purchase of Professional Services
 - a. Purchases of less than \$5,000 – The approval authority for purchases of less than \$5,000 is delegated to the Chief Operating Officer, or Chief of Administrative Services.
 - b. Purchases of \$5,000 to \$25,000 – The approval authority for purchases of \$5,000 to \$25,000 is delegated to the Chief Executive Officer who may further delegate authority and issue pertinent guidelines.
 - c. This approval authority is not intended to supersede the budgetary controls as approved by the Board of Directors. It is understood that Board approval is required for any purchase which significantly impacts budgetary constraints.
10. Purchase of Commodities, Equipment and Services Other Than Professional Services.

Kids Central, Inc. System of Care Policy & Procedure

- a. Purchases of less than \$5,000 – The approval authority for purchases of less than \$5,000 is delegated to Director of Finance who may further delegate authority and issue pertinent guidelines.
- b. Purchases of \$5,000 to \$25,000 – The approval authority for purchases of \$5,000 to \$25,000 is delegated to the Chief Executive Officer who may further delegate authority and issue pertinent guidelines.
- c. This approval authority is not intended to supersede the budgetary controls as approved by the Board of Directors. It is understood that Board approval is required for any purchases which significantly impact budgetary constraints.

11. All purchases over \$25,000 must be approved by the Board of Directors.

Approved By:

Cynthia A. Schuler, Chief Executive Officer

Date