

Finance Policy & Procedures – Approved 18 May 2016

Background

Purchasing and signing authority policies ensure that the Ralph Thornton Centre manages financial, human resources, and organizational risks, as well as communicating a framework so that all staff, Board members, and vendors clearly understand and have a high degree of confidence and comfort with their responsibilities and limitations.

Policy Statement

The Ralph Thornton Centre is committed to ensuring the proper use of City, funder, donor, and other revenue and resources. The Centre will undertake competitive purchasing practices in all but exceptional circumstances to meet the intent of the Centre and the City of Toronto's relevant policies, as well as financial best practices, to ensure the best value for money and responsible decision making as it relates to purchasing.

As part of its decision-making, the Center is committed to following the values set out in the Ralph Thornton Centre renewal plan and statement of values, with emphasis on promoting social justice, inclusion, and community.

The Centre is also committed to ensuring that employees operate within their spending and signing authorities to ensure that the Centre is not placed at unnecessary financial risk. The Centre will take action in accordance with organizational policies should employees not adhere to these policies.

Definitions

The Board – The Board of Management of the Ralph Thornton Centre.

The Centre – The Ralph Thornton Centre.

Credit Agency – the organization that issues a credit account or purchasing card.

Established Vendor – those vendors who have demonstrated from previous RFPs or RFQs that they provide competitive pricing and have been designated as approved vendors by The Centre.

Formal Call For Quotation – used when it has been determined that a purchase of goods and services cannot be fulfilled from a current blanket contract and where the requirements can be precisely defined. These are documented by vendors in response to inquiries from employees.

Informal Call For Quotation – used when it has been determined that a purchase of goods and services cannot be fulfilled from a current blanket contract and where the requirements can be precisely defined. These are documented by employees through inquiries to vendors and/or research.

Request for Quotation (RFQ) – used to obtain goods and services whenever the requirements can be precisely defined and the expectation is that the lowest bid meeting the requirements specified in the call would be accepted.

Request For Proposal (RFP) – used to obtain goods and services of a unique or complex nature where all or part of the requirements cannot be precisely defined and the expectation is that the proposal offered by the highest ranked proponent resulting from an evaluation and meeting the requirement specified in the call, including the evaluation criteria set out in the call, would be accepted.

Sole-Source Contract / Purchase – a non-competitive procurement process. Sole-source procurement shall only be used if one or more conditions apply and a process of negotiation is undertaken to obtain the best value in the circumstances for the Centre.

Application

This policy applies to all employees of the Centre, signing officers, and members of the Board.

Related Policies

- **Executive Limitations Policy** – Ralph Thornton Centre
- **Conflict of Interest Provisions** – City of Toronto Public Services By-Law
- **Disclosure of Wrongdoing and Reprisal Protection Provisions** – City of Toronto Public Services By-Law
- **Procurement Process Policy** – City of Toronto

In the event the Finance Policy and Procedures conflicts with the above related policies, the AOCC Relationship Framework, or other relevant legislation, the terms of such other sources will take precedence over the terms of this Finance Policy.

Procurement Procedures

Approval Limits

All Employees (working greater than 18 hours per week)	\$200
Managers / Directors	\$3,000
Executive Director	\$5,000
Board Approval Required	Contracts 3 years or greater in length and/or valued above \$5,000
Board Chair and Committee Chairs	\$200 * * Board related expenses only

Approval Limits and Procurement Procedures are not applicable for:

- Utilities;
- Statutory remittances to the Government of Canada and Province of Ontario;
- Payables to the City of Toronto;
- Payroll and payroll deductions, including OMERS and union dues;
- Audit fees.

Claims for expenses must follow basic accounting and audit principles:

- Expenses must relate to the business of the Centre.
 - Employees cannot claim expenses of a personal nature.
 - All goods purchased with Centre funds are considered the property of the Centre.
- Expenses cannot be broken into instalments in order that such instalments individually fall within approval or expenditure limits.
- Where possible, the Centre will seek the best value for money including using established vendors, City of Toronto vendors, and City stores whenever price comparisons demonstrate better value and are lower in price. In order to obtain the best value, the Centre will also negotiate bulk purchasing arrangements. To facilitate this effort:
 - Purchases related to building maintenance must go through maintenance staff.
 - Purchases related to office supplies should go through reception staff.
 - Purchases related to information technology (computer hardware and software, telephones, etc.) must go through the Business Manager.
- Only employees may claim expenses. Expenses incurred by third parties cannot be claimed.
Exceptions:
 - Only the Board Chair and Committee Chairs may claim expenses that are directly related to Board and Committee activities;
 - Third parties performing programming functions with the Centre may be made responsible for the purchase of specified goods through petty cash or within individual program budgets.
- All expense claims must include proper documentation, including detailed original receipts. In the case of online purchases, a printed copy of the confirmation must be attached to the claim.
 - Documentation must include a description of the goods purchased or services rendered, the cost, and applicable taxes.
- When providing supporting documentation for justifying business expenses, employees must provide specific details about the purpose of the expenses.
 - If applicable, the program for which goods or services are purchased must be identified.
- Expense claims should be filed within a week of when the expense is incurred.
 - Reimbursement cheques should be issued within 10 business days of the receipt of the claim and cheque requisition.
 - Employees may choose to waive receiving a reimbursement cheque within the 10 business days, if they wish to be reimbursed for multiple expense claims with one cheque. Employees should note this in writing on the relevant expense claim form(s). A maximum of \$100.00 in expenses may be so accumulated within each quarter.
 - Notwithstanding the choice to delay reimbursement, employees should submit all expense claims in a timely manner.

- The Centre will not pay interest charges for expense claims where the employee has not filed expense claims in a timely fashion or has elected to delay reimbursement.
- Expenses must be charged to the year in which they occurred.
 - All expense claims must be filed within 10 business days following the end of the calendar year.

Procedure – Expense Claims

For reimbursement of expenses, employees must use **Form A – Reimbursement of Expenses**. Expenses must meet the Approval Limits.

- Requests for reimbursement must include:
 - Original receipt(s) which should identify:
 - The goods or services purchased;
 - The cost;
 - Applicable taxes;
 - Date.
 - Description of the purpose of the expenses
- In the case of online purchases, a printed copy of the confirmation must be attached to the claim.
 - Credit card receipts and/or statements are not acceptable.
- The completed form must be dated and signed by the employee requesting reimbursement.

For reimbursement of taxi expenses, employees must use **Form B – Reimbursement of Taxi Expenses**.

- Requests for reimbursement must include an original taxi receipt(s) identifying:
 - Date;
 - Amount;
 - Starting location;
 - Destination.
- Only receipts from licenced taxis are acceptable.
 - Ride share expenses are not permitted.
- Requests for reimbursement must include the reason for the trip.
- The completed form must be dated and signed by the employee requesting reimbursement.

For payment of travel expenses using personal vehicles, employees must use **Form C – Kilometrage & Parking Expenses**. Kilometrage reimbursement is based on the City of Toronto’s rate for City employees.

- Requests for reimbursement for travel must include:
 - Date of travel;
 - Number of kilometres traveled;
 - Starting location;
 - Destination;

- Reason for travel and/or program related to travel, if applicable.
- Requests for reimbursements for parking expenses must include:
 - Date;
 - Reason for travel and/or program related to travel, if applicable;
 - Original parking receipt attached to the form.
- Fines for parking infractions or moving violations are not eligible expenses and will not be reimbursed.
- The completed form must be dated and signed by the employee requesting reimbursement.

Procedure – Purchase Requests

Employees who require goods or services above the approval limit or for a scope of work outside their department must obtain approvals.

For requests for large maintenance projects or products, employees must use **Form D – Maintenance Work Order**.

- Requests for work must include the reason for the work and the date required.
- Requests should outline, in as much detail as possible, the scope of work and materials required. If known, estimated costs of labour and materials should be included.
- Work Orders must be signed by an employee who is authorized to approve the expense.
 - The authorizing employee will consult with maintenance staff and the Executive Director as to whether the work can be completed by staff or will be assigned to a contractor.
 - If the work is to be contracted out, the **Procurement Procedures** are to be followed.

For goods and services outside of approval limits, employees must use **Form E – Purchase Order**.

- Requests for purchase must include the name of the program or department, the reason for the expense, the employee person requesting the purchase, and the date required.
- Requests should be itemized with product number (if applicable), description of the goods or services, and costs or reasonable estimates.
- Requests may include the name of a preferred vendor
 - Any documentation that details multiple quotes, if required under the **Procurement Procedure**, must be attached to the form.
- Purchase orders must be signed by an employee who is authorized to approve the expense.
 - The authorizing employee will ensure the **Procurement Procedures** are followed.

Purchase Orders and **Work Orders** are not required for:

- Purchased services for which a contract detailing the terms of the contract has been signed;
- Ongoing payments for a service, where the Centre has authorized a schedule of payment and amounts;
- Emergency repairs, where senior management has authorized the work, but where it is unknown what work is involved or the cost;
- Purchases related to routine building maintenance and cleaning.

Procedure – Processing Expenses

For the issuing of cheques to pay for goods and services, employees must use **Form F – Cheque Requisition**.

- Cheque requisitions must include:
 - The payee, along with mailing address;
 - The individual requesting the cheque;
 - The purpose of the expense;
 - General Ledger Account number(s) and description(s);
 - Amount for each GL account, net applicable taxes;
 - Applicable taxes;
 - Total requested.
- Attached to the cheque requisition form must be original receipt(s) or invoice(s), which should identify:
 - The goods or services purchased;
 - The cost;
 - Applicable taxes;
 - Date.
- Any relevant expense claim forms, purchase orders, or work orders should also be attached to the cheque requisition.
- The completed form must be dated and signed by the employee approving the requisition, who must be different from the person making the request.

Policy and Procedure – Petty Cash

Policy

The Centre's Petty Cash policy and procedure sets out the administration of petty cash funds for minor purchases by employee for amounts up to \$75.

The Centre maintains a petty cash fund for the purchase of low-dollar value goods and where it is neither practical nor efficient to purchase through cheque, credit account, or purchase order.

The custodian of the fund is in charge of the security of the funds, with all cash and vouchers held in a lockbox. A secondary custodian is appointed to ensure access to the fund during short absences, such as due to an illness.

The petty cash fund is reconciled on a monthly basis by the custodian using the **Petty Cash Journal Form**. The custodian must ensure that the cash-in-hand, vouchers, and receipts are equivalent to the total disbursed through the petty cash account.

The petty cash float is established at \$500 and should be replenished when it is at or below \$100.

Goods and services permitted through the petty cash fund include, but are not limited to:

- Postage;
- Food items;
- Office stationery.

Goods and services not permitted include:

- Personal purchases;
- Alcohol;
- Salaries or honorariums;
- Payment of invoices from an established vendor;
- Fines for parking infractions or moving violations.

Procedure

- A cheque requisition is created, naming the custodian as the payee, to establish/replenish the approved petty cash float.
- Petty cash vouchers are to be numbered consecutively.
- An employee making a purchase with petty cash:
 1. Completes a petty cash voucher issued by the custodian;
 2. Obtains the petty cash funds for the equivalent amount of the petty cash voucher. Both the employee and custodian sign the voucher;
 3. Makes the purchase and obtains a receipt;
 4. Provides the receipt and any change from the purchase to the custodian. The custodian numbers the receipt and records the purchase in the Petty Cash Journal and returns the voucher to the employee.
- If an employee does not obtain petty cash funds prior to the purchase, the employee is to complete the voucher, submit receipts, and receive reimbursement.
- If an employee is unable to obtain a receipt or if the employee loses the receipt, the custodian
 - retains the voucher, amending it to reflect any funds returning to the float,
 - records the expense in the journal, and
 - makes a note on the voucher and in the journal explaining the reason for no receipt.
 - Regular issues with the inability to provide receipts must be reviewed.
- Reconciliation of the petty cash fund must be completed monthly or when the float needs to be replenished, if mid-month.
 - The reconciliation must include the completed **Petty Cash Journal Form** and all receipts and completed vouchers for which no receipts exist, numbered to correspond to their journal entry.
 - Additionally, the fund must be reconciled at the year end, as of 31 December.
 - Any cash shortages or overages discovered between reconciliations should be reported immediately.
- When the responsibility of the petty cash fund is transferred to another person, either permanently or temporarily (as during vacation or leave of absence), the custodian must reconcile the fund and replenish the float to the original cash balance.
- If a petty cash fund is no longer required, the fund must be reconciled and closed, with all vouchers and remaining funds returned.

- A petty cash fund from one department cannot be transferred or merged with another petty cash fund.

Policy and Procedure – Expenses from Program Budgets

Policy

The Centre prepares a global budget, approved by the Board, for all expenses. Within the global budget, each program has its own budget to meet the objectives and needs of the program. The program budget may be managed by the employee leading the program. Subject to the Approval Limits, employees have the discretion to purchase goods and services to support the program.

The program budgets are established in collaboration with the employee leading the program, and are approved by the Executive Director. The budget clearly defines the period for which it applies as well as the types of expenses. Purchases as part of the program budget are only for the specific program, and must not include goods or services related to the basic operation of the Centre or for other programs or special events, which must have their own budgets.

The employee leading the program is responsible for the cash flow and reports monthly on the expenses and projected expenses.

Procedure

- A budget is created, identifying the program, the duration of the program, the types of goods and services required, the estimated expenses, and the employee designated to lead the program.
- The employee managing the program is responsible for expenses within the set budget and following the approval limits. A monthly report on expenses is submitted to the Program Director.
- The employee managing the program expenses may hold petty cash for purchases up to \$75.
 - The employee managing the program is the custodian of the petty cash and must follow the **Petty Cash Policy and Procedures**.
 - For purchases over \$75, an **Expense Claim, Purchase Order, or Cheque Requisition** are required.
- If donations or fees are received as part of the program, they are to be receipted to the payee and submitted for deposit.
 - Monies collected are not to be added to the program's petty cash or drawn upon to purchase goods and services.
- Once the program has ended, the budget must be reconciled and closed, and any petty cash vouchers and remaining funds returned.
 - An employee leading a program cannot transfer petty cash or a budget surplus from one program to another program.

Policy and Procedure – Corporate Purchasing Card

Policy

Credit or purchasing card payments supplement rather than replace the Centre’s usual processes of issuing cheques in response to an invoice (or for an accountable advance) for approved expenses. Credit card purchases are generally employed for low-dollar-value expenses, online payments, emergency circumstances, and/or where the vendor requests a credit card payment.

Use of a Corporate Card issued to the Centre by a credit agency is authorized for the payment or purchase of low-dollar-value goods and services, such as organizational expenses and Authorized Goods and Services.

Goods and services with a dollar value higher than \$5,000.00 may be charged to a corporate card providing prior-approval is received from the Board.

Corporate cards may be assigned to and used by authorized employees for the purposes identified above. All employees assigned a corporate card are required to maintain and ensure the security of the card at all times.

The following employees may be issued credit cards with limits as indicated:

- Executive Director: \$5,000
- Programme Director: \$3,000
- Business Manager: \$3,000

All payments must be authorized in accordance with the delegation of financial authority and made within applicable approved budget lines and adhering to the **Approval Limits** and **Purchasing Approvals** procedures.

Procedure

- Corporate card expenses and payments must be reconciled monthly.
- Each expenditure must be verified by:
 - The original receipt;
 - An explanation of the expenditure;
 - The budget line against which the expenditure is to be billed; and,
 - Appropriate financial authorization.
- The original receipts must be attached to the statement issued by the credit agency.
 - Employees are responsible for retaining receipts and submitting them with the appropriate credit statement.
 - If an employee loses the receipt, the employee provides written notice explaining the missing receipt, describing the purchase, and itemizing the purchase and applicable taxes.
 - Regular issues with the inability to provide receipts must be reviewed.
- All payments must be made on or before the monthly due date for such payment established by the credit agency unless otherwise authorized by the Board.

- Employees must reconcile credit statements and submit with cheque requisition within 5 business days of receipt, to ensure that the Centre’s payment meets the due date.
- Each expenditure report (reconciliation) will be reviewed and verified by the Executive Director and/or senior financial employee in accordance with the delegation of financial authority.

Procedure – Processing Receivables and Donations *

**This section is under development, to reflect the introduction of credit card and debit card payments.*

Procedure – Receivables (Trusteeships)

In order to cover administrative and other costs, the Centre shall retain a minimum 10% of all funds received in trust and distributed to groups or individuals for a program or project. Should the Centre be required to provide support beyond minimal financial oversight and reporting, an additional percentage or lump sum to offset the cost of staff time shall be leveled.

Procedure – Banking and Investments

- The Board will determine appropriate financial institutions through policy.
 - The Centre's banking institution is the Bank of Montreal.
- Signing Authorities are amended at the first meeting of the Board after the Annual General Meeting where Board Officers are elected and/or after the hiring of an employee who should be an authorized signatory.
- Where appropriate, the Board will determine investments to maximize interest generated.
 - The Board shall ensure that funds are always readily available to cover all foreseeable operating costs and must take reasonable measures to ensure funds are readily available for additional, unanticipated expenses (contingency funds).
 - The Board will consult with the Executive Director before considering investments.
 - Any investments must be insurable through the Canada Deposit Insurance Corporation (CDIC).
 - The Board shall determine the appropriate allocation of interest earned in advance of the maturity date.

Procedure – Reserve Funds

To ensure that the Centre has available funds for unforeseen expenses and to undertake large projects, as well as to improve financial planning, the following Reserve Funds have been established for the indicated purposes:

- **Capital Reserve** - funds for future capital upgrades and emergency repairs;
 - Subset reserves that are restricted by legislation, such as Section 37 funds, or those dedicated for specific projects through grants or targeted fundraising appeals, are also held;
- **Strategic Plan Reserve** –funds for the strategic planning process, with annual contributions included in the Centre’s operating budget to replenish the reserve between strategic plans;

- **Program Stabilization Reserve** –funds for unanticipated loss in grant funding and mid-year budget cuts from the City;
- **Payroll Stabilization Reserve** – funds for separation packages and paid employee leaves.

A full accounting of the reserve funds is reported to the Board as part of the budget process, itemizing anticipated withdrawals for specific projects for the coming fiscal year. As a general principle, Program surpluses should be divided between the Capital Reserve and the Program Stabilization Reserve. As part of the budget process each year, the Board, in consultation with the Executive Director will establish a minimum balance and strategies to replenish the reserve accounts following significant draws.

Policy and Procedure – Internal Controls

Policy

The Centre is committed to ensuring that employees operate within their spending authorities to ensure that the Centre is not placed at unnecessary financial risk. Before expenses are reimbursed, appropriate internal controls will be maintained. Between annual audits, all payments will be reviewed to ensure the integrity of the process and correct any errors.

Procedure

- Cheque Signing
 - Two signatures are required on all cheques.
 - The following summarizes the approval limits for cheque signing:

Less than \$2,000	2 authorized staff <u>OR</u> 1 authorized staff plus 1 authorized Board member <u>OR</u> 2 authorized Board members
\$2,000 to \$5,000	1 authorized staff plus 1 authorized Board member <u>OR</u> 2 authorized Board members
More than \$5,000	2 authorized Board members

- Board members holding the following positions shall have authority to sign cheques:
 - President
 - Vice-President
 - Treasurer
 - Secretary
- Employees holding the following positions shall have authority to sign cheques:

- Executive Director
 - Business Manager
- Individuals cannot sign cheques to which they are the payee.
- Cheques presented for signing shall have all necessary supporting documentation attached to them, including appropriate approval, verification of payment amount, date of payment, and appropriate budget lines.
- Those vested with cheque signing authority have the responsibility to verify that the cheques are correct as documented.
- Cheque Reconciliation
 - The Business Manager prepares a cheque reconciliation report on a monthly basis.
 - The Treasurer reviews and signs all monthly bank statements and cheque reconciliation reports.
- Quarterly Reports
 - The Finance Committee reviews the Centre’s Balance Sheet and Expenses on a quarterly basis.
 - The Finance Committee transmits information to the Board, with recommendations, if applicable.
- Payroll
 - All time sheets are signed by the employee and given to the appropriate manager to be reviewed and signed.
 - The Program Director and Business Manager’s time sheets are reviewed and signed by the Executive Director
 - The Executive Director’s time sheets are reviewed and signed by the Board President.
 - Payroll is posted by the Business Manager by the deadline set by the payroll company.
 - The Executive Director reviews and signs the bi-weekly payroll register generated by the payroll company.
 - Following the first pay period of the month, the Business Manager prepares a Time Entitlement report for each employee who works more than 18 hours per week
 - The Executive Director reviews the Time Entitlements for employees.
 - The Board President reviews the Executive Director’s Time Entitlements.

Procedure – Purchasing Approval

The following summarizes whether quotations are required for purchases of different values:

Less than \$2,000	No quotations required but recommended to seek informal quotations to determine best value (verbal, phone, internet, newspaper advertisement, flyers)
\$2,000 to \$4,000	3 informal quotations required (documented verbal, phone, internet, newspaper advertisements, flyers)
\$4,001 to \$7,500	3 formal quotations from vendors, by letter, fax, or email
More than \$7,500 and contracts over three years	Formal purchasing process requiring Request for Proposal or Request for Quotation and Board approval

Approver of purchases must be able to demonstrate value for money and compliance with applicable policies, including Conflict of Interest, when selecting vendors.

Purchases and/or Contracts under \$2,000

- Obtain required approval to purchase (see **Approval Limits**)
- If deemed appropriate by approver, follow the **Informal Call for Quotation** process to determine best value / price of goods and/or services.
- Complete purchase following established policies and procedures.

Purchases and/or Contracts over \$2,000 and under \$4,000

- Where there is an established vendor:
 - Obtain required approval to purchase (see **Approval Limits**)
 - If deemed appropriate by approver, follow the **Informal Call for Quotation** process to determine best value / price of goods and/or services.
 - Complete purchase following established policies and procedures.
- Where there is no established vendor (new purchase / contract):
 - All purchases over \$2,000, where there is no established vendor must follow the **Informal Call for Quotation** process (minimum 3 quotes).
- If this is a sole-source purchase / contract that is not with an established vendor, follow the steps outlined in the **Sole Source Procurement Procedure**.

Purchases and/or Contracts over \$4,000 and under \$7,500

- All purchases over \$4,000 must follow the **Formal Call for Quotation** process
- The quotes must include detail and a list of specifications/scope of work that can be compared against the other quotes to ensure that the product or service meets the needs of the Centre and to secure the most competitive rates.
- If this is a sole-source purchase / contract, follow the steps outlined in the **Sole Source Procurement Procedure**.

Purchases and/or Contracts over \$7,500 and over 3 years

- All requests for purchase / contracting over \$7,500 require a **Request for Proposal (RFP)** or **Request for Quotation (RFQ)** Call.
- If this is a sole-source purchase / contract, follow the steps outlined in the **Sole Source Procurement Procedure**.
- Following the completion of the **Procurement Procedure**, a report with recommendations is presented to the Board for approval.

Procurement Procedure

Informal Call for Quotations

- Conducted by means of telephone, fax, e-mail, online research, or other similar methods to a minimum of 3 vendors.
 - Documented through notes identifying vendor, date of inquiry, estimated costs, and time of delivery, or
 - Hard copies of advertisement, web page, or similar.
- The quotes must include detail and a list of specifications/scope of work that can be compared against the other quotes to ensure that the product or service meets the needs of the Centre and to secure the most competitive rates.

Formal Call for Quotations

- Solicited by means of telephone, fax, e-mail, or other similar methods to a minimum of 3 bidders.
 - Vendors submit written quotes that itemize the goods and/or services, including specifications and scope of work, work timeline, and expected delivery date.
- The quotes are compared and evaluated to ensure that the product or service meets the needs of the Centre and to secure the most competitive rates.

Request for Quotations (RFQ)

- Used to obtain goods and services whenever the requirements can be precisely defined and the expectation is that the lowest bid meeting the requirements specified in the call would be accepted.
- RFQs include
 - Specifications of the goods or service to be completed in as much detail as possible;
 - Materials provided/purchased by the Centre;
 - Expected delivery or completion date;
 - Deadlines for proposals.
- Vendors provide written quotations outlining the scope of work, materials to be provided by the vendor, and timeline to completion.

Request for Proposals (RFP)

- Used to obtain goods and services of a unique or complex nature where all or part of the requirements cannot be precisely defined and the expectation is that the proposal offered by the highest ranked proponent resulting from an evaluation and meeting the requirements specified in the call, including the evaluation criteria set out in the call, would be accepted.
- RFPs include
 - Parameters of the goods or service to be completed in as much detail as possible;
 - Materials provided/purchased by the Centre;
 - Expected delivery or completion date;
 - Deadlines for proposals.
- Vendors provide written proposals outlining the recommended scope of work, materials to be provided by the vendor, and timeline to completion.

Sole Source

Sole-source procurement shall only be used if one or more of the following conditions apply and a process of negotiation is undertaken to obtain the best value in the circumstances for the Centre:

- Goods and services are only available from one source or one supplier by reason of:
 - A statutory or market-based monopoly
 - Scarcity of supply in the market
 - Existence of exclusive rights (patent, copyright, license)
 - Need for compatibility with goods and services previously acquired and there are no reasonable alternatives, substitutes or accommodations
 - Need to avoid violating warranties and guarantees where service is required
- An attempt has been made to purchase the required goods and services in good faith using a competitive method and has failed to identify a successful supplier.
- The good and services are required as a result of an emergency or urgent health and safety matter.
- Funding/Donation requirements do not provide adequate time to undertake extensive competitive pricing methods.
- The required goods and services are to be supplied by a particular vendor or supplier having special knowledge, skills, expertise or experience which cannot be provided by any other supplier.
- The nature of the requirement is such that it would be not in the public/Centre's interest to solicit bids as in the case of security, confidential matters.
- The nature of the requirement is such that it would not be in the Centre's interest to solicit new bids for contract extensions if existing contractors/ vendors have detailed project / program knowledge and are satisfactorily meeting existing contracting obligations.
- Any other sole or single source purchase permitted under the provisions of the Purchasing or Financial Control Chapters of the City's Municipal Code.

Sole Source Procurement Procedure

- The following expenses are exempt from Sole Source Procurement Procedures:
 - Utilities;
 - Statutory remittances to the Government of Canada and Province of Ontario;
 - Payables to the City of Toronto;
 - Payments to associations and organizations working with the Centre or the City of Toronto on Centre projects;
 - Payroll and payroll deductions, including OMERS and union dues;
 - Audit fees;
 - Emergency repairs that cannot be delayed due to health and safety, critical mechanical issues, or other urgent matters;
 - Membership fees, training/tuition fees, conference fees;
 - Other general expenses less than \$4,000.
- A sole source justification letter must be provided, outlining the reason for the sole source and any attempts to purchase through a competitive process.
- All sole source purchases greater than \$4,000 or contracts longer than one year require Board approval.

General Procurement Process

- All RFQs and RFPs shall be made public through posting on the Centre’s website for a minimum of 14 calendar days.
 - Staff and Board members may circulate postings to eligible vendors, but they shall not divulge privileged information related to the Centre’s budget or the contents of other vendors’ bids.
 - An official point of contact shall be identified in the posting as the only individual to answer technical questions related to the posting or bidding process.
- Vendors may amend bids before the posted deadline.
 - Requests to amend must be made in writing and revisions submitted before the deadline.
- Bids will be immediately rejected under the following circumstances:
 - Submission after the deadline;
 - Incomplete bid;
 - Vendor attempts to influence employees or Board members through lobbying or inducements;
 - Vendor attempts to amend bids after the posted deadline.

Evaluation Team

- An Evaluation Team shall be established for all proposal calls, sole source procurement, and unbudgeted purchases over \$4,000 and/or contracts greater than 3 years. The Team shall be comprised of members of the Centre’s management.
- Depending upon the complexity and dollar value of the assignment, or pertinence to the governance of the Centre, it may also include members of the Finance Committee and/or Board.
- All calls are to include clear specifications and evaluation criteria, terms and conditions that can be applied in a fair and consistent manner to all respondents. The Evaluation Team will be responsible for evaluating all submissions.
- Where appropriate, the Evaluation Team will report recommendations to the Finance Committee and/or Board.

Social Procurement

Policy

The Ralph Thornton Center is committed to following the values set out in the renewal plan and statement of values, with emphasis on promoting social justice, inclusion, and community. Where possible, the Centre will pursue procurement of goods and services that reflect these values. The Centre will maintain the core principles of the procurement process to achieve the best goods and services at competitive prices, while leveraging its purchasing to further community capacity-building goals.

Process

- The Centre’s social procurement processes will:
 - Be open, fair, competitive and transparent, consistent with its procurement processes and will not provide an unfair advantage to a particular vendor over another vendor;
 - Provide unemployed/underemployed residents and diverse businesses with equal opportunities;

- Promote and adhere to all policies and practices related to furthering access, equity, and diversity.
- Wherever possible, the Centre should attempt to source goods and services from
 - Local independent businesses;
 - Local residents starting new enterprises;
 - Vendors owned by equity-seeking groups and/or employing a diverse workforce;
 - Vendors that favour ethically-sourced supplies;
 - Vendors that favour local-sourced supplies;
 - Vendors that pay living wages to the work force or are unionized.
- During the evaluation process for quotations or proposals, additional consideration shall be given to proponents that meet the Centre's social procurement goals.

Contract Management

- A vendor may be considered an Established Vendor when they have demonstrated from previous RFPs or RFQs that they provide competitive pricing and have been designated as approved vendors by the Centre.
 - The price structures of Established Vendors will be reviewed periodically to ensure the Centre continues to receive the best pricing possible.
 - The review should occur not less than every 3 years.
- Only authorized employees are permitted to enter into contractual agreements on behalf of the Centre, which binds the organization for three (3) or more months or involve resource commitments that exceed \$3,000.
- All contracts must be developed to ensure that the interests of the Centre and, as applicable, the City of Toronto are protected.
- The Executive Director may seek additional legal advice from the City of Toronto Legal Services.
- Contracts must be developed to ensure that they can be managed effectively by appropriate management staff and include at a minimum detailed:
 - Scope of work and, as appropriate, performance standards
 - Payment and invoicing requirements
 - Term provisions
 - Policy and insurance compliance provisions
 - Conflict resolution and contract termination provisions
 - Contact information, etc.
- Any contract that exceeds \$7,500 or three years of duration must first be approved by the Board.
- Any Board approval of a contract should be contingent on the terms and conditions being as presented.
 - Any materially significant attempts to amend the terms or conditions following the selection of a winning bid requires Board approval, unless the Board has provided direction and delegated authority to the management.
- Attempts by a vendor to alter an existing contract before its expiration should be reviewed by the Board, if the proposed amendments are materially significant.
- Vendors should not be paid for work that is not completed in accordance with the contract terms.

Appendix – Expense Forms

- Form A – Reimbursement of Expenses
- Form B – Reimbursement of Taxi Expenses
- Form C – Kilometrage & Parking Expenses
- Form D – Maintenance Work Order
- Form E – Purchase Order
- Form F – Cheque Requisition
- Petty Cash Journal
- Program Budget



Reimbursement of Expenses

Reimbursement/Payment Details	
To be reimbursed <i>(if different from authorized staff person)</i>	
<p>Description of Expense/Requirements <i>(include program, if applicable)</i></p> <p style="text-align: center;">Affix receipts/invoices in this area, if possible, otherwise staple to the back of this form.</p>	
Authorization	
Date	Total Reimbursement \$
Staff Name	Staff Signature

Form A – Reimbursement of Expenses



Reimbursement – Taxi Expenses

All requests for reimbursement must include an original taxi receipt identifying the date, amount, and to and from locations.

Attach taxi receipt here

Reason for Expense
(Check appropriate box)

- Business Meeting
- Program Activity
- Special Event
- Other _____

Attach taxi receipt here

- Business Meeting
- Program Activity
- Special Event
- Other _____

Attach taxi receipt here

- Business Meeting
- Program Activity
- Special Event
- Other _____

Date	Total Reimbursement \$
Staff Name	Staff Signature



Kilometrage & Parking Expenses

Staff Name
J. Pounder

Date
13-Mar-16

			Details		
Date (dd/mm/yy)	KM	Parking Expense	Starting Point	Destination	Reason
1-Mar-16	5.5	\$10.00	Ralph Thornton Ctr	ABC Community Ctr	AOCC Meeting
1-Mar-16	5.5		ABC Community Ctr	Ralph Thornton Ctr	return from meeting
8-Mar-16	4.0		Ralph Thornton Ctr	123 Grocery	Food for event
8-Mar-16	5.0	\$12.00	123 Grocery	Acme Park	Food for event
12-Mar-16	7.5		Ralph Thornton Ctr	City Community Ctr	Drop off leaflets
Total	27.5	\$22.00			

Total Kilometres Travelled	27.5	x \$0.52 / km =	\$	14.30
Parking Expenses (attach receipt(s))		=	\$	22.00
Total for Reimbursement		=	\$	36.30

Staff Signature

Date



Maintenance Work Order

Date Requested: [Click to select date]

Vendor	Vendor Name	Ship To	Ralph Thornton Centre 765 Queen St. E. Toronto ON M4M 1H3 416-392-6810
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Work Requested By	Date Required	Reason For Work
		<input type="checkbox"/> Health and Safety <input type="checkbox"/> State of Good Repair <input type="checkbox"/> Program Requirement <input type="checkbox"/> Other _____

Work Assigned to Staff	Work Contracted Out
Assigned To:	Contracted To:

SCOPE OF WORK

MATERIALS REQUIRED

Materials Estimate	
Labour Cost Estimate	
Total Estimate	

_____ Authorized by	_____ Date
------------------------	---------------

Ralph Thornton Centre 765 Queen Street East, Toronto ON M4M 1H3 Phone 416-392-6810 Fax 416-392-0025 info@ralphthornton.org



Purchase Order

Date: [\[Click to select date\]](#)

Vendor Vendor Name Ship To Ralph Thornton Centre
765 Queen St. E.
Toronto ON M4M 1H3
416-392-6810

Program or Department	Reason for Expense	Requested By	Date Required

Qty	Item #	Description	Unit Price	Line Total
Subtotal				
Sales Tax				
Total				

_____ _____
 Authorized by Date



Cheque Requisition

AMOUNT \$

Make Cheque Out To:

Name of Organization

Address

Special Instructions

Mail
 Pick up at Reception
 Certify
 Other (instructions below)

Date Requested:
Date Required:
Requested By:
Approved By:
Approving Signature:

Purpose: (attach necessary documentation)

General Ledger Account	Amount	Description

HST:
Total of Cheque:



Petty Cash Journal

Custodian J. Pounder

Period Start Date 01-Jan-16

Period End Date 31-Jan-16

Receipt/ Voucher Number	Date	Received By	Description	Amount Deposited	Amount Withdrawn
OPENING BALANCE				\$ 200.00	
1	04-Jan-16	Bob	Taxi to ABC Centre		\$ 10.00
2	06-Jan-16	Mary	Food for Meeting - RECEIPT LOST		\$ 36.50
3	12-Jan-16	Frank	Postage Stamps		\$ 22.65
4	20-Jan-16	Judy	Transit tokens		\$ 22.90
5	21-Jan-16	Dan	Magic Markers for presentation		\$ 17.50
6	28-Jan-16	Tom	Lunar New Year decorations		\$ 32.40
TOTALS				\$ 200.00	\$ 141.95
CLOSING BALANCE				\$ 58.05	

Cash On Hand at Closing			
	\$ 50.00	\$	-
1	\$ 20.00	\$	20.00
1	\$ 10.00	\$	10.00
4	\$ 5.00	\$	20.00
2	\$ 2.00	\$	4.00
2	\$ 1.00	\$	2.00
4	\$ 0.25	\$	1.00
8	\$ 0.10	\$	0.80
5	\$ 0.05	\$	0.25
TOTAL		\$	58.05

Total Receipts/Vouchers 6
Total Cash & Receipts \$ 200.00
Opening Balance & Deposits \$ 200.00
Petty Cash Reconciled

Custodian Signature _____

Date _____

Approved By _____



Program Budget

Program Program Duration to
 Program Lead

	Expenses							Total	Notes
	Art Supplies	Craft Fair Promotion	Refreshments	AGO Trip	TTC Tokens				
Budget	\$ 1,500.00	\$ 200.00	\$ 300.00	\$ 200.00	\$ 120.00			\$ 2,320.00	
Date	Art Supplies	Craft Fair Promotion	Refreshments	AGO Trip	TTC Tokens				
10-Apr-16	\$ 489.50							\$ 489.50	
15-Apr-16			\$ 56.22					\$ 56.22	
02-May-16	\$ 251.00							\$ 251.00	
10-May-16			\$ 77.45					\$ 77.45	
08-Jun-16	\$ 531.48							\$ 531.48	
17-Jun-16			\$ 72.32					\$ 72.32	
03-Jul-16	\$ 98.25							\$ 98.25	
07-Jul-16		\$ 100.00						\$ 100.00	
10-Jul-16					\$ 72.00			\$ 72.00	
13-Jul-16				\$ 132.00				\$ 132.00	
14-Jul-16			\$ 74.80					\$ 74.80	
03-Aug-16		\$ 75.00						\$ 75.00	
05-Aug-16			\$ 51.19					\$ 51.19	
11-Aug-16	\$ 41.15							\$ 41.15	
30-Aug-16	\$ 55.20							\$ 55.20	
03-Sep-16			\$ 31.25					\$ 31.25	
								\$ -	
								\$ -	
								\$ -	
								\$ -	
								\$ -	
								\$ -	
								\$ -	
TOTAL	\$ 1,466.58	\$ 175.00	\$ 363.23	\$ 132.00	\$ 72.00	\$ -	\$ -	\$ 2,208.81	
GROSS MARGIN	\$33.42	\$25.00	-\$63.23	\$68.00	\$48.00	\$0.00	\$0.00	\$111.19	

Program Budget

Appendix – Allowable and Ineligible Expenses

Allowable Goods and Services

- Advertising and promotional material and services – content to be approved by Executive Director or designate
- Books and periodicals related to programs
- Business hospitality expenses – expenses for food and beverages related to Board and Committee meetings, special events hosted by the Centre, and business meetings outside the Centre
 - Business meeting expenses must provide the name of attendees/group and the nature of the business discussed
 - The purchase of alcohol is only permitted for special events hosted by or at the Centre, where alcohol is to be sold and served to the public
- Programme costs (e.g., food, beverages and/or other supplies for children’s programming)
- Office supplies, including but not limited to paper, pens, printer toner, file folders, etc.
- Furniture and equipment required for organizational or programme operation
- Information technology services and support, including hardware, software, and data management
- Transportation, including transit, taxi, kilometrage, and parking related to Centre business
- Maintenance and custodial goods and services directly related to the repair and upkeep of the Centre, including but not limited to cleaning supplies
- Presentation items
- Utilities
- Statutory remittances to the Government of Canada and Province of Ontario
- Payables to the City of Toronto
- Payroll and payroll deductions, including OMERS and union dues
- Audit fees
- Salaries and honorariums
- Emergency goods and services (e.g., equipment repair or acquisition)
- Professional services of a third-party contractor

Ineligible Goods and Services

Use of Centre funds for these expenses is grounds for disciplinary action, up to and including dismissal.

- Personal items
- Alcohol purchased for business meetings
- Fines for parking infractions, moving violations, or other penalties