

# Purchasing Policy and Procedure

## World U.P. Foundation

Updated: 7/15/2020

### Purpose

This policy sets the policies, procedures, and spending limits for making purchases.

### Purchasing & Spending Policies

It is the policy of the World U.P. Foundation (“World U.P.”) Board of Directors ( the “Board”) to transparently use grants, donor funds, and other income streams to promote and advance the mission and vision of the organization while acting with the highest level of stewardship to maintain the integrity and intent of the funding source. As such, World U.P. and The Board agrees to undertake spending in accordance with the following:

1. To responsibly protect the assets of World U.P. and the communities in which we support.
2. To publish and share an Impact Report, on an annual basis, which summarizes income, expenses, and spending from the previous Fiscal Year, as defined below.
3. Spending, budgeting, and funding allocation shall keep in mind the intent of the source of the donation or fund.
4. Records will be maintained with sufficient detail to show history and justification of the need and stored for 7 years or in accordance with laws and regulations of the localities in which we operate, whichever is longer in duration.
5. Spending, budgets, and receipts are considered public records and shall be made available for review or audit to a requestor. The materials will be provided in a time consistent with the convenience of the Treasurer of the Board of Directors.
6. Spending will be considered in the context of how the funding can be used to make the greatest overall community impact.
7. The Board will annually review spending to assure no unnecessary or unintended duplicate items have been acquired. In the instance an unnecessary or unintended duplicate item has been acquired, the Board will make the best efforts to recover the funds used to make the purchase or acquisition.
8. Board Members, Staff, and Volunteers shall not engage in any spending or procurement agreement that may be a conflict of interest, pursuant to The World U.P. Foundation Conflicts of Interest Policy.
9. All necessary affirmative steps shall be taken to assure that minority businesses and women’s business enterprises (MBE/WBE) are used, when possible.

## Definitions

*Annual Budget:* The budget approved by the Board of Directors for the current Fiscal Year, which includes but is not limited to the Operating Budget, Program Budgets, and any other Budget that allocates spending of World U.P. Foundation funds.

*Level 1 Approval:* A purchase that requires the approval of both the Treasurer and the Executive Director.

*Level 2 Approval:* A purchase that requires the approval of a majority of the Board of Directors. Any disagreement will be resolved in accordance with the World U.P. Foundation Conflict & Complaint Resolution Policy.

*Level 3 Approval:* A purchase that requires the unanimous approval of the Board of Directors.

*Listed Expense:* Expense specifically listed within the annual budget approved by the Board.

*Fiscal Year:* Starting January 1 and ending December 31

*Unlisted Expense:* Expense not specifically listed within the annual budget approved by the Board.

## Approvals

Listed expenses equal to or less than the amount outlined in the approved annual budget do not require additional approval by a secondary person, or the Board of Directors.

Any purchases made that exceed the budgeted amount by \$20 or 105% of the budgeted amounts require additional approval. Table 1 below shows the level of approval required based on the additional expense type and expense total.

Table 1. Purchasing		Approval Level Required		
		Level 1	Level 2	Level 3
Expense Type	Listed	None	None	None
	Unlisted	≥ \$100	≥ \$500	≥ \$1000

## Receipts

All receipts shall be sent to the Treasurer at [treasurer@worldupfoundation.org](mailto:treasurer@worldupfoundation.org) within two (2) business days of purchase. All receipts must include explanations for any price deviation from the approved Annual Budget. Receipts will be stored in the appropriate folder on World U.P.'s Google Drive.

## Budgeting

- The Treasurer shall be responsible for maintaining all aspects of the Annual Budget.
- Any budget modifications after Board approval under \$20 or 105% in total is at the discretion of the Treasurer and Executive Director.

- Any budget modifications after Board approval over \$20 or 105% in total requires explicit explanation and re-approval by the Board.
- Budget Calendar:

Event	Date	Responsibility
Fiscal Year begins	January 1	
Tax Filing Prep begins	May 1	Treasurer
Tax Filing Deadline	May 30	Treasurer
External audit	June TBA	Third Party, Treasurer, and Executive Director
Next Fiscal Year budget prep begins	August 1	Treasurer and Executive Director
Next Fiscal year budget presented to Board	September TBA	Board and Executive Director
Next Fiscal Year budget Board approval due	October 1	Board
Next Fiscal Year compliance review	November 1	Compliance Committee
Next Fiscal Year compliance review due	December 1	Compliance Committee
Current Fiscal Year ends	December 31	

### Purchasing

- In an effort to support the community, the organization is committed to prioritize working with SWaM (SWaM = Small, Women, and Minority owned business. Website: <https://www.sbsd.virginia.gov/#/>) certified vendors as much as possible.
- [Purchasing Card Policy and Agreement](#)

### Reconciliations

- The Treasurer shall be responsible for the timely and accurate completion of monthly reconciliations. Reconciliation includes updating the FY Budget spreadsheet, reviewing all purchases during the month, confirming all purchases comply with World U.P. 's purchasing policies and procedures, and create/update action items as needed.
- The deadline for the previous month's reconciliation is the Board meeting of the following month (i.e. September reconciliation is due by the October Board meeting). If

there is not a Board meeting scheduled for the following month, then reconciliation is due by the 15th of the following month (i.e. June reconciliation is due by July 15).

- After monthly reconciliation has been completed, the Treasurer reports updates/changes to the Executive Director for an announcement to the Board.

#### Reimbursements

- Reimbursements should be a secondary option of purchasing. The first option should be direct use of the organization's funds. All reimbursements require approval *prior* to purchasing.
- A completed [World U.P. Reimbursement Form](#) is required with receipts.
- Any reimbursement requires Treasurer approval prior to purchasing.
- Any reimbursement over \$100 requires Treasurer and Executive Director approval prior to purchasing.