RE: CT1.9
Attachment 2

Civic Theatres Toronto

FINANCE POLICY

Title	Effective Date	Policy Number
Purchasing Policies And Procedures	Established April 2017 Revised May 2018	**303**

PURCHASING POLICIES

1. Prior to the actual purchase of any goods or services of a value above $499.99, an approved Purchase Order is required. At least one quote must accompany all Purchase Orders and all amounts should be stated net of HST.

2. All purchase orders must have at least two (2) approvals as outlined below. Please note that the requester and the approver can be the same person.

3. Completed Purchase Orders shall be authorized by the appropriate authority as outlined below prior to ordering goods and/or services for daily operations. Authorization for purchasing advertising expenses on rental and risk attractions is covered in points 5 & 6 of this policy. The authority levels for all other purchases are:

Level	Requester	Approver	Final approver	
$499.99 - $1,999.99	Any staff member up to Manager	Any staff member up to Manager	Manager or Senior Manager	
$2,000- $4,999.99	Any staff member up to Manager	Manager or Senior Manager	Director	
$5,000 - $7,499.99	Any staff member up to Director	Director	Departmental VP	
$7,500- $24,999.99	Any staff member up to Departmental VP	Departmental VP	VP Finance	
$25,000- $99,999.99	Any staff member up to VP Finance	VP Finance	President & CEO	
Over $100,000				Approval of the Board of Directors

4. The "splitting" of a Purchase Order so as to keep each invoice under an approval level is not permitted.

5. **At-risk performance contracts** include a commitment to a marketing budget. This **attraction marketing budget** is the Purchase Order and cost cap for attraction marketing expenses as issued by the VP of Programming and or the VP or Marketing & Communications. See policy #305 – At Risk Presentations.

6. **The VP of Marketing & Communications** or designate **MUST** ensure that the placement of advertising/marketing costs engaged on behalf of **rental clients** has been secured by confirmed deposits before a commitment to suppliers is made. If needed, a schedule of expected advertising/marketing deposits can be given to accounting and accounting will monitor the payment terms.

7. When more than one department is sharing the cost of purchases, the Purchase Order and invoice should be approved by all participating departmental authorities.

8. In order to determine if a Purchase Order is required and at what level of signing authority is required, the value of the Purchase Order will be calculated taking into consideration the aggregate costs, including multiple year arrangements and all applicable taxes, if applicable.

9. No Manager/Director/VP shall approve the purchase of an item intended for the personal use of an employee of CTT. No Manager/Director/VP shall authorize the use of company property for the personal use of an employee (even where there is an intention to reimburse CTT). Employees allocated a digital device (smart phone, etc.) shall reimburse CTT for any unreasonable personal roaming charges incurred through use of the digital device immediately upon receipt of a request from accounts payable. Each employee travelling outside Ontario shall make themselves aware of the rules for minimizing roaming charges on digital devices.

   This policy should not be confused with reimbursements for legitimate business expenses covered in Finance Policy #314.

10. Paying independent contractors by invoice – unincorporated entities.

    It is the VP's responsibility in cooperation with the VP of Finance & Administration to determine if an independent contractor is an incorporated entity or not. Invoices payable to unincorporated entities (persons in most cases) fall under the following rules:

    Commitments to pay under $2,000 per annum:

    Have independent contractor sign off on the independent contractor form provided by Accounts Payable. Use of this form assumes a casual minimum cost use of the independent contractor. The form sets out the independent contractor relationship and the contractor's responsibility for treating their invoiced income as self-employed.

Commitments to pay over $2,000 per annum:

Either a personal services contract is prepared and approved by the VP of Finance & Administration prior to approval and payment of any invoices for services rendered **OR** all payments will be treated as subject to T4A filing rules.

No commitments should be entered into until an agreement with the VP of Finance & Administration has been concluded.

11. Policy Relating to Lobbying in the Purchasing Process

CTT is committed to the highest standards of integrity with respect to the purchase of goods and services and management of the process by which goods and services are acquired. This section of the policy relating to lobbying in the purchasing process applies to the purchase of all goods and services and to all vendors and suppliers, with the exception of risk productions and rental attractions and events.

Unsolicited communications by vendors and suppliers with CTT staff, officials or Board members are subject to the provisions of Chapter 140, Lobbying, of the Municipal Code of the City of Toronto. Unless an exemption under Chapter 140 applies, vendors and suppliers must register with the City's lobbyist registry prior to communicating with CTT. Definitions of "communication" and "lobby" are included Section 140-1 of Chapter 140, which also outlines registration requirements, exemptions, a code of conduct, and potential penalties.

The requirements to register as set out in the City of Toronto Municipal Code; Chapter 140 shall apply to all CTT procurements except those dealing with the acquisition of risk productions and rental attraction and events.

Any questions relating to the applicability of Chapter 140 of the Municipal Code should be directed to the Office of the City of Toronto's Lobbyist Registrar.

12. Blackout Period

During all formal or structured procurement processes initiated by CTT, an official point of contact will be named by CTT to respond to communications and inquiries in relation to a call or other purchasing process. This point of contact will be in effect from the time of issuance up to and including the announcement of the purchasing award or approval. During this time, there is a blackout period when vendors/suppliers, any representatives employed by them, or any unpaid representatives acting on their behalf, are strictly prohibited from communicating verbally or in writing (including by electronic means) with CTT Board members, officials or any staff other than the official point of contact. All communications with respect to a call or purchasing process must be made to the official point of contact, and any vendors/suppliers found to be in breach of this policy will be subject to disqualification from the current and any future calls or procurement processes at the sole discretion of the Board.

13. All senior staff of CTT shall ensure that this policy is provided to all vendors and suppliers.

14. All Capital Purchases not approved as part of the annual budget process must be approved by the President & CEO and the VP of Finance & Administration or Director of Finance, and if valued over $100,000, approved by the Board of Directors.

15. Special exceptions for emergency situations of values over $100,000 must be approved by the VP of Finance & Administration or the President & CEO and the Chair of the Board, and then presented to the Board.

PURCHASING PROCEDURES

1. Please refer to the Purchase Order Procedure Manual (for the EBMS purchasing module).