

Burnaby Horsemen's Association: Finance – Purchasing Policy

Approved: [March 28 2022](#)

Applicability

This policy details the requirements for purchasing goods and services on behalf of the BHA. The intent is to ensure good value at a competitive price.

Policy

- 1) Purchase of low cost supplies (value less than \$200):
 - a) Purchase of regular day-to-day supplies can be made without authorization of the Board of Directors, but should be coordinated with the appropriate Barn Committee or event organizing committee.
 - b) The Board of Directors may impose monthly, annual or event specific spending limits so as to keep within the allocated budget.
 - c) Small expenditures should be paid by members out-of-pocket. Receipts must be submitted for reimbursement as per the Expense Reimbursement Policy.
 - d) The Treasurer may issue payment for goods purchased on an invoice or for one time purchases, if appropriate.

- 2) Purchase of medium cost supplies or services (value between \$200 and \$1000):
 - a) The purchase of medium cost supplies or services, including manure bin removal and hog fuel delivery, must be coordinated with the appropriate Barn Committee or event organizing committee and the Treasurer advised in advance of the purchase.
 - b) Purchases in this category must fall within the approved BHA budget for that particular type of purchase and receive approval from the Board of Directors in advance of the purchase.
 - c) Although written quotations are not required, it is expected that some price comparison is done between two or three similar or competitive products or service providers, before a decision to purchase is made.
 - d) Payment can be made directly by a member out-of-pocket. Receipts must be submitted for reimbursement as per the Expense Reimbursement Policy. Alternatively, the Treasurer may issue a BHA cheque to the service provider when presented with an invoice.

- 3) Purchase of high cost supplies or services (value above \$1000):
 - a) The need to purchase all high cost supplies, products or services must first be reviewed and approved by the Board of Directors to ensure the purchase is necessary and that it is covered by the annual BHA budget.
 - b) Once the need to make a purchase is approved, the Board of Directors will appoint not less than three members, at least one to be from the Board, to work together through the procurement process.
 - c) A list of requirements or specification will be drawn up that clearly identifies the BHA's needs and expectations of the product or service being purchased. This will be produced in written form that can be given to prospective suppliers for review.
 - d) Written quotations will be obtained from at least three prospective suppliers, provided the market place supports this degree of competition.
 - e) On-site meetings with prospective suppliers may be conducted to review requirements and assess options with at least two of the three appointed members present.
 - f) Written quotations will be reviewed and evaluated to determine which product or supplier

Burnaby Horsemen's Association: Finance – Purchasing Policy

Approved: [March 28 2022](#)

will provide the best benefit for the cost to the BHA.

- g) Quotation assessment criteria may include:
 - i) Qualifications and/or experience of the supplier,
 - ii) Cost of the purchase,
 - iii) Ability to deliver in the required time frame,
 - iv) Adherence to the requirements or specification,
 - v) Guarantees or warranties on the product or services purchased,
 - vi) Short term and long term costs (i.e., required service or maintenance of the product over time),
 - vii) Options or alternatives presented which will save costs or provide additional benefits beyond what was originally expected or anticipated,
 - viii) Past experience with the manufacturer, supplier or service provider,
 - ix) Experience of any references provided,
 - x) Payment terms.
- h) A preferred product or supplier will be chosen and the reasons for the choice documented. This should include a comparison of all quotations received.
- i) The decision will be presented at the next Board of Directors meeting for review, discussion and approval or rejection.
- j) Any on-site work being performed must be overseen, at least in part, by an appointed BHA member.
- k) Upon delivery of the product or completion of the service, the deliverables will be inspected by the appointed group, damages or deficiencies noted and presented to the supplier for remediation.
- l) Once the quality of the product or service is deemed satisfactory, the Treasurer will be notified that payment can be released.
- m) The supplier will present a written invoice to the BHA requesting payment for products supplied or services rendered according to the quotation and purchasing agreement. Any additions or changes will be noted as separate items on the invoice.

Related Procedure

- 1) Finance – Expense Reimbursement Procedure

Review Schedule

Policy Adopted:	March 28 2022
Policy Owner:	Treasurer
Next Review Scheduled:	April 2023

Burnaby Horsemen's Association: Finance – Purchasing Policy

Approved: [March 28 2022](#)

Version History

Date	Version Number	Details
February 25, 2013	1.0	Initial version posted on BHA website
March 28 2022	1.1	Formatting change