

COLORADO COMMUNITY COLLEGE SYSTEM

SYSTEM PRESIDENT'S PROCEDURE

PURCHASING APPROVAL POLICY

SP 8-61a

Effective: November 1, 2005

Reference:

Board Policy on Delegation of Signature Authority, BP 8-60
System President's Procedure SP 8-60b

Approved:

Dr. Nancy McCallin, System President

Application:

This procedure applies to the System Office.

Basis:

Board Policy authorizes the System President to implement procedures to delegate signature authority to System Vice Presidents, College Presidents and/or College Chief Business Officers. These procedures are required to incorporate review to assure that legal requirements are met, and that there is approval by other state agencies and officials as required by statute and State Fiscal Rules. The System President may withdraw or restrict such delegation.

Through System President's Procedure SP 8-60b, authority was delegated to the System Vice Presidents to approve arrangements within their respective budget areas not to exceed \$200,000, or the equivalent, in the aggregate. The System Vice Presidents were further authorized to delegate purchase authority to appropriate staff within their area the authority to approve purchases which do not exceed \$50,000, or the equivalent, in the aggregate. All delegations must be in writing and delivered to the System Controller's office. All arrangements to commit funds are subject to and must follow appropriate State Procurement Rules, including approval by the State Controller or designee.

Procedure:

Review and Approval of Purchases:

This policy specifically addresses approval authority and does not exempt other requirements such as personal services reviews. In approving a transaction, the approver is charged with ensuring appropriate expertise is consulted to ensure that all legal requirements are met and that the purchase is in compliance with State Fiscal Rules. The following process will be followed for delegating authority and approving purchases.

- Delegation authority must be approved by the Vice President for the functional area; managers who have been delegated such authority may not further delegate. Delegations greater than \$10,000 below Vice President level must be approved by both the Division Vice President and by the Vice President for Finance and administration.
- These delegation forms will be maintained in the System Controller's office and changes to delegations may be made at any time, but will expire annually on July 1. Notification of delegations on file will be sent to each Vice President who may choose to renew all delegations or may alter delegations as desired.

Considering these delegations and purchases, the following procedures will apply.

For purchase requests greater than \$1,000, two signatures from the appropriate functional area are required; an initiator and an approver, in accordance with the guidelines herein. To sign as an initiator, no delegated authority is required. Purchase requests greater than \$5,000 will be accompanied by a reviewing and approving signature at a director level. The director's signature will serve as one of the two signatures required for this purchase. Purchase requests greater than \$10,000 must include a signature from the appropriate vice president and all purchases greater than \$200,000 must include the System President's signature. Following is a table of the required approvals

Required Approvals:

Purchase amount not greater than:	Number of approvals	Level of approving authority
\$1,000	1	1 signature from individual with delegated authority; initiator can be the same as the approver
\$5,000	2	1 initiator, 1 approver with delegated authority
\$10,000	2	1 initiator, 1 Director level approver with delegated authority
\$200,000	2	1 initiator, 1 Vice President level approver
\$500,000	2	1 initiator, and the System President

Direct or voucher purchases must include two signatures from the appropriate functional area for purchases of \$1,000 or greater, in accordance with guidelines noted.

Purchase requests or voucher purchases that do not include the appropriate signatures will be returned to the department unfulfilled.

Certain disbursements, such as transfers of funding between colleges and disbursements of grants are awarded annually, but partial transfers or payments are made throughout the year. These payments, if provided annually in a detailed schedule to the Vice President for Finance and administration, can be executed according to the approved document with the review and approval of the program manager and the controller. Any changes in amounts should be presented in an amended document to the Vice President for Finance and Administration for review and approval.

Procurement card transactions are limited to \$3,000 and are required to be reviewed and approved monthly by the approving official, as noted in the Procurement Card Handbook. Cardholders and approving officials must be granted delegated authority by the appropriate Vice President in order to carry out procurement card purchases and approvals.