



### Purchase Request/Approval and Payment Procedures

Per Policy 3010 all expenditures/purchases made on behalf of Method Schools shall be pre-approved by a Director/Lead or Executive team member. Purchases exceeding \$50,000 must be pre-approved by the Board of Directors. A good faith effort should be made to ensure competitive pricing exists, any purchase exceeding \$25,000 must include documentation of such (ex:bids/quotes). Directors/Leads and Executive team members reserve the right to deny payment if proper pre-approval has not been made.

All purchase requests and AMEX purchases shall be entered into the SmartFox Purchasing module for approval, payment, and accounting.

1. Request to purchase or pay invoice for goods/services
  - a. Method employees shall enter any invoice which needs payment, or new purchase request in SmartFox SIS
  - b. All fields in the purchase request screen shall be filled out (vendor, invoice #, description, amount, etc.)
  - c. Make a note in the description field for "Check"
  - d. Back up documentation shall be attached (ex: invoice, receipt, screen shot)
    - i. In the instance of a monthly recurring charges which do not exceed \$5000, if back up is not available and the charge is "normal and reasonable" documentation may be left off the request provided the initial/original documentation can be provided if needed. **IN THE NOTES SECTION PLEASE NOTE THE EXPENSE IS A RECURRING ITEM.**
2. AMEX purchase
  - a. AMEX use should be limited to purchases in which a check will not be accepted, or immediate payment is required.
  - b. Method employees with AMEX cards shall enter all purchases made with their card into SmartFox SIS as within 1 business day of the purchase.
  - c. Support staff entering AMEX purchases into SF SIS for their superiors should do so within 3 business days.
  - d. All fields in the purchase request screen shall be filled out (vendor, invoice #, description, amount, etc.) Invoice number may not be available on an AMEX charge, in this case use the order number, or leave blank.
  - e. Make a note in the description field for "Credit Card"
  - f. Back up documentation should be attached (ex: invoice, receipt, screen shot).
    - i. In the instance of a monthly recurring charges which do not exceed \$5000, if back up is not available and the charge is "normal and reasonable" documentation may be left off the request provided the initial/original documentation can be provided if needed. **IN THE NOTES SECTION PLEASE NOTE THE EXPENSE IS A RECURRING ITEM.**
3. Approval of purchase request and AMEX charges
  - a. Approvals will be done by the appropriate authorized Method employee
  - b. The approving employee shall ensure the purchase is appropriate and within budget and includes appropriate back up.
  - c. Select the payment method – check or credit card
  - d. The approving employee is responsible for selecting the appropriate account descriptions which the request shall be charged against, including entity, department, division, and object. The coding may be split amongst multiple entities/ departments/divisions/objects.

- e. The approving employee is responsible for including the notification for payment email address. ([accounting@thebogroup.com](mailto:accounting@thebogroup.com) sbryant@methodschools.org)
- 4. Check processing and ACH transactions
  - a. Accounting personnel are responsible for entering the purchase request and supporting documentation in QuickBooks for payment
  - b. Payments shall be processed weekly
  - c. Accounting personnel should verify the accuracy of the account codes and adjust as necessary when entering in QB
  - d. Accounting personnel are responsible for printing and mailing checks and processing ACHs
- 5. AMEX processing
  - a. Payments are made to AMEX via automatic ACH charge
  - b. Accounting personnel are responsible for entering AMEX charges and supporting documentation in QuickBooks
  - c. AMEX transactions shall be processed and reconciled weekly
  - d. Accounting personnel should verify the accuracy of the account codes and adjust as necessary when entering in QB
- 6. Employee Purchasing and AMEX Authority
  - a. Purchase requests may be entered into the SmartFox purchasing module by the following staff:
    - i. Teachers & Student Success Managers, limited to \$5000
    - ii. Classified Staff, limited to \$10,000
    - iii. Leads, Limited to \$10,000
    - iv. Directors and Executive Staff, limited to \$25,000
    - v. Co-founders, limited to \$49,999
  - b. AMAZON purchases are limited to those employees provided with requisition or admin access in the Amazon Business account, and purchasing limitations will be managed in the Amazon Guided Buying policies, including but not limited to the type of purchase, amount, and seller. Purchase thresholds will be set based on each user's need but shall not exceed the limits set for the AMEX cards.
  - c. Employees eligible for an AMEX card include Leads, Directors and Executive staff, any purchase which needs payment via AMEX shall be completed by the card holder.
    - i. Individual purchase thresholds are set at:
      - Leads \$2500
      - Directors \$5000
      - Executive \$7,500
      - Co-founder \$10,000
    - ii. Daily purchase thresholds are set at:
      - Leads \$5000
      - Directors \$10,000
      - Executive \$15,000
      - Co-founder \$20,000

Payments more than an individual's threshold generally lend themselves to the need for a check payment. However, Executive team members may approve when check payment is not reasonable. The purchase should be made on that team members card.

