



A culture of recognition and mutual respect where the MRSA is an equal and valued partner in the MRU community.

Spending Policy		
First Draft:	October 2021	Sponsor: Audit & Finance Committee
Current Version:	v.1.0	
Last Amended:	N/A	Approved by: MRSA Executive Board
Next Review:	March 2024	

Purpose

This policy is intended to provide a framework for the authorization to spend funds - both budgeted and unplanned expenditures.

As well, this policy is intended to guide the Mount Royal Staff Association (MRSA) in achieving maximum value for the purchase of goods and services while applying fair and ethical business practices to ensure the impartial treatment of all MRSA providers.

Finally, it is intended to provide maximum safeguards of the Association's fiscal resources and Association members involved in operations.

Fair Practices

Where possible, **with all factors being equal**, the MRSA shall make its purchases from companies and organizations which support organized labour and/or fair-trade practices.

Scope

This policy applies to all purchases of goods and services related to all MRSA operations excluding statutory obligations (i.e. paying GST)

Compliance with this policy is mandatory for all MRSA Executive Board and MRSA Committee Members and MRSA employed staff. Non-compliance with this policy may include sanctions as per up to and including termination of MRSA employed staff.



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Types of Expenses

- budgeted expenses - i.e. anything specifically identified in the budget
- capital expenditures - planned
- capital expenditures - unplanned
- discretionary spending
- contingency expenses - i.e. anything not accounted for in the budget
- emergency expenditures
- planned reserve expenditures

Authority to Purchase

The purchase of all goods and services must be approved by the MRSA Executive Board either through the approved budget or as specific motions.

Approval of the annual operating budget by the MRSA Executive constitutes approval for those line items specified within the budget. This includes specific committee budgets, capital expenditures and planned reserve expenditures.

MRSA Credit Card Authorization & Use

The MRSA authorizes the issuance of an MRSA credit card to the President, the Labour Relations Officer (LRO) and the Executive Assistant for purchases specified within this policy.

Discretionary and Contingency

Discretionary: spending is to be used at the discretion of the Association President for the purpose of Association business up to a maximum of \$200 per single item.

Contingency: where possible, unplanned expenses (operating or capital expenditures) exceeding \$200, must be approved by the Executive Board. Where possible contingency expenditures under \$200 require an Officer's approval.

Emergency Purchases

As authorized by the President or Officer designate, an immediate purchase of any goods or services may be made without recourse to this policy, should emergency situations such as, but not limited to the following, arise:

- i. In the case of some form of job action - strike or lockout
- ii. where staff, student or public safety is in question



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- iii. prevention of damage to MRSA property
- iv. restoration of essential pieces of equipment to service
- v. restoration of essential MRSA services

Competitive Purchasing Process

a) The Audit and Finance Committee is responsible for coordinating competitive purchasing for products of \$5000 or greater and contracts for service with an annual value of \$5000 or greater. A minimum of three (3) proposals should be presented for the approval of the Executive Board, but this requirement may be waived with consent from the Executive Board.

- i) Opportunity to do business with the MRSA will be assessed considering vendor reputation, stability, reliability, quality of products and/or services, support of organized labour and/or fair-trade practices and competitive pricing.
- ii) Vendor products and/or services will be discontinued or not utilized ongoing for unsatisfactory products, unsatisfactory service and/or non-performance.
- iii) The purchase of capital assets must be included in the approved capital budget and be approved by the Executive.
- iv) Contracts for services must ensure:
 - minimized risks to the MRSA;
 - responsibilities and obligations of each party are clearly set out;
 - services are not employment in nature;
 - and service deliverables are clearly identified.

Contracts for services may be reviewed by MRSA legal counsel.

Conflict of Interest

The Audit and Finance Committee is responsible for ensuring that the MRSA adheres to its legal and ethical obligations with regards to MRSA's fiduciary obligations.

Representatives of the MRSA with a direct or an indirect, real or perceived interest in an Association vendor, must declare such interest, prior to providing a decision or opinion on the vendor to the Chair of the committee with escalation to the MRSA Executive Board for review if necessary.



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Donations/Gifting

- a) Requests for donations/gifts/recognition of life events may be presented to the President for consideration, and then may be forwarded for approval to the MRSA Executive for further action if necessary;
- b) Only those causes or events which are initiated within the MRSA/MRU community and which serve to improve the MRSA community relationships will be supported;
- c) Total donation amounts will be reviewed annually during the MRSA budget planning process.

Related Policies

Alcohol Policy

Fixed Asset and Capitalization Policy

Travel and Expense Policy

Related Procedures

Financial Operations Manual