DOC-FIN-0003 - Purchasing Approval Matrix

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Owner: Finance Controller
Approver: CFO
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Applicability: All employees initiating or approving a Compass One purchase commitment
Source system: Policy repository; enforcement in the purchasing platform

PURPOSE

This matrix states who may commit Compass One funds, at what amount, and with what additional review. It is the approval authority referenced by the purchase request procedure in DOC-PRC-0002 and the software request procedure in DOC-IT-0004.

APPROVAL THRESHOLDS

Thresholds apply to the total committed value of a purchase, including recurring charges across the full contract term.

- A purchase below one thousand dollars requires manager approval.
- A purchase from one thousand to ten thousand dollars requires director approval.
- A purchase from ten thousand to fifty thousand dollars requires vice president approval.
- Procurement review is required for every purchase above ten thousand dollars.
- A purchase above fifty thousand dollars requires CFO approval.
- Operations capital above fifty thousand dollars additionally requires COO co-approval.

SOFTWARE PURCHASES

Software introduces access, data-handling, and integration risk that price alone does not capture. IT review is therefore amount-independent.

- Every software purchase requires IT review at any amount.
- Software purchases must follow the request workflow in DOC-IT-0004.
- A software renewal requires the same review as a new software purchase.

PROHIBITED PRACTICES

- Splitting a purchase to avoid an approval threshold is prohibited.
- An approver may not approve a purchase that benefits that approver personally.
- A purchase order must exist before a vendor begins work.
- Retroactive approval requests are escalated to the Finance Controller.

DOCUMENTATION

- Each approver must hold delegated authority recorded in the finance system.
- Every approval must be recorded in the purchasing platform.
- Supporting quotes are retained for seven years.
- A single-source purchase above twenty five thousand dollars requires a documented justification.

EXCEPTIONS

- Emergency purchases require Finance Controller notification within one business day.
- An exception to this matrix requires CFO approval.

OWNERSHIP AND REVIEW

- The Finance Controller owns this matrix.
- Compass One reviews this matrix each January.