



ROUNDTABLE
PROCUREMENT SERVICES



An RTPS Whitepaper

The Prudence of Procurement Policy and Procedure



The Importance of Having and Following Sound Procurement Policies

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Sound procurement policies are an essential component of good organizational governance. They provide a clear framework for how goods and services are sourced, evaluated, approved, and purchased, helping ensure that organizational funds are spent responsibly, transparently, and in alignment with the organization's mission and objectives.

For nonprofits and other mission-driven organizations, procurement policies help demonstrate accountability to donors, funders, members, boards, and other stakeholders. By establishing consistent purchasing procedures, organizations can ensure that procurement decisions are based on objective criteria such as value, quality, service, and risk, rather than convenience or personal preference.

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Three Key Ways Well-Defined Procurement Policies Can Help Your Organization

1. Provides Transparency

Perhaps most important quality, procurement policies promote fairness, consistency, and transparency. They ensure that suppliers are treated equitably, purchasing decisions can be justified and defended, and organizational resources are allocated in a manner that supports long-term sustainability and public trust.

2. Reduces Risk

Well-defined procurement policies also help reduce financial and operational risk. They establish appropriate approval authorities, competitive bidding



requirements, conflict-of-interest guidelines, and documentation standards that protect the organization from fraud, errors, and unnecessary expenditures. In addition, they create an audit trail that supports financial reporting, regulatory compliance, and funder requirements.

3. Significant Cost Savings

Beyond risk management, effective procurement policies can contribute to significant cost savings. By encouraging strategic sourcing, supplier evaluation, contract management, and purchasing consolidation, organizations are better positioned to leverage their buying power, negotiate favourable terms, and avoid duplicate or unnecessary purchases.

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Ultimately, having a procurement policy is only part of the equation. The greatest benefits are realized when policies are consistently followed across the organization. Adherence to established procurement procedures helps ensure every purchasing decision contributes to operational efficiency, financial stewardship, and the responsible management of the resources entrusted to the organization.

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Community Purchasing Network (CPN) members enjoy access to the advice and guidance of RTPS professionals across a wide range of services, including Policy Development.

Join the CPN today to learn how RTPS procurement experts can help your organization develop clear, transparent, and effective procurement policies that align with your organizations missions and objectives.



Round Table Procurement Services (RTPS) is a professional services firm with significant expertise in helping non-profit organizations in Canada. We offer a unique combination of tools, approaches and people that come together to provide robust, tailored and realistic best practices for our clients. Our goal is to optimize procurement-related costs, efficiency and risk while supporting our client's achievement of their core mission.

RTPS assists non-profit organizations in understanding the implications of the Ontario Government's BPS Procurement Directive and developing and implementing policies and procedures that ensure ongoing compliance to the legislation. Our hands-on collaborative approach allows our clients to implement pragmatic and effective solutions that are sustainable over time.

For more information contact David Rourke at 416-816-6358, or send an email to info@rtps.ca, to discuss how RTPS might assist in achieving your organizational goals.