GENERAL POLICY NO. 610
SUBJECT: EMPLOYEE AND DIRECTOR PURCHASING

I. PURPOSE:
The purpose of this policy is to outline policy and procedures for the Cooperative employees and directors concerning purchase of material, rental of equipment, and employee advancements. The intent of the policy is to enable employees and directors to purchase material from the Cooperative for their personal use; not to enable personal business by reselling material, vehicles or items purchased through the Cooperative and to clarify that the Cooperative is not a financial lending institute.

II. POLICY STATEMENT:
It shall be the policy of the Cooperative to allow the purchasing of material from the Cooperative in the following manner:
A. Employees and Directors may buy materials from the Cooperative for the personal use of the employee or their immediate family. Any new purchases that an employee or director wants to be put on their personal 143.11 account will require a purchase order (PO) and an invoice coming directly to the Cooperative from the business or vendor that the purchase came from.
The employee or director may not resell any new or used materials or equipment other than those purchased through a public surplus sale purchased through the Cooperative as a personal business commodity without the express consent of the General Manager/CEO.

B. Materials that can be purchased locally for the same price as the cost of the Cooperative's material should be purchased from the local business.

C. The employee or director will sign a statement authorizing that the payment be taken out of his/her paycheck and will arrange to have the balance paid at the end of the calendar year or by pre-arranged contract date; each option may include a payment schedule.

D. The employee or director may prepay any anticipated buying that will be deducted from their paycheck.

E. Employees using equipment owned by the Cooperative will follow GP 415.1 “Use of Cooperative Tools, Equipment, Facilities”, Use of the equipment will be reported to accounting in a reasonable time frame with arrangements for payment.

F. The Cooperative will not act as any employee’s “bank” or loaning institute outside of approved purchases and may require a written contract between the employee and the cooperative department in charge of the purchase.

III. AMORTIZED ADVANCES:

It shall be the policy of the Cooperative to allow the employee in authorized circumstances to receive an advance of his/her regular paycheck in the following manner.

A. The employee will not receive an advance that will exceed the next regular paycheck.

B. The General Manager/CEO must give approval before any advance on payroll can be made.
IV. **DEVIATION:**
The General Manager/CEO must approve any deviation from the above policy in advance.

IV. **RESPONSIBILITY AND AUTHORITY:**
Implementation of this Policy shall be the responsibility of the General Manager/CEO.

IV. **PRIMACY OF POLICY:**
This Policy supersedes any existing policy that may be in conflict with the provisions of this Policy. This policy does not represent a contract between the employer and employee, and the employer herein may change the policies alone and without notice.

APPROVED BY THE BOARD OF DIRECTORS

[Signature]
Doug Schmier, President

DATE APPROVED: October 18, 2004
DATE REVISED: January 23, 2017