

Procurement, Contract and Payment Policy

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1. Purpose

This policy is to set out the World Triathlon requirements for procurement, contracts and payments. Specific steps necessary for are set out in the World Triathlon **Procurement, Contract and Payment Policy**

2. Applicability

This policy applies to all World Triathlon employees, volunteers, contractors and anyone doing work/tasks on behalf of World Triathlon and applies to all contracts that bind World Triathlon. Each staff member is responsible for complying with this policy. No staff member may authorize to perform services or acquire goods for the benefit of World Triathlon unless the requirements of this policy have been satisfied.

The policy should be reviewed annually and revised as appropriate. Any revisions should be reviewed and approved by the Audit and Integrity Committee.

The policy is based on four main principles:

- Control
- Transparency
- Clear of conflict of interest
- Good governance

3. Procurement

Multiple Quote Requirement

To ensure World Triathlon receives competitive pricing, any purchase for goods or services over \$20,000 requires documentation of three or more quotes. Thresholds for competitive sourcing requirements apply to the total order amount for the full contract duration. Splitting orders to avoid quote and/or bid requirements is not allowed.

Any contract over \$120,000 in value must be presented for approval to the Executive Board with two of the suppliers presented, including the recommendation for the selected vendor.

Supplier Risk considerations

World Triathlon should evaluate the best supplier, not only by prices, but also by some or all the following criteria may be used:

- a) written statement obtained from the supplier, detailing stability of price from the commencement of the contract
- b) appropriate trade references
- c) relevant financial information in order to assess potential viability of supplier relationship

4. Contracts

Any work for World Triathlon, over the cumulative value of \$10,000, which commits World Triathlon to paying money to a third party in exchange for services or goods from that third party will require a **contract**. A contract is an expressed agreement between parties for an exchange of goods or services and must be clear on the terms of the exchange.

A contract may not be presented to a third party or executed until all necessary internal approvals are obtained and documented. A contract must not be submitted, approved, and executed solely by the same person.

The approval requirements listed below are minimum requirements and are not intended to discourage contract originators from seeking additional approvals if warranted.

- **World Triathlon Standard Contract Template** – Standard Contracts are templates specifically approved by World Triathlon Legal with no material terms and conditions altered, and require the following additional approvals:
 - Head of Department(s), for contracts that impact multiple departments
 - Legal Counsel for contracts that require President/CEO signature
- **Non-Template Contract** – Non-Template Contracts include third party contract forms and World Triathlon templates with any language revisions. Non-Template Contracts require the following approvals:
 - Head of Department(s), for contracts that impact multiple departments
 - Legal Counsel for contracts that require President/CEO signature

5. Contract Execution & Signatory Responsibilities

Authorized signers are always responsible and accountable for ensuring that

- the contract terms accurately are agreed upon
- any expenses under the contract are either within current budget and is approved by World Triathlon Finance as within anticipated budgets for subsequent years

Signing Thresholds

Only authorized staff as indicated in the table below may commit the organization to an obligation, whether the obligation is expense, revenue or non-financial in nature. All expenses must be approved within the budget. All expenses outside of the approved budget must go to the President for approval.

Prize Money is exempted from this process. Other exceptions must be approved by the President.

Pursuant to Article 35.2 the World Triathlon President may sign any World Triathlon agreement. The World Triathlon President has delegated signing authority for business-as-usual agreements containing monetary obligations for both revenue and expense as follows:

Total Budget Approved Value	Signing Authority	Note
\$0 - \$1000	approved by holder of credit cards	Exceptions may be made if pre-approved by Finance
All travel expenses	Head of Department of the affected department	different staff to the one who will approved should do the booking



\$0 - \$1,999	Head of Department of the affected department	
\$2000 - \$19,999	Secretary General and the Head of Administration, Finance and Legal	
\$20,000 - \$49,000	Secretary General and the Financial Vice President/1st VicePresident	Two suppliers presented
\$50,000 - \$119,999	Vice President & President	Two suppliers presented
\$120,000	Executive Board	Three suppliers presented

These thresholds are based on the total obligation amount over the term of the agreement. If the specific obligation amount is not known, signing must be completed by the appropriate level based on the estimated or budgeted amount.

Contract Amendments

All amendments, extensions, change orders and renewals should follow the same process as the original contract.

Policy Violations

Violation of the policy or procedures established to support the policy should be reported in writing to the Secretary General. If the violation involves the Secretary General, this should be reported to the Executive Board, and will result in disciplinary action, including but not limited to:

- Written warning
- Revocation of contracting and procurement privileges
- Termination

6. Conflict of Interest

Declaration of Interest

Any personal interest, which may impinge or might reasonably be deemed by others to impinge upon impartiality in any matter relevant to purchasing duties, should be declared to the Secretary General for approval before conducting the business.

7. Budget Approval Process

1. World Triathlon staff are responsible for developing the budget for each subsequent year 45 days prior to Congress
2. Secretary General and Financial Vice-President review the budget and propose changes to it no later than 30 days prior to Congress.
3. Budget proposal will be circulated to all World Triathlon Members 30 days prior to Congress.
4. Budget is presented to Congress for approval.

Budget Variation

- a) For any variation, over/under 20% of the Department Budget heading approved by Congress, the below will apply:
 - Any department will present to the Secretary General a request for an increase to the budget.
 - Secretary General and Head of Administration Finance and Legal will discuss with the Head of the Department.
 - Secretary General will make a proposal to the Financial Vice-President.
 - Secretary General and Financial Vice-President will present this proposal to the Executive Board.
 - Executive Board will discuss and approve or not approve the proposed changes to the budget
 - Any decrease over 20% will be reported to the Secretary General



8. Payment Procedures

Payments of Development Funds to World Triathlon Continental Confederations

- a) Payments to any Continental Confederations will be made according to the agreement signed between each Continental Confederation and World Triathlon, these agreements will follow the budget approved by the World Triathlon.
- b) Once the agreement is signed, World Triathlon, at the beginning of the year, will transfer one quarter of the total amount to the Continental Confederation, to the account the Continental Confederation will provide.
- c) Further payments will be made in accordance with the Continental Confederations agreements with World Triathlon and in accordance with the projects included within the agreements. This control will be needed the approval of:
 - World Triathlon Head of Development
 - World Triathlon Head of Administration, Finance, Legal
- d) World Triathlon may make direct payments to providers of the Continental Confederations upon request of the Continental Confederation. In this case the procedure established in letter c) of this paragraph will be applied.
- e) Exceptional advance payments may be considered with the approval of the Financial Vice President and the Secretary General, upon request of the Continental Confederation. A report from the World Triathlon Senior Manager for Development is required to support this request.

Petty Cash

There will be no Petty Cash within World Triathlon. In every World Triathlon office any cash should be managed individually and reclaimed through the expenses report of the employee.

Bank Payments

- a) For all World Triathlon's bank accounts any payment will require the signature of two persons from the following list:
 - President
 - Secretary General
 - Head of Administration Finance and Legal
 - Director of Sport
 - Senior Manager for results
 - Antidoping Director
- b) The Actual distribution of payment responsibilities are:
 - In Lausanne: President, Secretary General and Sport Director
 - In Vancouver: Secretary General, Head of Administration, Finance, Legal and Antidoping Director
 - In Madrid: President and Senior Manager for results

Expense Reports

All travel on behalf of World Triathlon is subject to the World Triathlon Expense Policy.

Only expenses that fall within the Travel & Expense Policy will be reimbursed. Exceptions must be approved by Head of Administration, Finance and Legal before the expense occurs.

- a) Executive Board Expenses, including the President, to be approved by the Secretary General and Financial Vice- President.
- b) Staff members, by each Head of department.
- c) World Triathlon staff Directors and other Head of Departments by the Secretary General.
- d) Secretary General by the 1st Vice-president and the Financial Vice-president.

Appendix A

Version History



Version	Notes	Date
1.0	Original draft	2020
2.0	Audit Committee updated draft	18/10/2021
3.0	Audit Committee updated draft	03/12/2021

Appendix B

1. WORLD TRIATHLON CONSTITUTION

World Triathlon Constitution, approved in 2020 via Virtual Congress, establishes the following:

- a) Article 23.1 (f) Power of the Congress: “*Adopt the budget for the following year and vote on the acceptance of the financial statements of the previous fiscal year after receiving the report of the Auditors and the Audit Committee*”.
- b) Article 35.2 (d) (e) (j) (k) (l) The President is the highest Officer of World Triathlon. The President shall have the following roles and duties:
 - (i) *Lead the work of the Executive Board including ensuring the Executive Board is organised properly, functions effectively, acts within its roles, and meets its obligations and responsibilities;*
 - (ii) *Oversee the activities of the Committees and Commissions, between Executive Board meetings, including ensuring they are functioning effectively, acting within their role and meeting their obligations and responsibilities, as decided by the Executive Board;*
 - (iii) *Support, monitor and liaise with the Secretary General to form a strong, collaborative working relationship, with regular contact between them, on behalf of the Executive Board;*
 - (iv) *Only authorise transactions, and sign any documentation, on behalf of World Triathlon, in accordance with decisions, policies and procedures decided by the Executive Board or within delegated authority in writing from the Executive Board;*
 - (v) *Perform such other tasks and duties as are delegated to the President by Congress and the Executive Board.*
- c) Article 38.1 The Vice President with financial role: assist the President in his/her duties:
 - (i) *Acting as an information and reference point for the President and other Executive Board members;*
 - (ii) *Clarifying financial and marketing implications of proposals;*
 - (iii) *Outlining the current financial status*
 - (iv) *Retrieving relevant documentation and among others assists on:*
 - a. *General financial oversight;*
 - b. *Funding, fundraising and sales;*
 - c. *Financial planning and budgeting;*
 - d. *Financial reporting to Congress;*
 - e. *Investing the World Triathlon reserves;*
 - f. *Monitoring of fixed assets and stock.*
- d) Article 39.1 (a) The Secretary General is appointed by the Executive Board and shall have the following roles and responsibilities:
 - (i) *Setting budgets and managing the operations of the World Triathlon, (except for the World Triathlon Tribunal) within such budgets.*

Appendix C



a) For the avoidance of doubt, a contract shall mean an agreement in writing signed by more than one party, intended to create binding legal obligations on those parties