

Gresham-Barlow SD 10

Code: **DJA-AR**
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Orig. Code(s): DJA-AR

Purchasing Procedures

General Purchasing Procedures

These general purchasing procedures should be followed for purchases of all goods, supplies, materials and equipment.

1. Requisitions for Purchase - It is the responsibility of the school and/or department to make certain that funds have been budgeted and correct account numbers used. All requisitions must be approved by the principal or supervisor.
2. Processing Time - Requisitions should be initiated sufficiently in advance of the actual need to allow normal flow time for approvals, business office processing and vendor delivery. The actual flow time in days will vary according to the method of purchasing used and the availability of the product from the vendor. **All schools and departments will be notified by the business office if a purchase is going to be delayed. The reason for the delay will be indicated.**
3. Receiving - All supplies and equipment will be received by the school or department.

The final responsibility for assurance that the supplies or equipment meet required specifications lies with the school or department initiating the requisitions. The business office must be notified immediately of materials which have been received when the materials do not meet the specifications of the originating school or department.

4. Damaged Merchandise - The business office must be notified immediately of any damaged items received so that action may be taken to assure proper adjustments are made.
5. Follow-Up - The school and/or department is responsible to follow up on delivery goods, short shipment, damaged items, etc., unless a request is made to the business office for assistance. All correspondence with suppliers should be attached to the purchasing document and forwarded to the business office.
6. When the end user of items ordered finds a discrepancy or the item received is not what is anticipated:
 - a. Notify the business office immediately with the purchase order number and describe the discrepancy:
 - (1) Repack the item in the original packaging. If that is not possible, keep the original packaging for future reference if required.

- b. Accounts payable and/or a school representative will contact the vendor:
 - (1) Notify the vendor of the discrepancy;
 - (2) Explain the reason for return or exchange;
 - (3) Obtain proper authorization for return;
 - (4) Determine how and where item is to be returned;
 - (5) Instruct school/department how to proceed; and
 - (6) Make sure credit is received for the returned items. (All credits will be applied to the account from which the original order was charged.)

Purchasing Methods

A variety of purchasing methods can be used depending on the type of goods, supplies, materials or equipment needed. Following is a description of procedures for the use of each method.

Procedures for Ordering

All schools and support staff must order via computer requisition, field purchase order or regular purchase order.

Field Purchase Orders \$0 - \$100

Field purchase order books will be issued to only those persons authorized by the principal or supervisor or by the business office. With administrator approval, field purchase orders shall be used for the purchase of small items for less than \$100 with local vendors.

Field Purchase Order Procedures

1. The business office assigns blank field purchase order books to administrators.
2. Administrators identify receivers of field purchase order books.
3. Individual purchaser may use the field purchase orders for emergency items of less than \$100 within the local area.
4. Field purchase order copies shall be distributed as follows:
 - a. White - Vendor;
 - b. Canary - Principal or supervisor signature. The sales receipt should be attached and forwarded to the business office;
 - c. Pink - Accounts Payable;
 - d. Golden - Retain in book.

5. Completed books shall be routed to the appropriate administrator who will inspect the book, initial the cover and send the completed book to the business office.
6. The chief financial officer will submit reports as required to the superintendent, keeping his/her office informed of any irregularities or problems with field purchase orders.
7. If an order exceeds \$100, call the business office for a regular purchase order number. Do not issue consecutive field purchase orders to cover purchases exceeding the \$100 limit.

Purchases of Less Than \$5,000

1. Originator (person making the request to buy) submits request to the principal/supervisor for approval.
2. Principal or supervisor reviews request:
 - a. Approves the request and assigns the appropriate account numbers; or
 - b. Does not approve the request and returns it to the originator.
3. The secretary inputs the requisition to purchase and/or issues the approved purchase order, attaches quotes (when applicable) and any other attachments and forwards to the business office.
4. The business office determines if the selected method of purchase is the most efficient purchasing method.
5. The business services department will edit all purchase orders to ensure all information is accurate and all regulations are followed. All district purchase orders committing district funds for purchase must be signed by the chief financial officer.
6. The business office issues the purchase order to the vendor selected. The purchase orders are separated:
 - a. White original copy goes to the selected vendor;
 - b. Gold copy is retained by the business office;
 - c. Green copy goes to the business office for encumbering and payment;
 - d. Pink copy to the receiving location;
 - e. Yellow copy to the location of the originator.

Purchases \$5,000 to \$75,000

Public Contracting Rules adopted by the Board require a minimum of three informally solicited quotes on purchases of goods, materials, supplies and services of \$5,000 or more but less than \$75,000. A written record of quotes **MUST** be maintained by the business office. The district, however, requests competitive quotes be obtained for purchases of less than \$5,000 whenever feasible to do so. If three quotes are not

available, a lesser amount will suffice, provided that a written record is made of the effort to obtain the quotes. There is a different standard for contracts containing an element of personal service.

All purchases in this category shall be requested by requisition submitted to the business office via computer, written request or in person. The principal or supervisor can, if necessary, request a purchase order number by phone when three price quotes have been obtained, when required and submitted to the business office. The buyer must assure that the purchase is being made at the greatest possible savings to the district.

Blank Purchase Order (\$5,000 limit up to \$999.99 single purchase)

The blanket amount is set by the average amount needed and specified by the appropriate cabinet member and business office.

1. The following specific areas are examples to show possible benefits of using the blanket purchase order in lieu of a field purchase order or other method:
 - a. Repair parts and supplies or equipment which are normally needed immediately;
 - b. Repair orders for specific equipment (i.e., copy machines, musical instruments, computers, cafeteria equipment, etc.);
 - c. Grocery items for home economics classes and food services.
2. A blanket purchase order will list the district employees authorized to charge against the order and only those names will be allowed to charge.
3. A blanket purchase order will be used on a fiscal year basis and all outstanding blanket purchase orders will be cancelled on June 30 of each year by the business office.

Procedures for Blanket Purchase Orders (limited to \$999.99 per purchase and \$5,000 per local vendor)

1. The principal or supervisor will send requisitions for blanket purchase orders and list of persons approved as buyers to business office. Repair vendors will be notified of limits for approval of repair on specific items.
2. The school or department will issue blanket purchase orders and list of persons approved as buyers to the business office. Repair vendors will be notified of limits for approval of repair on specific items.
3. The buyer receives invoice with each purchase.
4. The buyer sends signed invoice and proper account number to business office.
5. The business office maintains record of invoice and makes payment.

Contract Purchase Order

ALL CONTRACTS FOR GOODS AND SERVICES MUST BE ON A CONTRACT PURCHASE ORDER WITH A COPY OF THE CONTRACT ATTACHED AS PART OF THE ORDER.

Contract purchase orders are written for a specific dollar amount and miscellaneous charges (i.e., cost per copy, cost per hour) that are paid monthly, quarterly, semi-annually or annually.

The contract purchase order is renewed each fiscal year, July 1 through June 30 or whenever the total amount of the contract is paid.

ALL PERSONAL SERVICE CONTRACTS REQUIRE SUPERINTENDENT APPROVAL.

ALL CONTRACTS THAT CARRY FROM ONE FISCAL YEAR TO ANOTHER MUST HAVE BOARD APPROVAL.

ALL LICENSED AGREEMENTS FOR SOFTWARE REQUIRE BOARD APPROVAL.

Shipping

1. Most orders for the schools are shipped to the school. All incoming freight is to be checked for damages and verified by the buyer. Any irregularities are reported to the business office and the buyer will initiate immediate follow-up procedures.
2. As the items are received, the school or department is to send the packing slips with the interim receiving report to the business office. When all items are received, the individual purchaser signs the receiver and forwards all information to the business office.
3. When the business office receives all verification, including a copy of the purchase order, authorization for payment will be made.
4. When the items reach the end user and there is a discrepancy, **CALL THE VENDOR IMMEDIATELY**, and if necessary, notify the business office. The business office will make every effort to satisfy the needs of the staff and school. Procedures for return are available in the business office.
5. If a school or department finds it necessary to place a phone call or an order with a sales representative before the order is placed, they should call the business office for a purchase order number giving all pertinent information. The order is then entered into the requisition file as a **confirming order** using the steps outlined above.