

Academic Arts High School

District 4119

Approved: November 19, 2013

PURCHASING/PROCUREMENT POLICY AND PROCEDURES

I. PURPOSE

a. This policy and procedures instructs employees on the purchasing procedure and how to follow the purchasing policy at Academic Arts High School (AAHS). Anyone who buys goods and services for the school are responsible for following this policy.

b. Copies of the procurement and reimbursement forms can be obtained from the Administrative Assistant.

1. Purchase Order Form
2. Reimbursement/Check Processing Form
3. Mileage Reimbursement Form
4. Sales Tax Exemption Form

II. Procurement –Goods and Services

Any purchase made from school funds must be authorized by a school director under the purchase order system. All school purchases shall be signed by the school director or designee.

Purchase orders are not required when paying recurring school expenses; i.e., insurance, utilities, food purchases, and items for the regular maintenance of the building and property. Invoice for these items must be reviewed and approved for payment by the Director.

a. AAHS procures only those items and services that are required to perform the mission and/or fill a bona fide need. Procurements are made using best value contracting which includes assessing the best value considering quality, performance and price. AAHS will use a competitive procurement process, which requires sound business practices for purchasing less than \$1,000. The school will also select the best value by obtaining three written quotes for items greater than \$1,000 and less than

\$5,000. Finally, a formal bid process will be used for items greater than \$5,000, in which three bids will be received and evaluated using a formal evaluation process.

b. AAHS Board approval is required for all contracts for goods and services, leases, or other agreements with a total cost in excess of \$5,000 or that cannot be fully performed within one (1) year (unless subject to termination by AAHS without penalty or additional cost).

c. The School adheres to the following objectives:

1. Procurement will be completely impartial, based strictly on the merits of supplier and contractor proposals and applicable related considerations such as delivery, quality, etc.
2. Make all purchases in the best interest of the school and its funding sources.
3. Obtain quality supplies/services needed for delivery at the time and place required.
4. Buy from responsible and dependable sources of supply.
5. Obtain maximum value for all expenditures.
6. Deal fairly and impartially with all vendors.
7. Be above suspicion of unethical behavior at all times; avoid any conflict of interest, related parties or even the appearance of a conflict of interest in the Charter School supplier relationship.

d. Emergency Purchases. An "emergency purchase" is the purchase of goods or services that are so badly needed that AAHS will suffer financial or operational damage if they are not secured immediately. A decision to purchase may be declared in an emergency at the Director's discretion and "best value" procurement guidelines must be followed.

In addition, the purchase must be authorized by the Treasurer or the Board Chair.

III. PURCHASING POLICY

- All AAHS Staff shall comply with all applicable laws, rules, and AAHS policies.
- All purchases must be pre-approved by the School Director.
- All purchases are required to be processed using a Purchase Order (PO) –please refer to section IV.

IV. PURCHASING PROCEDURES

- a. A Purchase Order is requested by the staff person initiating the request (requester).
- b. The purchase request is evaluated by the Director as to whether it fits within the budget and is an appropriate purchase.
- c. If approved, a purchase order number will be assigned, the requester will complete a purchase order request, a blank purchase order request is obtained from the administrative assistant, the school director will review before the final authorizing of the purchase, and the order is placed.
- d. The requester receives the order and makes sure it is complete. They check in each item ordered and sign the receiving documents/packing orders. The school must retain the packing slips at the school in case an item needs to be returned. The receiving documents/packing orders are then given to the Administrative Assistant.
- e. When the invoice is received, the Administrative Assistant opens the invoice, and begins processing for payment.
- f. The invoice is compared to the Purchase Order request and packing list.
- g. The invoice and check processing form is given to the Director for approval and is then sent to the business manager for payment. Special instructions, such as payment terms or assigning the expense to a specific grant should, if known, be written on the check processing form.

V. PURCHASE ORDER USE

Use a separate purchase order for each vendor and each account number used.

Obtain a blank purchase order request from the Administrative Assistant and:

- a. Complete the vendor name, address and phone and fax number.
- b. Record what is being ordered. Include the quantity, description, unit price and extended price.
 1. For classroom items: please note which department the purchase is for.
- c. Record the total order cost, including shipping (if known). The school does not pay sales tax. See section IX for ST3 Form (tax exempt form).
- d. The requester signs their name on the "Requested by" line.

- e. The Administrative Assistant begins processing. The Administrative Assistant will place the order, record the date and order confirmation number.
- f. If ordering on-line, the order confirmation will be printed and attached to the PO.
- g. If the order has already been placed by phone or fax, please indicate on the purchase order so the order will not be duplicated.

VI. REIMBURSEMENTS

Reimbursement requests are used when staff complete a purchase and are requesting reimbursement.

Reimbursements must be an appropriate purchase and fit within the budget. Any reimbursement purchase must have pre-approval from the Director or designee. Requests for reimbursement must be made within 10 days of the date of the receipt.

- a. Complete a Reimbursement Check Processing Form:
 - 1. Requesters name must be written on the form.
 - 2. Date
 - 3. Description of Expense(s)
 - 4. Amount
 - 5. Sign the "by requested" line
- b. Attach the original receipt.
- c. Give the Reimbursement Check Processing Form to the Administrative Assistant.
- d. When the request is approved, a check will be processed by the business manager.
- e. At the time of purchase, provide vendor with a tax exempt form to avoid sales tax charges. See section IX for ST3 Form. Request for reimbursement of sales tax will be denied. AAHS does not reimburse tax.
- f. Reimbursement requests will be denied if pre-approval is not obtained.

VII. MILEAGE REIMBURSEMENTS

Mileage reimbursement checks are issued when staff use their personal vehicle to participate in an event for work and are requesting reimbursement. Reimbursements must be for travel preapproved by the Director or designee and fit within the budget.

a. Complete a Mileage Request Form

1. Your name
2. Date of travel
3. Location/City
4. Purpose
5. Miles traveled less the number of miles for the normal commute to/from work, evidenced by mapquest or other similar application.
6. Parking fees if applicable
7. Sign requested by line

b. Give the Mileage Reimbursement Form to the Administrative Assistant.

c. When the request is approved, a check will be processed through the business manager.

d. Mileage will only be reimbursed by IRS code.

VIII. CREDIT CARD PURCHASES

- a. See Policy: Use of School Credit Card

IX. CERTIFICATE OF EXEMPTION (ST3 Form)

- a. ST3 forms are available in the Administrative Assistant.

Note: The applicability and enforceability of this policy is limited to, and qualified by, Minnesota or federal law and at the time any such circumstance within the scope of the policy arise, may be contrary to some aspect or all of the policy.