

Mattawan Consolidated School Administrative Guidelines

6320A - PURCHASING

Purchasing - General Provisions

- A. All purchases shall be by purchase order processed through the Business Office.
- B. The Superintendent shall be the contracting agent for all financial obligations.
- C. The Business Manager shall be responsible for encumbering the funds as soon as practicable after the purchase order has been issued.
- D. A verbal financial commitment may be made only for emergencies or when it is impossible or impractical to precede the purchase with a purchase order. Before such a commitment is made, the Business Office shall be contacted for prior approval and for a purchase order number. In all such cases, a purchase order shall be issued as soon as possible after the commitment is made.
- E. Employees are forbidden to use the name of the District, any discounts provided the District, or any other means for associating a personal purchase with the District. They are to make clear to any District supplier from whom they are purchasing an item that it is a personal purchase by the employee and is not associated with the District. Failure to abide by this provision could lead to disciplinary action.
- F. Confirming purchase orders will be honored only in cases cited in the above paragraph.
- G. Ongoing commitments such as service contracts and leases should be renewed annually, in writing, at the beginning of each fiscal year.
- H. Open purchase orders for goods or services are valid only for the time period and amount indicated on the purchase order. Extension of the commitment beyond that time and/or amount shall be confirmed by a new purchase order. Open purchase orders must be approved by the Superintendent before they are issued.
- I. Purchases of contracted services shall be negotiated either verbally, by a Request for Proposal, or through the bid process, as determined by the Superintendent.
- J. The Business Manager may determine the most appropriate method of obtaining prices for items or groups of items which are not subject to formal bidding procedures.
- K. Purchases of supplies, materials, and equipment items costing more than the amount stipulated in Board policy must be obtained through competitive, sealed bids and be approved by the Board.
- L. Capital-outlay purchases must have prior approval of the Superintendent (see IP 6320A1).
- M. Capital-outlay purchases shall conform to the bidding procedure stated further in these procedures.
- N. Annual purchase order cut-off dates shall be as follows:

Requisitions must be received in the Business Office on or before the first day of June, unless the services or supplies are essential to continue the daily operation of the department or building for the remainder of the current year, or unless an emergency exists.

O. Process purchase orders as follows:

1. The requestor shall prepare a purchase requisition stating vendor, vendor code number, price, unit, color, size, grade, etc., in complete and precise terms. When textbooks are ordered, the purchase requisition must list the title, author, grade level, edition, catalog, and publisher. Magazine and subscription requests must list the source for ordering, name, date subscription is to start or continue, length of subscription, and local person or department to which publication is to be sent.
2. If approved, the principal/supervisor retains a copy and sends the original to the business office for a purchase order.
3. The purchase order is entered into the computer. The business office assistant affixes a date.
4. The business office assistant shall sign the purchase order for the Superintendent.
5. The original copy of the purchase order is sent to the vendor unless there are specific instructions to the contrary;
6. The copies are distributed as follows:
pink copy - filed numerically accounts

yellow copy - payable file
blue copy - receiving department
green copy - requisition

7. Orders by phone are discouraged. In the event they are necessary, prior authorization must be received and the assigned purchase order number must be used and attached to other verbal order. All phone orders must be followed immediately in writing with a purchase requisition so that complete information is available to the Business Office.
8. Local vendors shall be consulted and used when practical to reduce shipping costs.
9. Small orders are extremely costly to the school system and to vendors. Vendors understandably resist the responsibility of delivering and invoicing orders when their costs become greater than their profit. Where the small order is a necessity, it will be processed. However, petty cash procedure has been established by the Business Office which permits employees, with supervisor approval, to make direct small (cost must be less than \$10) purchases from the school fund. Sales slips or other evidence of purchase must be produced in order for Petty Cash funds to be disbursed.

Payment of Claims Procedure

- A. When delivery is made, the principal/supervisor checks the pink slip to ensure the order has been received correctly and in proper condition.
- B. If so, the packing or delivery slip is initialed, and copies are sent, within five (5) working days, to the Business Office assistant for payment.

- C. The Business Office assistant checks the yellow copy against the invoice, and if everything is in order, a warrant is drawn.
- D. If the Business Office assistant finds discrepancies or has questions, s/he shall contact the principal/supervisor.
- E. The vendor's invoice is filed with the yellow copy of the requisition-purchase order and a copy of the warrant.

Revised 3/98

Revised 5/00