

PURCHASING

The Board recognizes the importance of a sound fiscal management program and expects district staff to maximize the resources available for the district's educational program and to be good stewards of public funds by exercising fair, competitive purchasing practices. The district will respect its financial obligations and will also require that providers meet their obligations to provide quality products and services in a timely manner to the district.

All funds deposited with the district, regardless of source, are considered district funds and are subject to this policy. No contract will be entered into or bill paid without the proper documentation and without an affirmative vote from a majority of the whole Board. Purchases that may exceed \$25,000 must have prior Board approval unless this policy's emergency provisions are applicable.

The Board encourages district staff to purchase products manufactured, assembled or produced in the United States.

Purchasing Supervision

The chief financial officer will serve as the district's purchasing officer or will designate a purchasing officer. The purchasing officer will supervise district purchases of products and services and may authorize purchases on behalf of the district that comply with the Board-adopted budget and this policy. The superintendent, in consultation with the purchasing officer, shall develop procedures to implement this policy in a manner that will meet the district's needs while protecting the district's resources. These procedures will comply with all applicable laws and will centralize and provide oversight of all purchasing decisions.

Competitive Purchasing

District staff will research all purchases and compare prices prior to making decisions regarding the expenditure of district funds, unless a purchase is covered by an exception pursuant to this policy. Employees are expected to contact multiple providers before making a decision regarding purchases under \$3,000. Purchases of \$3,000 or more will be competitively bid, and sealed bids will be required for purchases that may exceed \$15,000.

The district will select the lowest or best bid. The district reserves the right to waive minor technical defects in a bid, reject any and all bids, reject any part of a bid, advertise for new bids, or make the purchase on the open market if the product or service can be obtained at a better price.

When the purchasing officer determines that the purchase requires competitive negotiations, products or services may be purchased by competitive proposals. Likewise, the superintendent, in consultation with the purchasing officer, is directed to create procedures that allow the district to

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benefit from cooperative purchasing and address unusual situations such as purchasing when there is a single feasible source for the purchase. The superintendent is also directed to create a process whereby authorized providers are selected for frequent purchases, while still monitoring the competitiveness of these providers.

Emergency Situations

Unless otherwise required by law, the superintendent may waive the requirement for competitive bids or proposals when he or she has determined that there exists a threat to life, property, public health or public safety or when immediate expenditure is necessary in order to protect against further loss of or damage to property, or to prevent or minimize a serious disruption in services. Emergency purchases shall be made with as much competition as is practical under the circumstances and will only be utilized for purchases that are necessary to alleviate the emergency.

Debarred or Suspended Providers

The district will not do business with providers who have been suspended or debarred on a state or federal level unless the superintendent authorizes the transaction and provides the Board with written justification. District employees are directed to verify that selected providers are in good standing before making a purchasing decision.

Confidentiality

Sealed bids and related documents will be kept confidential until bids are opened. District staff will not disclose offers, bids or price quotations to competitors except as necessary to conduct negotiations beneficial to the district or as required by law. All contract negotiations and related documents are considered closed until a contract is executed or all proposals are rejected.

Credit and Purchasing Cards

Authorized district employees and Board members may use credit cards or purchasing cards issued to the district to make purchases for the district or to pay for reasonable travel expenses incurred when performing job duties. Employees and Board members will not use these cards to circumvent the bidding and purchasing requirements established by law and Board policy. All purchases made using district cards must be attributed to the appropriate budget code and must conform to the Board-adopted budget.

The district will use purchasing cards instead of credit cards to the extent feasible. Unless otherwise authorized by the Board, only the superintendent and the purchasing officer will have access to a district credit card, and the Board will set the amounts that may be charged to those cards.

The Board will approve which employee positions will be issued district purchasing cards and the limitations on the cards. The superintendent, in consultation with the purchasing officer, will annually review and revise the list of persons receiving district cards and the limitations on those cards. The annual review will ensure that only the employees who appropriately utilize the cards have access to them, and that the limitations on the cards do not exceed the amounts of the projected expenditures to be made with the cards. The Board will annually approve all modifications prior to implementation.

The Board may authorize the issuance of purchasing cards to Board members in the same manner that they are issued to employees. Board members who choose to use a district purchasing card are subject to the same policies and procedures as district employees. The superintendent is directed to notify the Board president if any Board member fails to follow district policies and procedures regarding purchasing card usage, and the Board member's usage may be temporarily suspended by the Board president until the issue is presented to the full Board. If the Board member in question is the president, or if the president is not available, the vice president will act as president in the matter.

Any employee or Board member using a district card shall sign a card usage agreement and will receive training on applicable procedures for card use. District employees and Board members issued a card must provide documentation, such as receipts and applicable budget codes, justifying expenditures. The purchasing officer will examine all documentation prior to payment and will notify the superintendent or designee immediately if any purchase was made in violation of law or district policies or procedures.

All employees and Board members issued a district card must take all reasonable measures to protect the cards against damage, loss, theft or misuse. Any damage, loss, theft or misuse of the card must be reported to the superintendent immediately. No person may use the card other than the authorized employee or Board member to whom the card was issued. District employees and Board members will surrender all cards upon completion of their employment or term with the district or upon demand by the district.

Prohibited Activity and Reporting Requirements

The district expects all staff members to comply with the letter and intent of all district policies and procedures regarding purchasing. Under no circumstances may employees use district funds to make unauthorized or personal purchases. Staff members may not artificially divide purchases to avoid bidding requirements or design bid specifications to favor a particular provider.

All district employees must report suspected fraud, theft or misuse of district funds to the superintendent or purchasing officer immediately. District employees may be disciplined or terminated from employment for failing to follow Board policy or district procedures and for any misuse of district resources, including district cards.

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The superintendent or purchasing officer will contact law enforcement and file a report or sign a complaint on behalf of the district in situations where a crime may have occurred.

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Note: The reader is encouraged to check the index located at the beginning of this section for other pertinent policies and to review administrative procedures and/or forms for related information.

Adopted:

Revised:

Cross Refs: ADF, District Wellness Program
 BBFA, Board Member Conflict of Interest and Financial Disclosure
 FEB, Selection of Architectural/Engineering and/or Land Surveying Services
 FEC, Selection of Construction Management Services
 FEF, Construction Contracts Bidding and Awards
 GBCA, Staff Conflict of Interest

Legal Refs: ' ' 8.285 - .291, .675 - .687, 34.073 - .080, .350 - .359, .375, 162.301, 170.041,
 171.181, 177.082 - .086, 285.530, 292.675, 393.310, 432.070 - .080, RSMo.
 5 C.S.R. 30-4.030, 680.010
 7 C.F.R. §§ 210.16, .21, 220.16
 47 C.F.R. § 54.503
 Mercantile Bank of Illinois v. School Dist. of Osceola, 834 S.W.2d 737 (1992)

Phelps Co. R-III School District, Edgar Springs, Missouri