

PURCHASING PROCEDURES

~~Procedures for purchasing will be developed by the Superintendent or his/her designee.~~

~~Purchasing procedures will be designed to avoid assumption of risk and to ensure the best possible price for the desired products and services.~~

~~These procedures will require that all purchases are made on properly approved purchase orders and that for items not put to bid, price quotations will be solicited.~~

~~Special arrangements may be made for ordering perishable and emergency supplies.~~

Fiscal management can only be achieved through proper and consistent purchasing procedures for the procurement of supplies, equipment, and services for the District. These purchasing procedures are to ensure not only the proper encumbrance for forecast purposes, but to ensure management of funds is in compliance with District policy, generally accepted accounting principles, and the rules of the New Hampshire Department of Education.

This procedure shall:

A. Provide for the consistent accountability of all District funds.

B. Require that purchases be supported by purchase orders, contracts, or itemized procurement card (p-card) receipts. Payment shall be made only upon receipt of an original invoice or monthly p-card statement, and acknowledgement by the school or person receiving the goods or service of the completion of the order. When authorized by the Superintendent or Business Administrator to complete a cash purchase, school personnel shall submit the original itemized receipt for reimbursement.

C. Require school personnel to maintain a clear audit trail from receipt of funds to disbursement of funds.

Purchase requisitions must be entered in the District's financial software containing the budget unit organization and object codes to be charged, and bear the electronic approval of the Principal and/or Director. Orders that must be put to bid or have solicited price quotations must have a copy of the bid or quotation provided. The Business Office shall verify that District policy and correct accounting codes are followed prior to the issuance of a purchase order. It shall be the responsibility of the Principal or Director to request a budget transfer of funds to cover any order that may take an account over-budget.

Expenditures that are less than the amount allocated to a particular function/object line shall be authorized in the following manner:

- *\$0 to \$2,500 Building Principal or Director*

- *\$2,500 & above Business Administrator*

Purchases and projects involving expenditures in excess of the following dollar amounts shall be expected to comply with these practices:

- *\$0 to \$20,000 Best interest of the District*
- *\$20,001 and above: Request at least three (3) written quotes, a bid process, or an RFP process, if feasible.*

Exceptions to Bidding or Written Quotation Requirements:

- *Purchases made through collaborative purchasing groups.*
- *Purchases of utilities, where competitive sources are not available.*
- *Purchases involving the acquisition of personal or professional services.*
- *Purchases of proprietary maintenance contracts, where alternate “authorized” sources are not available.*
- *Renewal of current vendor service contracts where quality and timely performance is a critical requirement and where the Business Administrator determines renewal is in the best interest of the District.*
- *Purchases involving minor repairs.*
- *Purchases involving major repairs where bidding or formal request for quotation (RFQ) requirements are waived by the Business Administrator due to the urgency of the repair.*
- *Purchases involving a documented sole source of supply (e.g. textbooks) or Board approved sole source vendors.*
- *Any other purchases deemed to be within the best interest of the District and approved by the Board.*

No exception shall be made nor procedure followed that is contrary to New Hampshire or Federal law.

All bids and Requests for Proposals shall be issued from the SAU Business Office unless otherwise stated by the Superintendent.

Purchase orders or District procurement cards are to be used in every possible instance. Blanket purchase orders may be issued to vendors where repeated purchases of incidental items take place. All blanket purchase orders must be approved by the Business Administrator. The requirement for purchase orders may be waived by the Business Administrator. Employees provided with a District procurement card for business purchases must follow the procedures established for p-card purchases.

In the event that a function and object line would become over expended, the expenditure must be approved by the Superintendent or designee. Every effort shall be made to find savings in other areas of the budget to offset such expenditure.

The Superintendent, with the advice of the Business Administrator, may institute a partial or full freeze on expenditures at any time to protect the District against a potential deficit.

All purchasing, whenever possible and in the best interest of the District, shall be done cooperatively through collaborative purchasing groups (e.g. State of New Hampshire bids and U.S. Communities) or with other districts and/or municipalities to take advantage of lower prices for bulk purchasing, and to reduce the administrative costs involved in bidding.

Any individual who places an order without complying with the purchase order or p-card procedures shall be responsible for the payment of or return of the items received.

Administrative procedures relating to purchasing shall be recommended by the Business Administrator and approved by the Superintendent of Schools.

In the event of an emergency, the Superintendent or Business Administrator may approve a purchase outside the regular procedure. The Board shall be notified immediately of such purchases over \$10,000.

Statutory Reference:

RSA 194-C:4,II a

Ed. 303.01 (b)

Revised: July, 2014

Revised: November, 1999

Revised: July, 1998