

UINTAH SCHOOL DISTRICT POLICY ACTION
REVIEW

1st Reading	<u>04/06/22</u>	New	<u> </u>
2nd Reading	<u>05/11/22</u>	Revised	<u> X </u>
Approved	<u>05/11/22</u>	Substitute	<u> </u>
Effective	<u>05/11/22</u>		

004.0200 PURCHASING POLICY

REVISES POLICY 004.0200 PURCHASING POLICY (LAST APPROVED 10/13/21)

The purpose of this policy is to enable the district to purchase goods and services, establish contracts, and carry out its functions in a manner that deals equitably with all vendors, and provides for the efficient management and proper expenditure of public funds.

The Uintah School District Board of Education complies with all applicable state and federal procurement laws. The Board of Education delegates to the Business Administrator, as the Chief Procurement Officer, the authority to carry out the procurement functions of the district and to ensure such functions are in accordance with established policies and procedures. The Business Administrator may delegate to, or withdraw delegated purchasing authority from, other employees.

1.0 PURCHASING AND CONTRACT GUIDELINES

- 1.1. All procurement activities must be conducted in strict accordance with all applicable laws, including the Utah Procurement Code (§63G-6a-101 et seq.) and the Utah Public Officers’ and Employees’ Ethics Act (§67-16-1 et seq.). District employees shall also comply with all district policies and procedures when making any purchases.
- 1.2. All contracts require the approval signature of the Business Administrator.
- 1.3. Any contractual agreement committing Public funds for a period of more than one year shall require Board approval prior to the signing of any such agreement.
- 1.4. All applicable laws, policies, and procedures apply to all purchases and contracts made within the district, regardless of the source of the money to be expended or received.
- 1.5. The Superintendent of Schools and Business Administrator or designee may take any action of a procurement nature to advance the economic well-being and efficient operation of the school district as long as that action does not conflict with the Utah Procurement Code or the Administrative Rules Title R33.
- 1.6. It is prohibited to artificially divide a purchase in order to avoid exceeding the dollar expenditure limits established by the district.
- 1.7. The District’s tax exempt status number should only be used in conformity with the Utah State Tax Commission’s guidelines.

2.0 COOPERATIVE PURCHASING

- 2.1. When it is in the best interest of the district, authorized purchasers will utilize cooperative contracts with the state and other local public procurement units.

3.0 STANDARDIZATION

- 3.1. To minimize both initial purchase and on-going maintenance costs, the purchase of products and services shall, when cost effective and practical, be standardized.

4.0 PURCHASING FILES AND RECORDS

- 4.1. All procurement records will be retained and disposed of in accordance with the Utah Code Title 63, Chapter 2, Government Records Access and Management Act, and Schedule 7 as published by the Utah State Division of Archives.

5.0 ILLEGAL ACTIVITIES

- 5.1. Employee Definition: Any person acting as a procurement professional (as defined in §63G-6a-24) for the school district who in any official capacity participates in the procurement of any supplies, services, construction, real property or insurance for the district is guilty of a felony if the person asks, receives, or offers to receive any emolument, gratuity, contribution, loan, or reward, or any promise thereof, either for the person's own use or the use or benefit of any other person or organization from any person interested in the sale of such supplies, services, construction, real property, or insurance.
- 5.2. Vendor Definition: A person who is interested in any way in the sale of any supplies, services, construction, real property, or insurance to the school district is guilty of a felony if the person gives or offers to give emolument, gratuity, contribution, loan or reward, or any promise thereof to any person acting as a procurement professional (as defined in §63G-6a-24), or who in any official capacity participates in the procurement of such supplies, services, construction, real property, or insurance whether it is given for his/her own use or for the use or benefit of any other person or organization.

6.0 REQUISITIONS

- 6.1. All expenditures of budgeted funds other than those automatically committed and encumbered (i.e., salaries, employee benefits, utilities, etc.), along with approved open purchase orders and progress billings, shall be initiated by an approved requisition. All requisitions will be authorized by the signature (hand or electronic) of the appropriate administrator.
- 6.2. Exceptions to this procedure will apply to:
 - 6.2.1. District purchasing card transactions up to the amount of the authorized individual card limit.
 - 6.2.2. Purchases of \$5,000 or less may utilize a miscellaneous voucher authorized by the Administrator where a purchasing card is not accepted.
 - 6.2.2.1. Purchases over \$5,000 for insurance, utilities, professional services, advertising, and travel may utilize a miscellaneous

voucher if done through a contract or all other purchasing guidelines were followed.

6.2.2.1.1. It is strongly encouraged that employees traveling out of state use the designated travel agency through state contract.

7.0 PURCHASE ORDERS

7.1. All expenditures of budgeted funds, other than those exceptions listed in 7.2, are to be authorized by purchase orders.

7.2. Modification or Termination of a Purchase Order:

7.2.1. No change is necessary if the invoice amount is less than the amount of the original Purchase Order.

7.2.2. A change or a new Purchase Order is necessary, with appropriate approvals, if any of the following occur:

7.2.2.1. The items on the invoice differ from those on the Purchase Order;

7.2.2.2. The vendor changes; or

7.2.2.3. The price differs from the Purchase Order by an amount determined by the greater of \$100 or 10%.

8.0 SMALL PURCHASES

8.1. The district defines small purchases, as those purchases estimated to be less than \$50,000. This procedure further divides small purchases into categories dependent upon the amount of the purchase and in compliance with the State of Utah Admin Rules R33-5-104 Small Purchases.

8.1.1. For an individual procurement item or in the aggregate costing up to , \$5,000 an entity subject to these rules may select the best source by direct award and without seeking competitive bids or quotes.

Schools/Programs are encouraged to seek the best possible sources of supply based on factors such as price, prior vendor performance, and delivery costs.

8.1.1.1. The final approval will be the responsibility of the Administrator over that program.

8.1.2. Purchases between \$5,001 and \$10,000 single item or in the aggregate shall be subject to verbal quotes. Quotations shall be entered on a Uintah School District Telephone Quotation Sheet and shall include a complete description of the product or service to be purchased, the quantity, the vendor name and address, name of the person providing the quote, quote date, unit price, extended price, and shipping charges if applicable. A brief comment shall be included explaining the rationale for vendor selection. Once verbal quotations are obtained the School/Program shall issue a school/district purchase order to the selected vendor. If the selected vendor does not accept purchase orders, a district issued credit card may be used with written approval from the Business Administrator or designee, following the purchasing card policy as listed in 13.0. Documentation shall be retained by the purchasing School/Program and

be subject to audit by the District's Business Office and Independent Auditor.

8.1.2.1. The final approval will be the responsibility of the Director over that program.

8.1.3. Purchases greater than \$10,000 and up to \$49,999 for a single item or in the aggregate, the same policy applies as in 9.1.2 except that written quotations are required. Written quotes and a statement of award justification must be submitted to the Business Office along with the requisition (entered in Alio) for approval. Once the requisition is approved, the School/Program will then submit the purchase order to the vendor. Documentation shall be retained by the Business Office.

8.1.3.1. The final approval will be the responsibility of the Business office.

8.1.3.2. If funds are being used from a school checking account for purchases in 9.1.3, the school will send all appropriate documentation to be approved by the Business Office prior to issuing a school purchase order to the vendor. All documentation will be retained by the school.

8.1.4. Purchases of \$50,000 or more for a single item or in the aggregate, requesting School/Program shall provide the Business Office with completed descriptions, specifications, and suggested vendors for the goods/services requested, along with no less than three names of individuals recommended to sit on the Bid Selection Committee. All solicitations and advertisements to be bid shall be issued by the Business Office. The Bid Selection Committee shall select the best vendor based on the criteria set forth in the bid process and submit a recommendation to the Business Office. Upon Business Office approval, the Business Administrator will present the recommendation to the Board for approval. After approval by the Board, the Business Office shall award the bid.

8.1.4.1. If the purchase being made has already received Board approval on the Annual Capital Outlay request submission and has not exceeded the approved budget by more than the lesser of 15% or \$250,000, a second approval by the Board is not required. The approval of the annual capital outlay requests will be considered as Board approval effective July 1, 2021.

8.1.4.2. The Business Administrator or designee will update the Board on all items procured over \$50,000 at the next scheduled Board Meeting.

8.1.5. Purchases greater than \$5,000 may utilize a miscellaneous voucher with prior approval from the Business Administrator in an emergency situation.

8.1.5.1. An emergency situation is one that would affect the health or safety of an employee or student of the District.

8.2. If a company/vendor is being solicited in which an employee or elected official has a financial interest or a relative of such has a financial interest in the

company/vendor, the purchase must receive at least two written bids and be reviewed either by the Business Administrator or Superintendent where there is no conflict of interest regardless of the amount. It is the responsibility of the purchaser and the employee or elected official to be aware of this requirement.

8.2.1. Any employee or elected official with a financial interest shall not participate in the procurement selection process including participating on an evaluation committee.

9.0 EXCEPTIONS TO SMALL PURCHASE AND BID PROCEDURES

9.1. If goods or services are available on Utah State Contract, it is recommended to make the purchase from a source identified in the contract. In place of verbal quotations, the School/Program shall provide the State of Utah Contract Vendor Name and Number on the Uintah School District Quotation Sheet. In place of written quotations, the requesting School/Program shall provide the State of Utah Contract Vendor Name and Number on the Uintah School District Requisition.

9.2. Sole source procurement shall be used only if the goods or services are unique or available from a single supplier. Any request for a sole source contractor or vendor must be submitted to the Business Office on a Sole Source Request Form for approval prior to the purchase. In cases of reasonable doubt, competition shall be solicited. The Business Administrator or his/her designee shall make the final determination, prior to purchase, as to whether the procurement shall be made as a sole source. Sole source purchases of \$50,000 or more will be advertised per Utah State Purchasing Code.

9.3. If the purchase of goods is for resale. Records must be retained of the purchase and sold items for review by the Business Office and the Independent Auditors.

9.4. For professional development conferences the individual procurement threshold is \$5,000. The professional development may be procured by direct award without seeking competitive bids or quotes. Single procurement aggregate threshold for a professional development conference is \$10,000. See 8.1 for amounts exceeding these limits.

10.0 EMERGENCY PROCUREMENTS

10.1. Emergency procurements up to \$50,000, using other than normal bid or price quotation procedures, may be made only under the direction of the Business Administrator.

10.2. For emergencies costing over \$50,000, the Superintendent's approval is required.

10.3. Procurement shall be made according to policy, as near as possible, and still assure that the required supplies, services, or construction items are procured in time to meet the emergency. Given this constraint, such competition as is practicable shall be obtained.

11.0 SCHOOL LUNCH PURCHASE AUTHORIZATION

11.1. Due to the perishable nature of food and the volatile market in food and produce, the Board authorizes the School Foods Manager to solicit competition, by telephone, for food supplies and issue open purchase orders for up to \$100,000 per occurrence to wholesale food vendors. Telephone quotations shall be documented

on a Uintah School District Quotation Sheet and submitted, along with a requisition to the Business Office for approval. The School Foods Department will then submit the purchase order to the vendor. Documentation shall be retained by the District's Business Office.

12.0 PURCHASING CARDS

- 12.1. The purpose of purchasing cards is to maximize the use of educational funding while providing necessary controls.
- 12.2. Card users shall follow District and state purchasing policies and comply with the Utah State Tax Commission's guidelines regarding the District's tax exempt status number.
- 12.3. Administrators are responsible for the oversight and proper functioning of the purchasing cards at their respective locations/departments. Administrators, Secretaries, Directors, and those approved by the Business Administrator will be issued purchasing cards. The limit for each person's card will be within the threshold set by the Business Administrator.
- 12.4. The card user shall retain all receipts for purchases made with Public Funds. The card user shall review and reconcile the card statement activity each month and attach all receipts to the card statement. The card user should sign their card statement certifying that all purchases have been made in accordance with District and state policy.
- 12.5. Cardholders must accept and abide by the terms of the purchasing card agreement. The Cardholder is personally responsible for every charge on the purchasing card until the budget administrator signs off on the purchase.
- 12.6. The administrator authorizing the card to be issued is required to personally initial each receipt attached to the credit card log. Administrators are required to examine each purchase thoroughly, the same as if they were signing any financial document.
 - 12.6.1. Receipts shall contain a line-item breakout of each item purchased.
- 12.7. Individual expenditures made on purchase or credit cards shall be recorded in the school or District's accounting records. The issuance of an electronic funds transfer to pay the monthly card statement balance shall be documented and approved.
- 12.8. The Business Office will develop an internal review plan to periodically select credit/purchase cards to verify that District policies and procedures are being followed and that purchases are appropriate, documented, and coded to the proper funding sources.
- 12.9. If the card is lost or stolen, immediately contact the appropriate authority.
- 12.10. Personal use of District purchasing cards is strictly prohibited.
- 12.11. Violation of purchasing card policy, including not retaining documentation of purchases or making personal purchases, may result in card cancellation, disciplinary action, and/or criminal prosecution.

13.0 GIFT CARDS

- 13.1. The purchase of gift cards or any card that has a cash value loaded on the card is strictly prohibited without prior written approval by the Business Administrator.

14.0 CONFLICT OF INTEREST

- 14.1. The Uintah School District Board of Education and all of its employees will comply with Conflict of Interest laws as written in §67-16.
- 14.2. Annually, or upon hire, employees, and elected officials, will be required to complete and sign a district Conflict of Interest Disclosure form. Any elected official, district administrator, licensed educator, or other staff who handle public funds are prohibited from activities that might present a conflict of interest. Any such individual who might have a conflict of interest must fully disclose the interest to their supervising fiscal administrator and remove themselves from any exercise of influence or decision making regarding the interest.
- 14.3. The Business Office will be responsible to implement controls to ensure that conflict of interest laws and policies are followed.

15.0 CONSTRUCTION

- 15.1. For all construction projects, Uintah School District will follow all requirements as noted in the Utah State Purchasing Code and Utah State Board Rules.

- 16.0 This policy will be reviewed by administration at least every 5 years.