

## **EXPENDITURES AND SPENDING AUTHORITY**

### **Purchasing**

**3305**

The school district's approved budget document will be the guide for the purchase of all items. School board approval shall be required for the purchase of items not approved in the budget. The superintendent of schools must provide prior approval of all purchases made by school staff.

Requests for payment of items must be accompanied with a purchase receipt or invoice. Staff members are to sign all purchase receipts or charge slips. All receipts must be received by the office of the superintendent on or before the last business day of the month to be approved for payment at the next regular meeting of the board of education.

### **DEFINITION OF TERMS**

For the purpose of these policies and for the efficient operation of Gage County School District No. 34 the following definition of terms shall apply.

#### **Public Lettings.**

Public lettings shall be used for the purchase or construction of new buildings and for any renovation of existing buildings which costs \$40,000 or more. Public lettings shall be used for the purchasing of equipment which costs \$40,000 or more per individual unit. Public lettings shall be used for the service or repair of equipment if the cost of the service or repair exceeds \$40,000. Any action to seek bids through public lettings must have prior approval of the board of education. Items to be included in public lettings shall be described by specifications so that vendors or potential providers will be submitting bids for items, service, or repair of similar quality. Unless an emergency exists and the superintendent of schools is authorized by the board of education, vendor responses resulting from public lettings must be reviewed and approved by the board of education prior to a commitment to expend school district funds.

#### **Price Quotations.**

The superintendent of schools is authorized to request price quotations and to purchase any equipment, supplies, or services which have a unit price of less than \$5,000 but more than \$2,000 and which have previously been approved by the board of education through the adoption of the annual budget of the school district. Items included in requests for price quotations may be described through specifications or may be described as 'similar to' followed by the citing of a specific brand name.

#### **Outright Purchases.**

The superintendent of schools is authorized to make outright purchases, with or without developing a set of specifications or requesting price quotations, for small items, new or replacement, through established vendors, which cost \$2,000 or less. It is expected that the

superintendent of schools will use his or her discretion as well as to consult with school district personnel to select those items which will best meet the educational needs of the school district. Examples of items to be included in this category are expendable or perishable items, tools, calculators, or items to supplement material, which had been purchased via price quotations but were not purchased in sufficient quantity to complete the school year. Funds to purchase items in this category must have had prior approval of the board of education through the approval of the annual budget.

#### Procedures for Purchasing.

It is the board of education's intent to seek quality goods and services from reputable vendors and contractors via competitive public lettings, price quotations, or through outright purchases, while maintaining a concern for cost effectiveness, i.e., educational value received for dollar expended. However, in any public letting or price quotation situation the board of education expressly reserves the right of the school district to reject any or all proposals and the board of education will not be obligated to the purchasing of an item because it was represented by the lowest dollar cost per unit.

Exception: The board of education reserves the right not to seek bids through public lettings for items or services costing more than \$5,000 but less than \$40,000 if it is determined that said items or services are not readily available through the public letting process or if an emergency would exist. If the items are not readily available through a public letting process or if an emergency would exist the board of education may instruct the superintendent of schools to proceed to secure the items or services through a non-public letting process.

The purchasing practice of the school district shall be such as to benefit the educational program. To accomplish this result, the decisions on purchases may not always be based upon the lowest price quotation or lowest bid but consideration shall be given to the following factors:

- I. Specifications which stress good quality within limitation of the budget.
- II. The lowest cost within adherence to the specifications.
- III. Consideration for the quality of service.
- IV. Promptness of delivery.
- V. Consideration of service maintenance.

Local purchasing will be favored whenever the following factors are equal between local and non-local vendors:

- I. Quality of product.
- II. Suitability of product.
- III. Price.

- IV. Conformance to specifications.
- V. Convenience of delivery.
- VI. General reputation of business firms.
- VII. Past services to the school district.

General procedures to be followed in purchasing shall include a research of potential suppliers, invitations to participate in public lettings, requests for price quotations, or outright purchases, the issuance of purchase orders, verification of receipt of goods or completion of services, and submission of claims for formal approval by the board of education. Unless otherwise authorized by the board of education only items which have been previously approved through the adoption of the annual budget shall be purchased or contracts made. Prior to the placing of an order or entering into a contract it must first be determined if the school district has adequate funds to cover the expenditure. Ordinarily, bills must be submitted by the 20th of the month to be approved at the next regular board meeting. The board of education is to be informed of any circumstance wherein intended purchases are not within budgetary limitations.

No school employee is to obligate school district funds without prior authorization from the superintendent of schools. Any school employee who obligates school funds without proper authorization shall become personally liable for the full amount of the funds obligated. The board of education reserves its right to withhold the purchasing of items which may have had previous budget approval should it deem it appropriate or necessary.

Legal Reference:	§73-101 §73-105 §73-106  §79-10,120  §81-855	Public Lettings, How Conducted Public Lettings, Violations, Penalties. School District, Construction, Repair Building, Advertise for Bids, Exception. Board of Education, Special Fund for Sites and Buildings, Levy of Taxes. Engineers and Architects, Public Works, Supervision by Registered Engineer or Architect Required, Exception.
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