

**311. PURCHASING PROCEDURES (Revised 3-3-08)**

**DISTRICT GENERAL FUND**

- A. Requisition is originated by teacher, staff, or administrator.
- B. Requisition is approved or rejected by principal.
- C. If approved, requisition is sent to Business Manager.
- D. After review of requisition, Business Manager authorizes a purchase order.

No purchases are to be made without a purchase order unless approved by the Business Manager or the Superintendent. Note: Certain purchases require bids to be taken and may require Board of Education approval and a purchase order will not be authorized until that occurs.

**312. PROCUREMENT PLAN – CHILD NUTRITION DEPARTMENT (Approved 3-3-08)(Revised 6-13-11)**

The Sapulpa Public Schools School Food Authority (SFA) will purchase food and other items for use in the Child Nutrition Programs (CNP) in compliance with 7 CFR Part 3016 and State Law, using the procedures outlined as follows and the attached Chart of Procedures.

- A. Sealed Bids (Formal Advertising) will be used to purchase goods, equipment, and services where the aggregate cost is \$50,000 or more when the selection of a successful supplier can appropriately be made principally on the basis of price.

When sealed bids are used, the following conditions, stipulations and terms must be met:

- The Request for Proposal (RFP)/Invitation to Bid (ITB) will be publicly advertised.
- Bids will be solicited from an adequate number of known suppliers in sufficient time prior to the date set for the opening of the bids.
- The RFP/ITB will clearly define the goods, equipment, or services needed in order for the bidders to properly respond. These include product specifications and general purchasing conditions.
- All bids will be opened publicly at the time and place stated in the RFP/ITB.
- A firm, fixed-price contract award will be made by written notice to the responsible bidder, whose bid is lowest, assuming the bid conforms to the requirements in the RFT/ITB. Escalator clauses may be attached to the bid when there is a mutually recognized and agreed to index on which the escalator clause is based.
- Where specified in bidding documents, factors such as discounts, transportation costs, and life cycle costs (for equipment), if applicable, will be considered in determining which bid is lowest.
- Payment discounts will only be used to determine the low bid when prior experience of the SFA indicates that such discounts are generally taken.
- Any and all bids may be rejected when there are sound documented reasons that the best interest of the program will not be served by the potential suppliers.

- B. Small Purchase Procedures may be used to purchase goods, equipment and services where the aggregate cost is less than \$50,000.

When small purchase procedures are used, the following conditions, stipulations, and terms must be met:

- The goods, equipment, or services to be purchased must be adequately and consistently described for each prospective supplier so that each one can provide price quotes on the same merchandise or service.
- Written or verbal request for qualified sources must be contacted to provide such quotes. Whenever possible, at least three price quotes should be obtained.

- Responses from vendors can be either in written or verbal form. Verbal quotes will be documented.

C. Competitive Proposal will be used when competitive sealed bids are determined to be inappropriate or unfeasible; i.e., a contract cannot be awarded to a successful bidder based on price alone. This method of procurement is commonly used for the acquisition of professional services. The document used to solicit bids will be referred to as a Request for Proposal (RFP).

When competitive proposal is used, the following conditions, stipulations and terms must be met:

- Proposals will be solicited from an adequate number of qualified sources to permit reasonable competition.
- The RFP will be publicized and reasonable request by other sources to compete must be honored to the maximum extent possible.
- The RFP will identify all significant evaluation factors, including price or cost where required, and their relative importance.
- The school food authority (SFA) will provide a mechanism for technical evaluation of the proposals received and for selection of contract award.
- The contract must be awarded to the responsible bidder whose proposal is most advantageous to the SFA when price or other factors are considered.
- All RFPs received must be documented.

D. Noncompetitive Proposals will be used only when the procurement is not feasible under small purchase procedures, sealed bid (formal advertising), or competitive proposals. The decision to use noncompetitive proposals will be justified in writing and be available for audit and review.

Circumstances under which a procurement may be conducted by noncompetitive proposal will be limited to one of the following:

- The merchandise or service is available only from a single source
- An emergency exists, and the urgency for the requirement will not permit the delay involved with sealed bids (formal advertising) or competitive proposal.
- After solicitation from a number of sources, competition is found to be lacking.

E. Oklahoma State Prime Vendor Contract (State Contracting). When the SFA chooses, the SFA may purchase food and foodservice supplies using a statewide contract established by the Department of Central Services, Central Purchasing Division for the State of Oklahoma. Likewise, if the SFA chooses, fresh produce may be purchased using the Department of Defense selected vendor for any school year.

- F. When the SFA chooses, purchases may be made through a cooperative agreement with other school districts. Sealed Bid (Formal Advertising) procedures will be followed as required.
- G. All purchases will be conducted in accordance with the attached Chart of Procedures.
- H. The following records will be maintained for a period of three years after the end of the fiscal year to which they pertain or until the findings of audits and reviews are resolved.
- a. Records of all telephone price quotes
  - b. Logs of all emergency and noncompetitive purchases
  - c. All written quotes and bid documents
  - d. Comparison of all price quotes and bids with the effective date shown
  - e. Price comparison showing vendors
  - f. Log of approved substitutions
- I. Cost plus-a-percentage-of-cost method of purchasing is prohibited.
- J. Protest Procedure – A Supplier who wishes to file a protest pertaining to a bid, quote or competitive proposal must file as follows:
- A protest shall be in writing and shall include the company name, address and other contact information of the Supplier, the name of the bid, quote or competitive proposal under dispute, a detailed description of the specific reason(s) for the protest, copies of any supporting documentation, and the specific ruling or relief requested.
  - Written protests shall be addressed and delivered to: The Superintendent of Schools, Sapulpa Public Schools, 1 South Mission, Sapulpa, OK, 74066
  - Protests based on the terms of a bid, quote or competitive proposal must be received at least seven (7) working days prior to the submittal deadline for the bid, quote or competitive proposal.
  - Protests based on the award of the bid, quote or competitive proposal must be received no more than three (3) working days after the award.
  - Upon receipt of a timely written protest, the Superintendent or designee shall promptly consider the protest. If the protest is not resolved by mutual agreement of the aggrieved person and the District, the Superintendent or designee will promptly issue a decision in writing, stating the reason(s) for the action taken. The Superintendent or designee will provide a copy of the decision to the protesting Supplier.
  - The Superintendent's decision or designee may be appealed by a written request for review received no more than two (2) working days after the protesting Supplier's receipt of the decision. The request for review shall be addressed and delivered to:

The Clerk of the Board of Education, Sapulpa Public Schools, 1 South Mission, Sapulpa, OK 74066. The request for review must be in writing and shall include a detailed description of the specific reason(s) the Supplier disagrees with the decision of the Superintendent or designee and a copy of any supporting documentation. The decision of the school board will be final.

- The Superintendent/designee and the school board will consider only timely protests and requests for review.

K. Code of Conduct. The following conduct will be expected of all persons who are engaged in the award and administration of contracts supported by CNP funds.

- No employee, officer, or agent of the Sapulpa Public Schools SFA shall participate in selection or in the award or administration of a contract supported by program funds if a conflict of interest, real or apparent, would be involved.
- Conflicts of interest arise when one of the following has a financial or other interest in the firm selection for the award:
  - The employee, officer, or agent
  - Any member of his/her immediate family
  - His or her partner
  - An organization which employs or is about to employ any of the above.
- Sapulpa Public Schools SFA employees, officers, and agents shall neither solicit nor accept gratuities, favors, or anything of material/monetary value from contractors, potential contractors, or parties to subagreements.
- The purchase during the school day of any food or service from a contractor for individual use is prohibited.
- The outside sale of such items as used oil, empty cans, and the like will be arranged by contract between the Sapulpa Public Schools SFA and the outside agency. Individual sales by any SFA employee to an outside agency or any other SFA employees are prohibited.
- Failure of any employee to abide by the above-stated code could result in a fine or suspension or both, or in dismissal. The Superintendent or designee is responsible for explaining and interpreting this policy. The Sapulpa Public Schools SFA will not be responsible for any explanation or interpretation which any other person presumes to make on behalf of the Board.

Changes in this Procurement Plan will be made as conditions warrant upon the approval of the SFA.

## Chart of Procedures

The Sapulpa Public Schools SFA will purchase the following products or groups of products and services as per the stated purchase period using the identified procurement method. Price quote time frame period is defined as the time frame for which bids or quotes are obtained and awarded.

Product	Price Quote Time Frame	Procurement Method used
Milk	Annual	Sealed Bid
Bread	Annual	Sealed Bid
Canned Fruits	Annual	Sealed Prime Vendor Bid
Canned Vegetables	Annual	Sealed Prime Vendor Bid
Frozen Fruits	Annual	Sealed Prime Vendor Bid
Frozen Vegetables	Annual	Sealed Prime Vendor Bid
Prepared fruits and vegetables	Annual	Sealed Prime Vendor Bid
Fresh Produce	Annual	Sealed Bid in cooperation with Tulsa Area Districts
Meats	Annual	Sealed Prime Vendor Bid
Paper Products	Annual	Sealed Prime Vendor Bid
Chemicals	Annual	Competitive Proposal
Small Equipment	As needed	Small Purchase
Large Equipment	As needed	Small Purchase, less than \$3500 Sealed Bid, more than \$50,000
USDA Food Processing	Annual	Sealed Bid in cooperation with Tulsa Area Districts

### **330.1 ACTIVITY ACCOUNT PROCEDURES (Revised 8-93)**

#### **A. PREPARING FOR THE YEAR**

Preparation for the year begins in the spring when all requests for fund-raising activities must be submitted for approval for the following year. No fund-raising activity can take place without board approval, and this is normally done once each year.

Activities which require approval are ALL activities in which money will be collected by school personnel to be deposited in an activity sub-account, whether or not the event results in a profit. This includes vending machines, all concessions, sale of any item such as pencils or tee-shirts, and all events where tickets are sold or donations solicited. If you collect money, it requires board approval in advance.

Approval can be obtained after the school year begins in rare instances when a sponsor could not have foreseen the event. The request must be submitted through the principal to the Director of Financial Services before the board agenda is set for the following month. The board must have the opportunity to approve or disapprove the event.

#### **B. SETTING UP RECORDS**

As a sponsor of an activity sub-account, you are required to keep the following records:

1. Ledger
2. Receipts or lists of all money collected
3. Deposit slips for all receipts
4. Expenditure authorizations

At the beginning of the year, obtain a ledger, receipt book, deposit slips, and expenditure authorization forms from the Activity Account Custodian. If you already have a ledger, the pages you used last year should have been removed and filed with last years records. The first ledger entry for this year should be your beginning balance, reconciled with the Activity Account Custodian's balance for you. If you keep more than one account, the same ledger book may be used if you start a separate page for each sub-account. You may prefer to use a separate ledger book. The ledger is a running account of all deposits and expenditures which should be updated every time you submit a deposit or expenditure authorization. The balance should always be brought down, just like the figures in a checkbook that show checks, deposits, and a running balance.

An electronic ledger kept on the computer is also acceptable. It should be printed periodically for backup, as well as backed-up to diskette on a regular basis and kept in a safe place.

#### C. SETTING UP THE FILING SYSTEM

The year's records may be organized in one of two ways, or a combination of the two. Major fund-raising projects should be organized in a project folder, containing complete documentation on the project. This includes receipts showing all money collected, deposits, and expenditures. On-going events may have documentation filed chronologically, such as having a folder for each month of the year.

#### D. COLLECTING AND DEPOSITING MONEY

All funds collected must be documented as to date, amount, and source of funds. This can be done by issuing a pre-numbered receipt, by documenting the amount on a counting slip (concessions), by using a ticket reconciliation slip, or by keeping a list of students who turn in money by date and amount.

Money collected must be deposited daily with the Activity Account Custodian. All funds collected by school-sponsored groups become school activity funds. This means that groups are not allowed to have their own checking account, cannot keep a treasury with their treasurer, or operate their own fund in any way except through the Activity Account Custodian. This includes all groups that are school sanctioned, and who have a regular staff member as their sponsor.

Fill out the deposit slip by itemizing the source of the funds. If you deposit funds from more than one source (i.e. Candy Sales and Club Dues) be sure to list them on two different lines of the deposit slip. Individuals in the secondary complex should follow the procedure outlined at the end of this document. The Activity Account Custodian will count the money again before making the bank deposit and will issue you a receipt. Be sure to enter each deposit in your account ledger and file the receipt with your other documents.

If you sell tickets for an event, it is important that they be pre-numbered. If tickets are handed out to group members to be pre-sold, treat them as assets just as you would candy or other items. That is, create a list with the student's name and range of tickets they take, and list any tickets returned with the amount each student turns in.

If you sell tickets at the door for an event, the seller should be someone other than the one who takes them up. The seller should complete a reconciliation sheet showing starting and ending numbers for children and adults, and the money received.

When pre-numbered receipts or tickets cannot be sold (such as concessions), at least two people should be assigned to collect and count receipts. Both individuals then should sign a count slip before the money is deposited.

State department guidelines state that money collected should be deposited IN THE BANK in its original form, and should not be used to cash personal checks for staff, kept on hand to make change, or used for other unauthorized purposes.

## E. EXPENDITURES

All activity account expenditures must be approved in advance by the building principal, have the original invoice submitted with the authorization, and paid for by check to the original vendor. Only travel expenses are authorized for reimbursement to an individual, and receipts are required for all travel expenses except mileage.

The sequence is as follows:

1. Obtain authorization from the principal
2. Order or purchase goods from the vendor
3. Obtain and SIGN the vendor's invoice, making sure all goods are delivered and satisfactory
4. Sign the bottom of the authorization and send it with the invoice to the Activity Account Custodian for payment

Please note that there is no provision for paying for goods with cash or in advance. The law requires schools to pay by check and to pay only for goods and services received. Vendors who do business with public schools understand this.

Invoices are required before payment can be made. A statement from a vendor is not sufficient, since statements do not itemize goods received or provide an opportunity for the recipient to sign. It is imperative that you sign and turn in invoices in order to avoid late payments.

If you pay an individual to help you with a project, you must first obtain authorization from the principal just as in making a purchase. If an exact amount hasn't been agreed upon, estimate the amount and have the principal approve a MAXIMUM not to exceed on the appropriate line. In place of an invoice, fill out a time sheet and have the individual sign it, along with you, and submit this for payment. Remember, a Sapulpa Schools employee cannot be paid any amount for labor or services rendered, no matter how small, from activity accounts. This is a federal tax code (law).

All payments for labor to school employees must be submitted on time sheets and paid through payroll in order to be properly documented.

## F. CLOSING THE YEAR

Reconcile your activity sub-account with the Activity Account Custodian each month. If you have done this, closing the year will be easy.

Each sponsor at the secondary level (Jr. and Sr. High) will check out with the Activity Account Custodian. Accounts for Middle School and Elementaries will be checked out by the principal or his designee.

1. Verify that your ending balance in your ledger agrees with the balance on the district's records.
2. Record your balance on a ledger sheet for starting the new year.
3. Turn in all records for the year, including your ledger (or just the pages used), all receipt books, and deposit slips. If you sponsor a fund-raiser that uses student lists, include these in the records you turn in. Secondary sponsors turn records in to the Activity Account Custodian. Middle School and Elementary sponsors turn records in to the sponsor's school office.

If you have any questions regarding an activity account procedure check with the Activity Account Custodian or the Assistant Superintendent.