

## Procurement Procedures

Purchases over the State required bid threshold of \$23,126 require written, formal, sealed bids. Each such purchase is approved by the board of directors. *<See written procedures for competitive bidding for more information.>*

Purchases below the State required bid threshold amount originate with a purchase order (PO) or other request for payment.

The school's Office Manager types up the PO and scans it into Papersave. The School Leader approves the order electronically in Papersave, or physically signs the PO prior to it being scanned into Papersave. The Budget Assistant routes PO's needing grant approvals to the grants department, if needed. *<See written procedures for approving allowable expenses for more information, including the need to check for suspended or debarred vendors.>* The Budget Assistant then codes the PO and sends it to the Budget Manager for approval, which is done electronically through Papersave. Once approved, the Budget Assistant keys the PO into Great Plains, generating a formal PO and a PO number. The formal PO is then faxed or emailed to the vendor.

Exceptions to this process:

(1) Office supplies can be ordered online by the academy through OfficeMax, School Specialty, and Allied Office Supply. The Office Manager signs in to their account and places the order online. An email is generated to notify the Budget Assistant of the order request. The order is loaded into Papersave, and then follows the steps outlined above. (2) Miscellaneous purchases are allowed for emergency items, but are discouraged as much as possible. There are 2 methods for the emergency items:

- A school employee pays for the purchase out of pocket. Reimbursement to the employee is provided by direct check request, following standard disbursement procedures.
- The school leader authorizes the purchase verbally with the vendor, without the delay of the purchase order process. This is important for services such as window repair, plumbing repairs, etc.

These miscellaneous purchases are processed following standard disbursement procedures. Excessive numbers of miscellaneous purchases are monitored by the Budget Manager, who discusses the procurement process with the School Leader. Continued overuse of miscellaneous purchases is escalated to the Regional Vice President for management action.

Training: When a new Office Manager or School Leader is hired, the Budget Assistant schedules a phone conference with the employee to explain the procurement process.

Consequences for non-compliance: When procurement procedures are not followed, the Budget Assistant or Budget Manager contacts the Office Manager/School Leader to review the procedures and explain the importance of the procedures. Instances of continued non-compliance are brought to the attention of the employee's supervisor for management action.