

Minnesota New Country School

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210 MINNESOTA NEW COUNTRY SCHOOL PURCHASING PROCEDURE

I. Purchasing Authority

The Board of Directors delegates specific authority to the School Staff and only within the parameters of previously approved budgets and motions on items. All contracts are a matter of the Board. Additionally, the School Staff has been assigned the authority to commit the School for the purchase of goods and services based upon properly documented requests and available funds within the limits as directed by Board motions. The School Staff is further responsible for securing quality material and services at the best overall value.

II. Code of Conduct

Employees, officers, agents, members of their immediate family, partners or an organization which employs or is about to employ any of the above, has a potential conflict of interest with purchasing/procurement procedures. In the event of contracts, purchases or other awards to such persons or organizations, selection of vendors must be done without those persons involvement in the selection process.

III. Protest Procedures

In the event of a protest in the awarding of a contract or the purchase of goods or services, the protesters must first contact the school entity (finance committee or school staff) regarding the protest. If not satisfied with that outcome, the protester must contact the School Board before pursuing a protest by other means. (This is required in contracts related to Federal Awards)

A. Purchase Orders

1. The purchasing procedure is initiated by executing a purchase order. To facilitate the processing of orders and to give the best possible service, purchase orders are sequentially numbered and include the following information:
 - Date
 - Quantities, catalog numbers, complete item description(s), prices, or a copy of quote
 - Complete mailing address, phone and fax numbers of vendor
 - Delivery requirements
 - Shipment methods - usually F.O.B.
 - Concise and clearly written comments

2. Original should be provided to the Finance Committee or Finance Team for approval and assurance that there is budget in the appropriate line item.
3. Originator should retain a copy, numbered with a sequential PO number.
4. Separate requests should be provided when items are to be ordered from different supply sources.
5. Requests should be submitted with sufficient time to obtain price quotations and place orders without causing undue delay. Please provide as much lead-time as possible.
6. To duplicate a purchase, the previous order should be referenced.

B. Competitive Buying

Whenever possible, competitive proposals from vendors handling the same or similar goods and services will be secured. Suggestions of good sources for price quotes and quality goods or services are helpful and appreciate. All orders require a Purchase Order number. Any purchases not made with a Purchase Order may not be approved for payment.

C. Small Orders

Any purchases of \$500 to \$9,999 require School Staff approval.

D. Intermediate Orders

Purchases of \$10,000 and above must be approved by the School Board. Purchases between \$10,000 and \$75,000 must be reviewed by the School Board to determine if competitive purchasing will be needed.

E. Large Orders

Purchases of \$10,000 to \$75,000 may be completed by competitive proposal as determined by the School Board. Purchases over \$75,000 must be completed by competitive proposal (*Procurement by competitive proposal*).

The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed-price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:

- (i) Requests for proposals will be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals shall be honored to the maximum extent practical;
- (ii) Proposals will be solicited from an adequate number of qualified sources;
- (iii) Grantees and sub grantees will have a method for conducting technical evaluations of the proposals received and for selecting awardees;
- (iv) Awards will be made to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and

- (v) Grantees and sub grantees may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.

F. Emergency Orders

When necessary, a purchase request may be walked through prior to placing an order. The purchase request should be filled out completely, including required signatures, then carried to the Finance Team where a purchase order will be given to the person or faxed/mailed to the vendor.

G. Receiving Shipments

The order initiator is responsible for promptly unpacking and inspecting its contents. Discrepancies, shortages and damages must be noted on the freight bill and reported promptly to the Finance Team.

In order for invoices to be paid promptly, the receiving report must be signed, dated and returned to the Finance Team as soon as the material or service has been received.

H. Unauthorized Purchases

No one has the authority to enter into purchase contracts or in any way obligate the Minnesota New Country School for procurement indebtedness unless specifically authorized to do so by the Board of Directors. Any such negotiations are considered unauthorized purchases and the individual will encounter a personal obligation to the vendor.

Signature Authority

The Finance Team is responsible for ensuring that all documents bear the proper signature levels prior to order placement.

Contracts

The School enters into contractual arrangements to provide overall value for the entire school. Generally, contracts ensure a clear understanding of the arrangement as well as favorable pricing. By establishing clear guidelines, we realize further savings through streamlined efforts. Only the Board of Directors has authority to enter into contracts. This authority has not been delegated.