

Authorized Purchases by School Personnel

I. Purpose

The purpose of this policy is to provide for the proper procedure for purchases made within the school district.

II. General Statement of Policy

District funds include all monies available for spending on school, department, district or related expenses, regardless of the source of the funds (property taxes, state aid, grants, gifts, fundraising, donations, vending machine receipts, etc.), that are under the authority of the school district, use the district's tax exempt number and are subject to audit by the school district.

III. Scope

Except for expenses paid by federal revenue sources as referenced in Policy 721, expenses or contracts ranging from \$25,000 to \$175,000 shall be based upon two or more written quotations or sealed bids. Expenditures in excess of \$175,000 shall be based on sealed bids or as described by law. Expenses or contracts ranging from \$5,000 to \$25,000 must include two quotes when submitted to the District Office for payment.

District funds are public funds and, in accordance with state law, must be spent for a public purpose in a way that benefits the public and is directly related to the school district's mission to educate students. Examples of appropriate expenditures of the district funds include, but are not limited to:

- A. Staff, supplies, furniture and equipment for instructional, classroom and office use;
- B. Co-curricular staff, supplies, and equipment;
- C. Audio-visual staff, supplies and equipment;
- D. Reference materials;
- E. Remodeling, repairing or maintaining district buildings, grounds and equipment;
- F. Professional services such as auditors, lawyers, architects, engineers, interpreters, etc.;

- G. Contracted services such as election judges, snow plowing, garbage removal, electricians, mechanics, etc.;
- H. Costs incurred to hold meetings related to district issues, including facility rental, speakers and materials;
- I. Employees participating in approved out-of-district workshops, conferences and seminars (including registration fees, transportation, lodging, meals and materials, within certain guidelines);
- J. Meals for employees and/or school board members at district-sponsored or school-sponsored workshops or meetings which run over a meal hour when there is no opportunity for the participants to leave the activity to purchase their own meal;
- K. Reimbursement of employees' expenses incurred while performing their duties, such as parking fees, work-related telephone calls, travel and meals at meetings with non-district employees when it is necessary to meet over a meal hour;
- L. Purchases of staff, services, supplies and equipment to provide student food services (through the Food Service department) and transportation services;
- M. Cost of supplies, materials and other expenses related to school fundraising activities; and
- N. Grant monies may be expended for the purposes authorized in the applicable grant.
- O. The Director of Business Services, or designee, is designated as the program administrator of the school district's procurement card system. The school district shall maintain a list of procurement cardholders, which are approved by the cardholder's supervisor and program administrator. Procurement card purchases follow the same guidelines for appropriate expenditures of the school district's funds.

This policy applies to all expenditures of district funds made by schools, departments, individuals, or other groups considered part of Monticello Public Schools.

IV. Purchasing Authority

The School Board endorses the *concept of centralized purchasing* and directs the Superintendent to develop and maintain an efficient purchasing system for all supplies, equipment and materials in accordance with state law and accepted purchasing practices. Purchasing transactions will be authorized on properly signed purchase orders, preauthorization forms, or administered by purchasing

cards through the business office. Purchasing or the incurrence of obligations on behalf of the School District may only be made within the framework of the School Board adopted budgets. The Superintendent or Director of Business Services are authorized to contract for goods and services in accordance with the provisions of Minnesota Statutes Section 123B.52 Subd. 2.

V. Process

- A. When possible, all materials and supplies purchased by School District personnel must be initiated by a properly authorized and executed purchase order or a district issued procurement card.
- B. In order to be properly authorized, purchase orders must be signed by the building Principal or program administrator indicating their approval.
- C. In the event a purchase order is not accepted by a vendor, a preauthorized expenditure form may be used to reimburse the employee.
- D. A purchase requisition must be submitted to the respective office, where it will be properly coded for all items purchased, including an estimated cost for items purchased. A purchase order will then be issued to the employee. The purchase order must be filed for future reference.
- E. Under no condition will the School District accept an invoice for material purchased without a fully authorized purchase order or preauthorization form or preapproved by a supervisor. In this instance, the materials will revert back and become the payment obligation of the purchaser.
- F. District issued procurement cards may not be used for personal purchases. Cards will be audited and may be rescinded at any time. Unauthorized or inappropriate use will include disciplinary action which may include termination.
- G. Each purchase order is assessed on the educational value, need and budgetary restraint of the District. The Superintendent or his designee will retain complete discretion as to approval of all purchase orders.

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