

## FINANCIAL MANAGEMENT

### Purchasing: Office Philosophy and Procedure

#### I. Purchasing Office Purpose

The purpose of the Purchasing Office is to support the educational program. Of primary importance is the purchase of merchandise and services that meet educational standards at the best price.

All representatives of the business community, who call on legitimate business missions, will be given prompt, courteous reception. The philosophy is to give all vendors equal consideration and to use unbiased judgment in determining whether their product meets specifications and the educational needs of the school system. To ensure unbiased decisions, the Purchasing Office as a whole and as individuals shall refrain from soliciting, discourage the offer of, and decline gratuities which in any way might influence purchase decisions. The same shall apply to all district personnel involved in purchasing supplies and/or services. Offers of gratuities are to be reported to the Purchasing Office.

The District insists on honesty in sales representation whether offered verbally, in writing, through the medium of advertising, or in the sample of a product submitted for evaluation.

The Purchasing Office will strive for knowledge of equipment and supplies in order to recommend items that may reduce cost or increase the efficiency of education and be receptive to advice and suggestions from colleagues insofar as such advice and suggestions are not in conflict with legal and ethical restrictions in purchasing procedures.

This office will cooperate with educational, governmental, and trade associations in the promotion and development of sound business methods in the procurement of school equipment and supplies. It is through such associations that individuals can exchange ideas to improve standards and techniques in the procurement process.

No purchases will be made for items intended for the personal use of an individual.

#### II. Standards of Conduct

Purchasing shall be done in conformity with ethical practices and in keeping with the laws and regulations that govern purchasing within the State of Washington and under applicable federal purchasing standards of conduct noted below.

- A. No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a federal, state, or local award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee,

officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.

- B. The officers, employees, and agents of the non-federal entity may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, non-federal entities may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value.
- C. Employees found to be in violation of district purchasing standards of conduct are subject to disciplinary action. Based on the severity of the infraction, the penalties could include a written reprimand to their personnel file, a suspension with or without pay, or termination.

### III. General Policy

The policies of Kennewick School District No. 17 Board of Directors concerning the purchase of merchandise or services shall be the foundation of all purchasing practices.

Merchandise or services shall be purchased after applicable competitive bidding procedures have been followed. Any and all bids may be rejected for good cause.

Local purchase is encouraged as long as the quality of the merchandise or service is not reduced and as long as bids are competitive. In the event of equal bids for the specified merchandise from a local and non-local bidder, the award will be made to the local bidder. The Purchasing Office will review requisitions and utilize various system reports to evaluate the purchase of unnecessary or duplicative items. The Purchasing Office is authorized to require bids on items when to do so would be in the best interest of the District.

The District will take necessary affirmative steps to assure that when possible, the District will use small and minority businesses, women's business enterprises and labor surplus firms. Affirmative steps are identified per 2 CFR 200.321 and include soliciting small and minority business and women's business enterprises whenever they are potential sources and placing them on solicitation lists.

Purchase of supplies, equipment, and services may be made under interlocal cooperative agreements executed through the purchasing office with other state, local and federal governmental agencies when to do so would be in the best interest of the District.

IV. Purchase Order Processing

The Purchasing Office is the only department with the authority to process purchase orders. Should adequate funds not be available, the requisition may be canceled and returned to the person making the request, unless the business manager or fiscal officer have approved processing of the requisition. If funds are available and all approved conditions have been met, the order will be processed to complete the purchase.

V. Steps in the Purchasing Process

A. Submit the Requisition

The requisition shall be entered into the computer system electronically. The following information will expedite the request:

1. Fill in the complete name of the vendor and correct address.
2. Fill in the building, department, and name of person making the request.
3. The budget code should show the appropriate numbers in accordance with the District chart of accounts.
4. The quantity requests should specifically designate appropriate units. IE: each, box, case, dozen, etc.
5. Description of items requested needs to be clear and concise. Catalog numbers should be included when possible.
6. If an "as per attached" request is entered electronically, a list of the items should be sent to the Purchasing Office and Accounts Payable.
7. When known, all prices and extensions should be carefully checked before submitting the request. If prices are not known an estimate must be shown.
8. All requisitions must be approved by the appropriate person.

B. The Purchase Order

The Kennewick School District's purchase order is the vendor's authority to ship and invoice materials, or services specified on the order. The purchase order is a legal document. When the order is written as an acceptance of an offer a contractual relationship is established. When the order is written as an offer to purchase, it is not a contract until the vendor agrees to sell. If the vendor does not agree to the offer, no contract is formed. The order should be canceled and reissued to a different vendor.

All communications with vendors concerning purchase orders are to be coordinated between Purchasing Office staff and the originator of the purchase order. The Purchasing Office and originator are to work together in oversight to ensure

contractors perform in accordance with the terms, conditions, and specifications of their contracts and purchase orders.

VI. Vendor File

The Purchasing Office shall input vendor information and update current records of all vendors as necessary.

VII. Procurement Card Purchases

Nothing in this procedure prohibits the use of a procurement card in the purchase of materials, supplies, travel related costs, equipment, or services.

Use of a procurement card will follow District procurement card guidelines.

When a procurement card is used to procure annual services such as maintenance and/or ongoing agreements for services associated with multiple payments over the course of the year, the funds committed should be encumbered for budget management purposes.

Reports of procurement card purchase amounts by vendor will be ran periodically by the Purchasing Office or designee to evaluate purchases and compliance with purchasing policy.

VIII. Suspension and Debarment Compliance

Contracts supported with Federal funds are to include suspension and debarment language and/or the contractor is to complete a form signed by the contractor certifying that the Contractor is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in the contract by any Federal department or agency. The purpose of such language is to protect the District from entering into business relations with unethical or otherwise irresponsible companies and individuals.

Request for Proposals should include reference to suspension and debarment requirements.

Prior to processing a requisition, a review of Federal funded requisitions is to be conducted by the Purchasing Office or designee to evaluate whether competitive bid requirements have been met, and whether vendors with contracts or purchases exceeding \$25,000 are listed on the Excluded Parties List System (EPLS). If the vendor is listed on the EPLS, the purchase order will be cancelled.

Administrative Regulation No. 7320  
Purchasing: Office Philosophy and Procedure - Continued

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