

FERNDALE SCHOOL DISTRICT NO. 502
ADMINISTRATIVE PROCEDURES

No. 7324 P-1

PURCHASING; RELATION WITH VENDORS

The following procedures were developed to establish a basis for decisions regarding purchasing and business transactions which are based on objectivity, in conformity with law, and consistent with sound business and ethical practices.

- A. When a purchase is estimated to cost more than \$15,000, Board Policy #7320 regarding purchasing will be followed. The criteria for bidder selection are:
 - 1. Price;
 - 2. Ability, capacity, and skill of the bidder to perform the contract or provided the service required;
 - 3. Character, integrity, reputation, judgment, experience, and efficiency of the bidder;
 - 4. Ability of bidder to perform the contract within the time specified;
 - 5. Quality of previous contract/service performance;
 - 6. Prior and existing bidder compliance with laws relating to the contract services;
 - 7. Other pertinent information related to the award of the contract.

- B. Selection of vendors for products/services estimated to cost between \$7,500 and \$15,000
 - 1. When a purchase is estimated to cost between \$7,500 and \$15,000 and when, in the judgment of the administration, student/staff/district interests will be best served, vendors will be recruited to ensure a competitive economic environment.
 - 2. In general, the criteria in A. above will be taken into consideration, although it is not required by law. When the criteria for selection has been applied, analyzed, and supplemented with a good review of notes, a vendor will be selected. Written notification to unsuccessful as well as successful vendors is preferable.
 - 3. When a contract is necessary, as for school photos, it will be signed by the vendor and a representative of the district stating what will be provided by the vendor and received by the district.

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C. Administrative Involvement with Vendors

1. Prospective vendors are expected to contact school officials about goods and services they wish to provide.
2. Administrator, or designee, must be present during all vendor presentations involving students to hear vendor promises, make sure adequate notes are taken, and ensure board policies and administrative procedures are followed.
3. Parent Groups
 - a. When parent groups are interested in purchasing equipment, etc., to donate to the school as the result of fund raising efforts, the principal must approve or disapprove the project(s).
 - b. Contracts must be signed or co-signed by the building principal if the funds are ultimately to be spent in behalf of school groups.
 - c. Because of the close relationship between the school and the Parent Teacher Organization and the manner in which the funds are normally raised and used, principals are to work with Parent Teacher Organization leaders to ensure that the bylaws of the organization call for an annual audit of funds raised by the organization and that such audit occurs.
4. All contracts for services and products, whether by parent or district initiative, must be signed by the building principal/ designee or a district representative.

D. Financial Responsibilities and Procedures

All purchases must be made in accordance with state accounting manual requirements, school board policies, administrative procedures and building procedures.

E. ASB Officers, Class Officers, and Other Student Leaders

Student leaders are often asked to be involved in the selection of vendors as a learning experience. Administrators are required to see that students follow the same guidelines when selecting a particular vendor as required of staff. Even though the ultimate responsibility for selecting a particular vendor lies with the school administration, the preference of ASB officers, class officers, and other student leaders will be given strong consideration.

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F. Student Class Lists

In accordance with Board Policy #3600, Student Records, school employees will not give, sell, or provide lists of students for commercial purposes. If there is no other way for a selected vendor to provide a service or product associated with the educational program, a list may be released upon written authorization of the building principal after receiving written approval from the assistant superintendent for business and support services. In such cases, vendors who receive such lists will be required to sign a contract, in advance, which strictly limits the use of the information. Any transfer or unauthorized use of student lists will constitute a breach of the contract and may jeopardize the vendor regarding any subsequent effort to provide any future services/product.

The building principal shall maintain a list of vendors who receive a student list including the reason for release.

G. Photographic Vendors - Information for Parents

When a school/group will receive a cash percentage of sales, supplies, equipment, and/or services for school photos, the building principal/designee will provide information to parents in writing, including the following information:

1. Date of sales/services;
2. Name of vendor;
3. Name of vendor selection individual/group;
4. Percentage of sales/services allowed the school/group;
5. Amount of money anticipated from the sales/services (actual amount or best estimate);
6. Projects/services for which money will be used.

H. Contract Agreement

When applicable, a contract should contain, but not be limited to, the following:

1. Complete description of goods/services to be received or made available;

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2. Timeline when goods/services are to be made available;
3. The price or cost to students and patrons of goods/services to be made available;
4. Conditions for payments for goods/services;
5. Facilities or services to be provided by the district or student body or school-related non-profit organization to vendor;
6. Estimated value of facilities or services to be provided to the vendor; and
7. Estimated value of goods/services or cash to be returned to the district as commissions by the supplier or vendor.

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