



## **Purchasing Guidelines**

## District Purchasing System

Ionia Public Schools operates a decentralized purchasing system. This system allows flexibility for administrative staff to make purchases necessary for their respective building/department in a manner that best meets their needs. Each administrator is provided an approved budget allocation for their building or department at the beginning of the school year. Changes to budget allocations can only occur through approval by the Executive Director of Business & Finance, Superintendent and/or Board of Education. Administrators have the authority to spend up to their approved budget allocation. Each administrator is provided a monthly budget-to-actual report which allows for budget management and future purchase decision making.

Purchasing decisions are business decisions made on behalf of the district and therefore should be made with the utmost consideration for what is in the best interest of the district. Purchases should be made in the most efficient and cost effective manner. The District's goal for every purchasing transaction is to obtain the best value possible. Best value is determined by evaluating many factors (such as price, delivery capabilities, quality, past performance, training, financial stability, service capabilities, ease of ordering, payment options, etc.) and selecting a vendor that offers the best combination of those factors. When bids are required by policy, they are to be conducted on an open and competitive basis and without favoritism, in order to maximize the best value to the department/school and District. Interested suppliers will receive fair and impartial consideration.

## Allowable and Unallowable Purchases

Purchases using school district funds shall only be made for goods and services that are directly related to an educational purpose. School district funds are considered public funds and all purchases made with district funds must be in accordance with state and federal law, board policy, administrative guidelines and district established procedures. It is the approving administrator's responsibility to ensure that all purchases occur within the appropriate requirements.

Administrators, fund managers and building/athletic secretaries shall have a clear understanding of costs that are unlawful and/or unallowable.

The following is a non-exhaustive list of items that are **not** allowable and shall not be purchased using school district funds:

- Alcoholic beverages, jewelry, gifts, fees for golf, or any item whose purchase or possession is illegal
- Donations to a charitable organization, except as part of a specific student fundraiser.
- Fees for administrators, coaches, teachers, etc. to attend a social event.
- Gas or gift cards, except in the case of supporting students experiencing homelessness, or nominal gift cards for student incentives. Gift cards shall not be purchased for use at establishments that sell alcohol, tobacco, or other prohibited items.
- Meals, snacks or beverages for staff that are not during the course of a staff meeting or training.
- Staff picnics, flowers for funerals or showers, and gifts of any kind.
- Plaques, medals, trophies, or other awards for the recognition of any employee, volunteer, or student in excess of \$100.00 per recipient.
- Travel expenses for administrators, coaches, teachers, etc. that are not for the benefit of the district.
- Any item or service that violates law or board policy.
- Any item or service that may cause an actual or perceived conflict of interest in accordance with board policy.

**PURCHASES MADE OUTSIDE OF THESE PROCEDURES ARE NOT AUTHORIZED BY IONIA PUBLIC SCHOOLS AND MAY NOT BE PAID FOR WITH DISTRICT FUNDS. THIS MAY RESULT IN THE INDIVIDUAL THAT MADE THE PURCHASE BE PERSONALLY LIABLE FOR THE FINANCIAL OBLIGATION.**

## Acceptance of Gifts

Ethical business standards shall govern all procurement transactions. District personnel shall not solicit a gift or accept a significant gift from any supplier or prospective supplier. A 'significant gift' is defined as any item, service, favor, monies, credits, or discounts not available to others which could influence purchasing decisions. District personnel may accept trivial items as a matter of courtesy, but may not solicit them. Acceptance of social invitations to occasional business meals, entertainment, and hospitality will be subject to prudent judgment as to whether the invitation places or appears to place the recipient under any obligation, judgment to the appropriateness of the occasion, frequency, and choice of facilities. Questions about the value of a gift or the appropriateness of an invitation should be referred to your supervisor to ensure compliance with the District's conflict of interest policy. All vendors are asked to comply with District's standards by not offering incentives, gifts, or services to individual personnel. Gifts for staff are not permitted to be purchased with district funds since there is no educational purpose or benefit to students.

## Student Incentives

Student incentives to support the district-wide MTSS system and PBIS are allowable purchases. Examples of allowable items for student incentives may include items such as T-shirts, nominal gift cards, items for a school store, candy or other food, or water bottles.

## Crowdfunding

Crowdfunding activities aimed at raising funds for a specific classroom or school activity, including extracurricular activity, or to obtain supplemental resources (e.g., supplies or equipment) that are not required to provide a free appropriate public education to any students in the classroom may be permitted, but only with the specific approval of the Superintendent. Crowdfunding activities must be in compliance with the following Board Policies: 5830 - Student Fund-Raising and 6605 - Crowdfunding.

## Donations

Donations of funds, materials, or equipment shall be approved by the Superintendent. All donations shall become the property of the Board and will be subject to use by the District as determined by the policies and administrative guidelines. Donations must be in compliance with Board Policy 7230 – Gifts, Grants, and Bequests.

## Travel Reimbursements

In accordance with the state and local board policy, employees may be reimbursed for authorized travel incurred during their work. Reimbursement requests must be completed by the employee, be accompanied by the required documentation based on the specific claim and approved by the employee's immediate supervisor. Receipts are required for all reimbursements. Receipts are defined as any pre-printed invoice, from a hotel, parking garage, etc., showing the date of service, the amount charged, the location and a description of the expenditure. Reimbursement for meals must be accompanied by a detailed receipt showing all items purchased. Mileage for travel outside the district will be calculated between the employee's official work site. District vehicles, if available, should be utilized when traveling outside of the district for work related duties.

## Purchase Card/Credit Card Program

Departments/schools are encouraged to use the Purchase Card for small dollar, low risk transactions. The Purchase Card may be used as the method of payment for unplanned, non-routine, or urgent point of sale purchases under \$1,000 and for purchases under \$5,000 that are preapproved and go through the requisition process prior to completing the purchase. Intentional use of or approval of the Purchase Card for personal purchases will result in disciplinary action.

The following positions are authorized by the Board to utilize district purchase/credit cards: Superintendent, Directors, High/Middle School Principals, Homeless Liaison/Truancy Officer, and the Accounting Specialist.

## Purchase Orders

Purchase orders may be utilized but are not required as part of the District's purchasing procedures. For vendors that require a purchase order one can be obtained from the Accounts Payable Specialist.

## Vendor Relationships and Reimbursements

Employees are encouraged to use the pre-established vendor relationships already in place by the District instead of making purchases on their own and seeking reimbursement. Employees are authorized to establish new vendor relationships for items that cannot be purchased through existing vendors or are less expensive than existing vendors. Staff should seek approval from their administrator prior to establishing a new vendor relationship. The District does recognize that situations may arise which are more advantageous for employees to make purchases on their own and seek reimbursement.

## Signature Authority

End users within departments/schools typically do NOT have the authority to sign ANY contracts or agreements with outside parties in the name of the district or one of its departments/schools.

Contracts and agreements that need to be signed by the district MUST be reviewed by the Executive Director of Business & Finance or the Superintendent. Once the contract/agreement is reviewed and approved, it will be forwarded to the appropriate officer of the district for signature.

## Use of District's Tax Exempt Status

This tax exemption is to be used exclusively to make purchases for use by Ionia Public Schools and is not for personal use by individuals, faculty, staff, or students. Any purchase by a student organization must be District-related and paid for through District funds. Misuse of the district's tax privileges could be detrimental to the district's tax-exempt status.

## Annual Cut-off Dates

District purchases must be approved by the cut-off date established by the Executive Director of Business & Finance each fiscal year. After that date, only emergency purchases will be approved. All other purchases may be requisitioned in the subsequent year if funds are available. This deadline, occurring in early May, facilitates the close out process and helps ensure that funds in any given fiscal year are spent for the benefit of students in that same year.

## Purchasing Process and Tips

- When seeking to purchase items directly, check with your building secretary to see if there is a past purchase history with the vendor and/or the item.
- Order confirmations must be signed by an administrator or director, indicate the general ledger account to be charged, and sent to the Accounts Payable Specialist.
- If you receive an invoice for a purchase that you made, it must be signed by the administrator or director, indicate the general ledger account to be charged, and sent to the Accounts Payable Specialist for payment.
- Note, the district has established vendor accounts with Amazon and School Specialty. Orders on these accounts are typically placed by building secretaries.
- If an employee wants the Business Office to place an order for item(s), complete a requisition and send it to the Accounts Payable Specialist. Requisition forms are found on the District website under Staff Resources.
- Employees are encouraged to use the District's pre-established vendor relationships whenever possible. The District does recognize that situations may arise which are more advantageous for employees to make purchases on their own and seek reimbursement.
- Ionia Public Schools is a tax exempt organization. Please contact the Accounts Payable Specialist to obtain a tax exempt certificate if needed.
- Credit card statements are submitted monthly to the Business Office and must include detailed receipts for all transactions. Statements may be obtained and transactions may be viewed and coded through the BMO online system.

For purchasing questions please contact:

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