



SECTION V: BUSINESS AND TECHNOLOGY POLICY 5050

Procurement and Purchases

Authorization and Approval

The Head of School and Ops Manager / Department Head are approved by the Board to approve and make expenditures on behalf of the school for operational purchases as outlined in K12/School Services Agreement. Procurement shall be made in the best interest of the school, upon considering the totality of the circumstances surrounding the procurement which may include but not be limited to price, quality, availability, timelines, reputation and prior dealings. Purchase requisitions must be completed for all restricted fund purchases and other one-time purchases. All purchase requisitions must show the amount of the purchase, if known, or if not known an estimate must be made. Prior to approving grant expenditures, the Head of School and Ops Manager / Department Head must be certain that the expenditures are in accordance with federal or state requirements. Approvals must be secured.

The School shall not purchase goods or services from any members of the governing board, an immediate family member or any member of the governing board nor from any entity in which any member of the governing board or an immediate family member of a governing board member may benefit from such a procurement, unless authorized by the governing board after a full disclosure of the potential benefits and after the consideration set forth in the paragraph above.

Loans to employees and Board members are prohibited under all circumstances.

For purchases or contracts less than \$5,000 no quote will be required but pre-approval by the head of school will be required. The Head of School is the authorized signer for annual contracts less than \$5,000 and 12 months or less in length of term. The following exceptions authorize the head of school to purchase supplies and/or services in excess of the \$5,000 limit:

- Emergency purchases – In case of emergency to protect life, property and student records, the head of school is authorized to purchase supplies and/or services that exceed the \$5,000 limit but not more than \$10,000. In the event that such an emergency occurs, the board will be notified per board policy.
- State Testing purchases – Head of school is authorized to purchase state testing supplies and/or services, i.e. room and equipment rental, tech services, etc., that exceed the \$5,000 limit so long as supporting documentation for each contract is retained by Head of School.

The School must get three formal, documented quotes for all contracts and major purchases of supplies, materials, equipment, and contractual services over \$50,000, to the extent possible. All public construction contracts exceeding \$50,000 shall be let and awarded to the lowest responsible bidder, by open competitive bidding after solicitation for sealed bids, in accordance with the provisions of the Public Competitive Bidding Act of 1974.

When formal bidding procedures are used, bids shall be advertised appropriately. Vendors shall be invited to have their names on mailing lists to receive invitations to bid. When bid specifications are prepared, bids will be mailed to all vendors who have indicated an interest in bidding. All bids will be

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opened at the time and place specified and all bidders and other interested persons will be invited to attend.

The board reserves the right to reject any or all bids and to accept that bid which appears to be in the best interest of the school. The board reserves the right to waive any informality, or reject, any and all bids or any part of any bid. Any bid may be withdrawn prior to the scheduled time for the opening bids. Any bid received after the time and dates specified will not be considered. The bidder to whom the award is made may be required to enter into a written contract with the board of directors.

Lease agreements

All lease agreements will be evidenced by a lease or sublease agreement approved by the board of directors and signed by the board chair. The agreement will identify all the terms and conditions of the lease.

Lease agreements may be negotiated by the school. Leases in excess of \$5000 per year will be approved by the board of directors.

Equipment which is furnished for school use by outside agencies on a rental or lease basis, for any period of time, will be covered by a purchase order. In case of leased equipment, the school will clearly mark the requisition "lease agreement" and specify whether it is a new or renewal lease. The same dollar limits apply as for all other purchases.

Technology Purchases

The Regional IT team must be consulted on technology purchase and implementation decisions. The IT team will assist in the securing of competitive pricing for computers, monitors, printers, software and school technology infrastructure components.

Equipment must be supportable by the K12 technology infrastructure and meet necessary requirements to ensure the security and privacy of sensitive school data.

All service contracts must be supported by a current written contract.

All technology purchases must be approved by the Regional Technology Manager and either the Head of School or Ops Manager / Department Head.

These purchase types include but are not limited to:

- Database and system development
- Hosting of systems
- Hardware and software purchases
- Vendor support

The Regional IT team must be consulted on technology purchase and implementation decisions. The IT team will assist in the securing of competitive pricing for computers, monitors, printers, software and school technology infrastructure components. This will also ensure the equipment is supportable by our technology personnel and that it meets the necessary requirements to ensure the security of sensitive school data.

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Purchase Orders

Purchase orders for customary monthly expenses, such as travel to outings and professional development will be created for each traveler at the beginning of the fiscal year or upon hire. Allowable travel expenditures are outlined in the travel policy. Additional expense or travel must be requested and approved by the Head of School.

Teachers and other remote staff receive an annual budget for supplies that can be ordered directly through the office supply account. Requests of additional purchases of supplies must be pre-approved by the Head of School.

All purchases/expenses must be encumbered by the encumbrance clerk prior to the expense being incurred. Prior to the issuance of a purchase order, the Encumbrance Clerk must first determine that the encumbrance will not exceed the balance of the appropriation to be charged. The Encumbrance Clerk shall charge the applicable appropriation accounts and credit the affected encumbrance outstanding accounts with the encumbrances.

Purchase requisitions under \$5,000 must be approved by the Head of School or Ops Manager / Department Head. Purchase requisitions greater than \$5,000 require approval by both the Head of School and Ops Manager / Department Head. Requisitions must contain a clear description of the materials or services desired, accompanied by appropriate documentary materials.

All encumbrances are submitted to the Board for approval in the order of their issuance at each regularly scheduled Board meeting. Approved encumbrances shall be listed in the minutes by the minutes clerk.

Change orders must be issued if the bill exceeds the initial encumbrance. The Head of School may approve change orders that do not exceed the encumbrance by more than 10%. Change orders for more than 10% of the initial encumbrance must be approved by the Board.

Payments

All invoices must be paid in a timely manner within 30 days. Payments are issued at least once per week.

For payments to be processed the following must occur:

Prior to the issuance of a purchase order, the Encumbrance Clerk must first determine that the encumbrance will not exceed the balance of the appropriations to be charged. The Encumbrance Clerk shall charge the applicable appropriation accounts and credit the affected encumbrance outstanding accounts with the encumbrances.

An itemized invoice clearly describing the items purchased, the quantity of each item, its unit price and total cost must be approved according to the School Delegation of Authority, signed as received, matched to a purchase order, properly detailed in Wen-Gage with OCAS coding and certified in Wen-Gage.

The Encumbrance Clerk scans invoices and emails payables spreadsheet with supporting documentation to Head of School for approval. Once approved, the invoice is scanned, with any supporting documents, to K12 Shared Services for review and error check. Any invoices paid by K¹² Corporate (not Shared Services or ISOK) will require original documents. Upon Shared Services verification of accuracy, ISOK prints the check from Wen-Gage. Invoices and supporting documentation are filed with corresponding purchase order.

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Expense Reimbursement

The Encumbrance Clerk reviews all expense reports in order to:

- Ensure compliance with the School Board approved Travel and General Expenses policy, in accordance with federal or state requirements, if applicable.
- Confirm completion of supporting documentation.
- Send scanned and approved expense reports (summary page only) to K¹² Shared Services for accuracy verification prior to printing payment checks from Wen-Gage.

The Head of School reviews and approves all expense reports, except his/her own. The Regional Vice President approves the Head of School expense reports.

Payment of expense reports follows the same process as described above for all other payments.

The detailed process for submission of expense reports is outlined in the Operations Manual.

Gift Cards

For gift cards donated or granted to the school, the following must be documented:

- Preapproval by the Head of School is required prior to purchase. Documentation must include the purpose of the gift cards, intended recipients and timing of distribution.
- All gift card purchases must be tracked closely by the person making purchases with the gift card.
- Gift card must be locked in a secure location with restricted access.

The school will not use any public funds to purchase gift cards.

K12 Invoices for Payment

K12 Invoices are paid in the order of priority as outlined in the K12/School Services agreement. The Board authorizes the Head of School to review and approve invoices related to payroll, including the payroll and Instructional Coach invoices. All other K12 invoices are presented to the board for approval prior to payment.

Management and technology fees:

- Management and technology fee invoices are reviewed by the Head of School and Ops Manager / Department Head to confirm compliance with the Services Agreement.

Student computer, On-line School (OLS) invoices and materials:

- Invoices are reviewed against student records and approved by the Ops Manager / Department Head

Other K12 Billing:

- Invoices include Study Island, Payroll and other costs that are paid on behalf of K12 and charged back to the school according to the Services Agreement

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Oversight fees:

- Oversight invoices (if any) are reviewed by the Head of School and Ops Manager / Department Head to confirm the fee is compliant per the Services Agreement. Once approved by the Head of School and Ops Manager / Department Head, the invoices are paid using the process outlined above unless netted out with the state funding. If the Oversight Fees are netted against funding, then reconciliation is completed as funding deposits are made to the school.

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