

## PURCHASING PROCEDURES

- I. The Purchasing Department has authority to oversee and:
  - A. Initiate, conduct, and/or conclude negotiations concerning the purchase of materials, equipment, supplies, and services for Nebo School District.
  - B. Obligate Nebo School District for goods and services:
    1. Orders or commitments by the faculty or staff are not binding on the District.
    2. Individuals who place orders which violate policy are responsible for their own order(s).
  - C. Question the quality, quantity and kind of material requisitioned and suggest alternate items.
  - D. Select vendors. Vendors may be suggested by schools or departments and will be considered whenever it is economically feasible or expedient to do so. Every effort shall be made to include local vendors in the purchasing process.
  - E. Issue standing purchase orders (SPO) when the services or supplies are required with some degree of regularity, but the exact quantities are not easily determined. All SPO's expire on June 30 each year unless special arrangements are made. The SPO number must be given to the vendor each time an order is placed.
  
- II. REQUISITION PREPARATION
  - A. Requisitions are used in securing virtually everything except those purchases from school funds as described herein. Requisitions are not purchase orders.
  - B. Any orders which are genuine emergencies may be placed by entering a remote requisition, hand delivering or faxing the requisition to the Purchasing Department. See "Emergency Purchases"
  - C. The following guidelines are provided to assist departments in preparing requisitions. Each requisition must include as a minimum the following information:
    1. An accurate description and specification for each article listed including catalog number(s), size(s), color(s), etc.
    2. Authorization account number, with correct location code.
    3. Delivery instructions.
      - a. If delivery timing is important, state specifically when delivery is required.
      - b. Delivery will be made to the location code unless otherwise specified.
    4. Estimated cost of each item on the requisition.
    5. Copies of correspondence referring to speciality terms whenever

available. The names of the vendors offering quotes and the date and amount of each quote shall be recorded, attached to the requisition and sent directly to the Purchasing Department and will be maintained as a public record.

6. Approval by the administrator responsible for the budget account being charged.
- D. The School District may participate in all state contracts. Copies of these contracts are available for review in the Purchasing Department or viewed on the Internet ([www.purchasing.state.ut.us/](http://www.purchasing.state.ut.us/)).

### III. PURCHASING REQUIREMENTS

- A. Nebo School Board Policy as well as Utah State Law imposes particular requirements for the different dollar amounts of purchases which require bidding. The following limits are determined to be the best to allow flexibility and yet still provide the control required by law and policy.

Orders must not be split to allow purchaser to meet a lower category. This is considered to be “artificially dividing,” which is prohibited in the Utah Procurement Code.

- B. Purchasing Limits
  1. Equipment items will be purchased through the District Purchasing Department and an inventory number will be assigned. Equipment items are classified as, but not limited to:
    - b. Items with a cost of \$500, or more
    - c. All audiovisual equipment in excess of \$150.00
    - d. Furniture
    - e. Computers including peripherals
    - f. Musical instruments
    - f. Power tools.
  2. The Director of Operations shall delegate to schools and district departments the ability to make purchases up to \$2,000 without the involvement of the Purchasing Department. For purchases up to \$500, the schools or departments may select the best source without seeking competitive quotes. For purchases over \$500 and up to \$2,000, schools or departments shall obtain price competition, and shall purchase the item(s) from the vendor offering the lowest quote. Unless otherwise delegated, requests for all purchases over \$2,000, sole source and emergency purchases exceeding \$500 shall be submitted to the Purchasing Department.
  3. For purchasing of supplies and services between \$2,000 and \$20,000, no less than two (2) written or faxed bids will be obtained. Awards shall be made to the vendor offering the lowest responsible bid. See “Request for Bid(s)” exhibit #1.

4. The Board authorizes the Director of Operations to proceed with purchases of less than \$20,000 and allows purchasing in excess of \$20,000 with the approval of the Superintendent. All of these purchases shall be ratified and approved at a regular Board meeting.

IV. Bidding

A. Informal Bidding

Bids will be solicited from the widest practical selection of vendors with proven performance from whom it has been established the best price can be obtained commensurate with quality, required delivery and the general requirements of the purchase.

Bid tabulations are referred back to the department or school for recommendations when bids require further review.

All vendors will be given equal consideration. Vendors will be selected based on the following criteria: cost, service, availability of stock, financial responsibility, technical competence and proximity.

When it appears impractical to obtain a competitive bid, or when substitute items are not acceptable, a full explanation covering the reasons for such restrictions should be included with the requisition. Such explanations may include:

1. repair or replacement parts.
2. supplementary components of the same manufacturer.
3. physical design or quality requirements.
4. delivery requirements.
5. single source of supplies requested.
6. special equipment no longer manufactured or available from other sources.

B. Formal Bidding

1. Consistent with the state law, all contracts or purchases which exceed \$20,000 must be negotiated through a formal bid. All contracts will be awarded to the lowest, responsible, qualified bidder.

When formal bidding procedures are used, bids shall be advertised appropriately. Vendors shall be invited to have their names placed 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 must be submitted in sealed envelopes, addressed to Nebo School District, 350 South Main Street, Spanish Fork, Utah 84660, attention to the Director of Operations and plainly marked with the

name of the bid.

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

2. 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 District. The Board reserves the right to waive any informalities, 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 of 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 Education.

All contracts and major purchases of supplies, materials, equipment and contractual services shall be based, when possible, on at least three (3) competitive bids.

## V. EMERGENCY PURCHASES

### A. General

1. Departments should anticipate requirements as far in advance as possible to ensure enough lead time to receive material(s) on schedule.
2. The Purchasing Department will make every attempt to obtain material(s) as soon as possible.
3. Requisitions will be processed quicker by entering a remote requisition, hand delivering or faxing the requisition to the Purchasing Department. Processing will begin immediately unless bidding or approval requirements prohibit.

### B. Procedure

1. In an emergency, call the Purchasing Department with the following:
  - a. The reason for the emergency.
  - b. The number of the completed requisition, which has been checked by the school or department for adequate funds.
  - c. Any pricing or vendor information available, i.e., has the school already located the priced items?
2. If appropriate, the Purchasing Department will record the requisition number and give the school the P.O. number. The school in turn, will give the P.O. number to the vendor and make arrangements for receiving the product. It may be appropriate for the District Purchasing Department to make calls to the vendor to help setup the order.

The purchase order number will be held on file to await the normal routing of the requisition. The invoice cannot be paid until the requisition actually reaches the Purchasing Department and a purchase order is typed and distributed.

VI. RECEIPT AND ACCEPTANCE OF MATERIALS

- A. The school or department that receives the item(s) must inspect it for obvious damage, irregularities, or discrepancies and is responsible for notifying the Purchasing Department immediately of damage, irregularities or discrepancies. This notification should be made the same day and should include the following information:
  - 1. Vendor's name
  - 2. Purchase order number
  - 3. Date and time received
  - 4. Item or items damaged and condition
  - 5. Condition of shipping container upon receipt
  - 6. Carrier.
- B. All damaged materials shall be preserved in their original state, with the shipping container until instructions for disposal are issued by the Purchasing Department. Before a claim can be filed, an inspection by the carrier must be made of the packaging and shipping material as well as the damaged merchandise. Contact the Purchasing Department if you need assistance. Shipping and delivery problems must be processed within two (2) days.
- C. Notification shall be made to the Purchasing Department when material(s) is received which is not ordered, is defective, or in any way unacceptable. The Purchasing Department will arrange to correct the problem. If damage is evident, have the delivery driver acknowledge the damage. Have him/her make a note of this damage on the receiver copies before you accept the shipment. If it is obvious that substantial damage exists, refuse the shipment based on that damage.

VII. LEASING AND RENTING

- A. Lease agreements are negotiated by the Purchasing Department for the School District. Schools or departments cannot enter into lease agreements in excess of \$500. Lease agreements will be competitively bid as with any purchase.
- B. Equipment which is furnished for School District use by outside agencies on a rental or lease basis, whether for a definite or indefinite period, will be covered by a purchase order. In case of leased equipment, the school or department concerned will clearly mark the requisition "lease equipment" and specify whether it is a new or renewal lease. The same dollar limits apply as for all other purchases.

VIII. SURPLUS PROPERTY DISPOSITION

- A. General  
Refer to Policy DIDA

IX. UNIFORMS AND CLOTHING

- A. The principal in each school shall be responsible for the purchasing of all uniforms and clothing items. All purchases of these items will be handled in the following manner:
  1. A determination of clothing or uniforms needed will be made.
  2. A complete list of clothing or uniforms needed along with quantity, quality, billing and delivery instructions will be written on an "Invitation to Bid" or "Request for Quotation" form.
  3. A compilation of all quotations or bids will be made and a copy will be submitted to the Purchasing Department. This compilation will show the preference of the department and give reasons for the preference in the event the selection of the vendor is not the low bidder.
  4. A district purchase order shall be issued upon completion of the bid compilation and after consultation with the principal.

Refer to District Policy #JN-P

X. CLASS RINGS, GRADUATION ITEMS, SCHOOL PICTURES, ETC.

Each high school principal will make arrangements for students to have the opportunity to purchase class rings, graduation items, school pictures, etc. After review and input from appropriate individuals, principals shall annually seek bids and/or proposals, from reputable vendors, and then, following previously outlined procedures in this policy, select the vendor whose products best meet the needs of the students.

All orders must be handled by the dealer with all money transactions being made directly between the student and the dealer. Every attempt shall be made to keep these transactions from disrupting school.

XI. TRAVEL ARRANGEMENTS

- A. Travel arrangements such as airline tickets, hotels, car rentals, etc. will be made through the Department of Operations.

XII. VENDOR RELATIONS

- A. Sales representatives are not permitted to solicit school staff members without authorization from the school administration. School principals may give permission to sales representatives to contact members of the school staff at times that will not interfere with educational programs.
- B. Students shall be protected from solicitation by sales representatives or school staff, with the exception of those individuals and entities specifically authorized by the school principal to provide certain goods and services,

such as the purchase of class rings, graduation announcements, school pictures, school clothing, etc.

- C. No employee of the School District shall have any personal investments in any business entity which will create a substantial conflict between his/her private interests and his/her duties to the School District. School District employees are expected to comply with the "Utah Public Officers' and Employees' Ethics Act" (Utah Code, Section 67-16-1, et seq.).

### XIII. PROHIBITED CONDUCT

- A. Any person acting as a procurement officer for the School District, or who in any official capacity participates in the procurement of any supplies, services, construction, real property, or insurance for the School District, shall not ask, receive, or offer to receive any emolument, gratuity, contribution, loan, or reward, or any promise thereof, either for the person's own use or the use or benefit of any other person or organization, from any person interested in the sale of such supplies, services, construction, real property, or insurance.
- B. A person who is interested in any way in the sale of any supplies, services, construction, real property, or insurance to the School District shall not give or offer to give an emolument, gratuity, contribution, loan, or reward, or any promise thereof, to any person active in the procurement of such supplies, services, construction, real property, or insurance, whether it is given for his own use or for the use or benefit of any other person or organization.
- C. Any person acting as a procurement officer for Nebo District may not make purchases for individuals.

Approved: 1-9-02

#### REFERENCES:

Utah Code, Section 63-56-1, et seq. - Utah Procurement Code

Utah Administrative Code, R33-1 to R33-9 - Purchasing and General Services

Utah Code, Section 67-16-1, et seq. - Utah Public Officers' and Employees' Ethics Act