



Book	Board Policy and Guidelines
Section	Section D
Title	Purchasing
Number	DJF.BP
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DJF.BP

### **PURCHASING**

*(Urban and Metropolitan Districts and Districts Located Totally or Partially within St. Louis County)*

The purpose of this policy and any related administrative procedures is to ensure that all purchases of supplies, equipment and services are made in compliance with state and federal law and good business practices. The Board recognizes the importance of a sound fiscal management program and expects district staff to maximize the resources available for the district's educational program and to be good stewards of public funds by exercising fair and ethical competitive purchasing practices. The district will respect its financial obligations and will also require that providers meet their obligations to provide quality products and services in a timely manner to the district. All purchasing will be conducted in a manner that provides full and open competition consistent with the standards of state and federal law.

All funds deposited with the district, regardless of source, are considered district funds and are subject to this policy. No contract over \$15,000 will be entered into or bill paid without the proper documentation and without an affirmative vote from a majority of the whole Board. Purchases that may exceed \$15,000 must have prior Board approval unless this policy's emergency provisions are applicable. Agreements lasting longer than 12 months that exceed \$15,000 over the total term of the agreement must have prior Board approval.

The Board encourages district staff to purchase products manufactured, assembled or produced in the United States. The district commits to specifying and procuring goods and services that are identified to be socially, environmentally and fiscally sustainable in any circumstance deemed feasible.

#### **Purchasing Supervision**

The superintendent's purchasing designees are the chief financial officer and the director of sustainability and purchasing. The Board assigns the chief financial officer or designee the responsibility for the quality and quantity of all purchases made. The director of sustainability and purchasing, who functions under the supervision of the chief financial officer, will supervise district purchases of products and services and may authorize purchases on behalf of the district that comply with the Board-adopted budget and this policy. By an affirmative vote of not less than two-thirds of all the members, the Board may select, authorize and direct the purchase of additional real property needed for district purposes.

The superintendent, in consultation with the chief financial officer and the director of sustainability and purchasing, shall develop procedures to implement this policy in a manner that will meet the district's needs while protecting the district's resources. These procedures will comply with all applicable laws and will centralize and provide oversight of all purchasing decisions.

#### **Competitive Purchasing**

District staff will research all purchases and compare prices prior to making decisions regarding the expenditure of district funds, unless a purchase is covered by an exception pursuant to this policy. Employees are expected to contact multiple providers before making a decision regarding purchases under \$3,500. Purchases of \$3,500 to \$7,500 will be competitively bid through the sealed, written or telephone bid process. Purchases of \$7,500 to \$15,000 will be competitively bid through the sealed or written bid process. Sealed bids will be required for purchases that may exceed \$15,000.

The district will select the lowest or best bid. The district reserves the right to waive minor technical defects in a bid, reject any and all bids, reject any part of a bid, advertise for new bids, or make the purchase on the open market if the product or service can be obtained at a better price.

The district will only award contracts to responsible contractors possessing the ability to perform successfully under the terms and conditions detailed by the district. Among other factors detailed in the bid specifications, consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

When the director of sustainability and purchasing determines that it is in the best interest of the district, products or services may be purchased by competitive negotiations or proposals rather than competitive bids. Likewise, the superintendent or designee, in consultation with the director of sustainability and purchasing, is directed to create procedures that allow the district to benefit from cooperative purchasing and address unusual situations such as purchasing when there is a single feasible source (sole source) for the purchase. The superintendent or designee is also directed to create a process whereby authorized providers (vendors) are selected for frequent purchases, while still monitoring the competitiveness of these providers.

Purchases involving instructional materials must comply with the selection process outlined in relevant Board policies and applicable administrative procedures.

#### **Purchases Involving Federal Funds**

In addition to the requirements of this policy and the accompanying procedure, when federal funds are used the provisions of policy DJFA and related procedures must be followed.

#### **Emergency Situations**

Unless prohibited by law, the superintendent or designee may waive the requirement for competitive bids or proposals when he or she has determined that there exists a threat to life, property, public health or public safety or when immediate expenditure is necessary in order to protect against further loss of or damage to property, or to prevent or minimize a serious disruption in services. Emergency purchases shall be made with as much competition as is practical under the circumstances and will only be utilized for purchases that are necessary to alleviate the emergency.

#### **Debarred or Suspended Providers**

The district will not do business with providers who have been suspended or debarred on a state or federal level. District employees are directed to verify that selected providers are in good standing before making a purchasing decision.

#### **Confidentiality**

Sealed bids and related documents will be kept confidential until bids are opened. As it relates to sealed bids prior to approval from the Board of Education, district staff may not disclose offers, bids or price quotations to competitors except as necessary to conduct negotiations beneficial to the district or as required by law. All contract negotiations and related documents are considered closed until a contract is executed or all proposals are rejected. After approval from the Board of Education, sealed bid responses can be made available upon request. Phone and written bid response tabulations can be made available upon request once such tabulations are compiled and completed.

#### **Credit and Purchasing Cards**

Authorized district employees and Board members may use credit cards or purchasing cards issued to the district to make purchases for the district or to pay for reasonable travel expenses and other reasonable expenses incurred when performing job duties. Employees and Board members will not use these cards to circumvent the bidding and purchasing requirements established by law and Board policy. All purchases made using district cards must be attributed to the appropriate budget code and must conform to the Board-adopted budget.

The district will use purchasing cards instead of credit cards to the extent feasible. Unless otherwise authorized by the Board, only the superintendent and the director of sustainability and purchasing will have access to a district credit card, and the Board will set the amounts that may be charged to those cards. Store-issued credit cards may only be distributed to specified district staff, departments or schools with prior approval from the director of sustainability and purchasing or designee.

The Board will approve which employee positions will be issued district purchasing cards and the limitations for the district. The superintendent or designee, in consultation with the director of sustainability and purchasing, will annually review and revise the list of persons receiving district cards and the limitations on those cards. The annual review will ensure that only the employees who appropriately utilize the cards have access to them, and that the limitations on the cards do not exceed the amounts of the projected expenditures to be made with the cards. The Board will annually approve applicable modifications for the district prior to implementation.

The Board may authorize the issuance of purchasing cards to Board members in the same manner that they are issued to employees. Board members who choose to use a district purchasing card are subject to the same policies and procedures as district employees. The superintendent is directed to notify the Board president if any Board member fails to follow district policies and procedures regarding purchasing card usage, and the Board member's usage may be temporarily suspended by the Board president until the issue is presented to the full Board. If the Board member in question is the president, or if the president is not available, the vice president will act as president in the matter.

Any employee or Board member using a district card shall sign a card usage agreement and will receive training on applicable procedures for card use. District employees and Board members issued a card must provide documentation, such as receipts and applicable budget codes, justifying expenditures. The director of finance or designee will examine all documentation prior to payment and will notify the superintendent or designee immediately if any purchase was made in violation of law or district policies or procedures.

All employees and Board members issued a district card must take all reasonable measures to protect the cards against damage, loss, theft or misuse. Any damage, loss, theft or misuse of the card must be reported to the superintendent or designee immediately. No person may use the card other than the authorized employee or Board member to whom the card was issued. District employees and Board members will surrender all cards upon completion of their employment or term with the district or upon demand by the district.

#### **Prohibited Activity and Reporting Requirements**

The district expects all staff members to comply with the letter and intent of all district policies and procedures regarding purchasing. Under no circumstances may employees use district funds to make unauthorized or personal purchases. Staff members may not artificially divide purchases to avoid bidding requirements or design bid specifications to favor a particular provider.

Orders placed without prior authorization or purchases made in violation of the district's purchasing policy or procedures are the individual's responsibility and liability. Payment of such obligations is not the district's responsibility. Only the superintendent, the chief financial officer, director of finance or the director of sustainability and purchasing may authorize payment of financial obligations accrued in violation of the district's purchasing policy and procedures. Reimbursements under designated dollar amounts may be approved by the appropriate district administrators.

All district employees must report suspected fraud, theft or misuse of district funds to the superintendent or director of sustainability and purchasing immediately. District employees may be disciplined or terminated from employment for failing to follow Board policy or district procedures and for any misuse of district resources, including district credit and purchasing cards.

The superintendent or director of sustainability and purchasing will contact law enforcement and file a report or sign a complaint on behalf of the district in situations where a crime may have occurred.

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POLICY ADOPTED: June 14, 2016

SUPERSEDES: DJF, 04/09/08, 10/04/00

LEGAL REFERENCE: §§ 8.285 - .291, .675 - .687, 34.073 - .080, .350 - .359, .375, 162.301, 170.041, 171.181, 177.073, .082 - .086, 285.530, 292.675, 393.310, 432.070 - .080, RSMo.

5 C.S.R. 30-4.030, 680.010

7 C.F.R. §§ 210.16, .21, 220.16

47 C.F.R. § 54.503

*Mercantile Bank of Illinois v. School Dist. of Osceola*, 834 S.W.2d 737 (1992)

CROSS REFERENCE: ADF, District Wellness Program; BBFA, Board Member Conflict of Interest and Financial Disclosure; FEB, Selection of Architectural, Engineering and Land Surveying Services; FEC, Selection of Construction Management Services; FEF, Construction Contracts Bidding and Awards; GBCA, Staff Conflict of Interest