

## SECTION 4.1 – PURCHASING GUIDELINES AND LAWS

### **OVERVIEW**

Purchases using ASB funds must meet the following basic requirements: a) must be a legitimate and allowable use of ASB funds, b) must have the confirmation of budget capacity, c) must have the ASB governing body's approval prior to a commitment to purchase, and d) must follow all state and district purchasing policies and procedures.

There are various methods available for the acquisition of goods and services including purchase requisition/purchase order, imprest checking account and various reimbursement processes. This section of the ASB manual defines the various purchasing methods as well as which method is appropriate for a given acquisition.

Board Policy 7320 states, "Staff who obligate the District without proper prior authorization may be held personally responsible for payment of such obligations."

### **LEGAL REQUIREMENTS FOR ASB PURCHASES:**

#### **Legal Requirements for the Acquisition of Furniture, Equipment, and Supplies**

State law mandates a competitive process for the acquisition of furniture, equipment and supplies that exceed various dollar values. These dollar values are based upon the annual purchases for a given item on a District-wide basis and are not on a site by site value. The following value levels have been defined in RCW 28A.335.190 and include all associated costs such as shipping and handling and tax.

- **Up to and including \$40,000** – No competitive process required. Please reference Board Policy 7324, which states, "Purchasing decisions shall be made on the basis of objectivity and shall not be influenced by friendships or other personal relationships."
- **Over \$40,000 – Up to and/or equal to \$75,000** – When purchases of furniture, equipment, and/or supplies are expected to exceed \$40,000, but be less than \$75,000 on a District-wide basis, quotes must be solicited from at least three different vendors and awarded to the vendor providing the lowest responsible quotation based on the specifications. Contact the Purchasing Office to issue quotations for a school.
- **Over \$75,000** - When purchases of like items are expected to exceed \$75,000 on a District-wide basis, formal bids must be solicited and awarded to the lowest responsible bidder meeting specifications. This process is conducted by the Purchasing Office and includes requirements pertaining to public advertisement and award by our School Board. Examples for ASB may include sports equipment, yearbooks, uniforms, etc.

- **Exceptions** – Certain legitimate source vendors are exempt from the above requirements. Contact Purchasing to determine exemption.

**Legal Requirements for Public Works Contracts (Building) Improvements, Repair and/or Construction)**

Although extremely rare, it might be possible for an ASB to procure a Public Works Contract. Public work is defined as all work, construction, alteration, repair, or improvement that is executed at the cost of the state or other local public agency. *Simply put, if labor is involved to build (on-site) or install an item you are purchasing, it falls within the parameters of public works.*

- ***There are special legal requirements for Public Works Contracts (Building)Improvements, Repair and Construction. If you suspect the purchase you are considering is a public works, please call the Purchasing Office for assistance. The District Purchasing Office will assist you in meeting the requirements of the District and the State.***

**CURRENT FISCAL YEAR VS NEXT FISCAL YEAR:**

The fiscal year runs September 1 through August 31. There are specific criteria to evaluate whether a purchase should be charged to the current fiscal year or to the next fiscal year.

<b><i>Current Fiscal Year</i></b>	<b><i>Next Fiscal Year</i></b>
Services completed <b>before</b> September 1 <sup>st</sup> .	Services to be completed on or <b>after</b> September 1 <sup>st</sup> .
Registration for training, conferences, or workshops held <b>before</b> September 1 <sup>st</sup> .	Registration for training, conferences, or workshops held on or <b>after</b> September 1 <sup>st</sup> .
Supplies for immediate use by your school ASB, or for use during the summer.	Supplies to be used in the next school year.
Annual memberships/dues paid no later than May 31 <sup>st</sup> .	Annual memberships/dues paid after May 31 <sup>st</sup> .
Computers/Equipment for immediate use, or for use during the summer.	Computers/Equipment to be used starting in September.

Orders placed near the end of the school year will be evaluated in Purchasing and Accounting for appropriate fiscal year.

## **ENTERING NEXT YEAR PURCHASE REQUESTS IN IFAS**

Sites may begin entering next year POs in IFAS when notified by the Finance Department, usually June 1<sup>st</sup>. Exceptions such as fall sports, fall workshops, etc. may be entered as early as May 1<sup>st</sup>. Exceptions will be determined on a case by case basis. Please contact Purchasing for assistance.

When entering a next year Purchase Request into IFAS, there are two important fields to flag to ensure your encumbrance is posted to the correct year:

**Text Code:** Enter **NY** in the first text code box. This code indicates Next Year.

**Date:** Change the date to September 1<sup>st</sup>.

## **REFERENCES**

District: Policy/Procedure 7320 – Authorization and Control  
Policy/Procedure 7321 – Bids & Contracts  
IFAS Purchasing Manual  
ASB Manual Section 6 – Imprest Checking Accounts  
ASB Manual Section 7 - Reimbursements  
Legal: WAC 392-138-125 – ASB Public Moneys – Disbursement  
approval – Total disbursements  
WAC 392-138-210 – Non-ASB Private Moneys – Disbursement  
approval – Total disbursements  
RCW 28A.330.080 – Payment of claims-signing of warrants  
RCW 28A.335.190 – Advertising for bids – Competitive bid procedures  
– Telephone or written quotation, solicitation, limitations –  
Emergencies  
RCW 39.04.155 – Small works roster contract procedures  
Accounting Manual for Public School Districts