

SECTION 2.01 – PURCHASING GUIDELINES AND LAWS

Contact: Purchasing @ Extension 4180

A. **Overview**

The purchase of goods and services shall be made for the purpose of furthering the educational mission of the district. The superintendent or designee is authorized to direct expenditures and purchases within the limits of the detailed annual budget for the school year.

There are various methods available for the acquisition of goods and services including purchase requisition/purchase order, procurement card, imprest checking account and various reimbursement processes.

[Board Policy 6210](#) states, “Staff who obligate the district without proper prior authorization may be held personally responsible for payment of such obligations.” [Section 2](#) of this manual defines the various purchasing methods as well as which method is appropriate for any given acquisition.

B. **References**

District: [Policy/Procedure 6210](#) – Authorization and Control
[Policy/Procedure 6220](#) – Bids & Contracts
Legal: [RCW 28A.335.190](#) – Advertising for bids – Competitive bid procedures – Telephone or written quotation, solicitation, limitations – Emergencies
[RCW 28A.400.330](#) – Crimes against children – Contractor employees – Termination of contract
[RCW 39.04.155](#) – Small works roster contract procedures

C. **Legal Requirements for Purchase 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. (i.e. One school may purchase four televisions in a year that total \$2,000. The entire district may purchase 90 televisions that total \$45,000. The law would require a competitive process if the total quantity could reasonably be anticipated.) 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, but encouraged as a best practice to ensure the district is receiving the best available pricing. Please reference [Board Policy 6230](#), 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 or department. Schools or departments anticipating an expenditure between \$40,000 and \$75,000 should contact purchasing for assistance.
- **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.
- **Exceptions** – Books, certain software applications and legitimate sole source vendors are exempt from the above requirements. Contact purchasing to determine exemption.

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

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.***

- **Public Works Act** – The Public Works Act is a worker protection act requiring that workers be paid prevailing wages when employed on public works projects. To ensure workers are paid prevailing wages, the state requires that Intent to Pay Prevailing Wages and Affidavit of Prevailing Wages Paid forms be submitted by the contractor to the Labor & Industries office. ***If you suspect the purchase you are considering is a public works, please call the purchasing office for assistance. We will assist you in meeting the requirements of the state.***
- **Up to and including \$40,000** – No competitive process required, but encouraged as a best practice to ensure the district is receiving the best available pricing. Please reference [Board Policy 6230](#), 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 \$100,000** – Projects between \$40,000 and \$100,000 may be accomplished through a competitive bid process. See [Board Policy/Procedure 6220/6220P](#) for specific requirements.
- **Over \$100,000-up to and/or equal to \$200,000** – For projects between \$100,000 and \$200,000, the small works roster may be used to solicit bids. See [Board Policy/Procedure 6220/6220P](#) for specific requirements.
- **Over \$200,000** – For projects over \$200,000, formal bids must be solicited and awarded to the lowest responsible bidder meeting specifications. See [Board Policy/Procedure 6220/6220P](#) for specific requirements.
- **Authority to Administrate Public Works Contracts** – All work, construction, alteration, repair, or improvement of district buildings shall be administrated by either the maintenance department or the facilities & planning department and coordinated through purchasing.
- **Emergencies** – In the event of an emergency that meets certain qualifications the board has the authority to declare a project exempt from the noted requirements to avoid material injury or damage.

E. Professional Services

State law does not define a competitive process for the acquisition or contracting of professional services (except for architects and engineers per [RCW 39.80](#) and [Board Policy/Procedure 6925/6925P](#)). Please note the limits of signature authority per [Section 1.01](#).

[Board Policy 6230](#), states “Purchasing decisions shall be made on the basis of objectivity and shall not be influenced by friendships or other personal relationships.” See [Section 2.07](#) for further requirements.

F. 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.

<i>Current Fiscal Year</i>	<i>Next Fiscal Year</i>
Services completed before September 1st.	Services to be completed on or after September 1st.
Registration for training, conferences, or workshops held before September 1st.	Registration for training, conferences, or workshops held on or after September 1st.
Supplies for immediate use in your school or department, or for use in summer school.	Supplies to be used in the next school year.
Books/curriculum materials for use in any part of the current school year, or for use in summer school.	Books/curriculum to be used starting in September.
Annual memberships/dues paid no later than May 31st.	Annual memberships/dues paid after May 31st.
Computers/equipment for immediate use, or for use in summer school.	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.

G. Entering Next Year Purchase Requests BusinessPlus

Sites may begin entering next year POs in BusinessPlus when notified by the finance and business services department, usually June 1st. Exceptions such as KCDA, Ebsco, major textbook orders, etc., may be entered as early as May 1st. Exceptions will be determined on a case by case basis. Please contact purchasing for assistance.

When entering a next year purchase request into BusinessPlus, there are two important fields to flag to ensure your encumbrance is posted to the correct year:

Requisition Code: Enter **NY** as a requisition code. This code indicates Next Year.

Date: Under your name in the Requested date field, change the date to September 1st.