

Additions shown in *highlighted italic text*

Deletions shown in ~~striketrough text~~

Business and Noninstructional Operations

BP 3300

EXPENDITURES/EXPENDING AUTHORITY

The Superintendent or designee may purchase supplies, materials, equipment and services in accordance with law. Prior Board approval is required for *purchases over \$25,000* ~~purchases over \$5,000 per item.~~

(cf. 3310 - Purchasing Procedures)

(cf. 3311 - Bids)

(cf. 3312 - Contracts)

(cf. 3460 - Financial Reports and Accountability)

The Superintendent or designee shall not authorize any proposed expenditure which exceeds the major budget classification allowance against which the expenditure is the proper charge unless an amount sufficient to cover the purchase is available in the budget for transfer.

(cf. 3100 - Budget)

(cf. 3110 - Transfer of Funds)

The Board shall not recognize obligations incurred contrary to Board policy and administrative regulations.

Legal Reference:

ALASKA STATUTES

14.08.101 Powers (Regional school boards)

14.08.111 Duties (Regional school boards)

14.14.060 Relationship between borough school district and borough

14.14.065 Relationship between city school district and city

14.17.190 Restrictions governing receipt and expenditure of money from public school foundation account

36.30. State Procurement Code

37.05 Fiscal Procedures Act

Additions shown in *highlighted italic text*

Deletions shown in ~~strikethrough text~~

Business and Noninstructional Operations

BP 3305

ELECTRONIC FUND TRANSACTIONS

Note: The following optional policy is for use by districts utilizing an automated clearing house or "ACH." ACH is a national and governmental organization that has authority to process electronic payments, including, but not limited to, the national automated clearing house association and the federal reserve system. Some federally mandated transactions require that public funds be disbursed through electronic payment, debit, or credit transfer using an ACH.

The Southeast Island School District, through resolution of the Board, shall be a party to an Automated Clearing House (ACH) arrangement. The Superintendent/Chief Administrative Officer, or designee, shall be responsible for the District's ACH agreements, including payment approval, accounting, reporting, and generally for overseeing compliance with the ACH policy. All ACH invoices are to be approved prior to payment.

Internal Accounting

The Superintendent/Chief Administrative Officer, or designee, shall be responsible for development and maintenance of appropriate accounting controls to monitor the use of ACH transactions.

(cf. BP 3110 – Transfer of Funds)

(cf. BP 3300 – Expenditures/Expending Authority)

Additions shown in **highlighted italic text**
Deletions shown in ~~striketrough text~~

Business and Noninstructional Operations

BP 3310

PURCHASING PROCEDURES

The School Board desires to ensure that maximum value is received for money spent by the district and that records are kept in accordance with law. The Superintendent or designee may issue and sign purchase orders.

(cf. 3300 - Expenditures/Expending Authority)
(cf. 3400 - Management of District Assets)
(cf. 3460 - Financial Reports and Accountability)
(cf. 9270 - Conflict of Interest)

Note: A.S. 36.15.050 establishes a preference for purchasing Alaskan agricultural and fisheries products. A.S. 14.03.085 makes school districts, except REAA's, subject to A.S. 29.71.050, which establishes a preference for purchasing recycled Alaska products.

The School Board encourages the selection of Alaskan products when such products meet the needs of the district and shall adhere to state law regarding purchasing preferences for Alaskan products.

(cf. 3311 - Bids)
(cf. 3312 - Contracts)

Note: A U.S. Supreme Court decision (City of Richmond v. J. A. Croson Co.) indicates that before enacting an affirmative action purchasing program, the district would have to have strong evidence of past district discrimination against minority contractors and the district's program would have to be narrowly tailored to accomplish its remedial purpose.

Legal Reference:

ALASKA STATUTES

14.08.101 Powers (Regional school boards)
14.14.060 Relationship between borough school district and borough
14.14.065 Relationship between city school district and city
14.17.190 Restrictions governing receipt and expenditure of money from public school foundation account
29.71.050 Procurement preferences for recycled Alaska products
36.30. State Procurement Code
37.05 Fiscal Procedures Act

City of Richmond v. J.A. Croson Co., 109 S.Ct. 706 (1982)

Reviewed 4/07

Additions shown in *highlighted italic text*
Deletions shown in ~~strikethrough text~~

Business and Noninstructional Operations

AR 3310

PURCHASING PROCEDURES

Purchasing Requisitions/Purchase Orders

1. Insofar as possible, goods and services purchased will meet the needs of the person or department ordering them at the lowest price consistent with standard purchasing practice. Maintenance costs, replacement costs, and trade-in values shall be considered when determining the most economical purchase price.
2. Requisitions for budgeted items shall originate from personnel directly responsible for their use. All requisitions shall be given proper review for approval or disapproval by the appropriate administrative personnel.
3. Every transaction between a buyer and seller involving the transfer of property, equipment, or supplies shall be made by purchase order, formal contract or receipt.
4. Purchase orders and other purchase obligations shall be signed by the Superintendent or designee.
5. The business office or other appropriate administrative entity shall verify the availability of funds and prepare purchase order to commit the expenditures.

Quantity Purchasing

Quantity buying shall be effected whenever practicable and feasible in order to achieve an economy of scale in accordance with the total needs of the school district.

Additions shown in *highlighted italic text*
Deletions shown in ~~striketrough text~~

Business and Noninstructional Operations

BP 3311(a)

BIDS

The district shall purchase equipment, supplies and services on a competitive bidding basis when required by law and whenever it appears to be in the best interest of the district to do so. The Superintendent or designee shall establish procedures to insure that verbal quotes are obtained for purchases between \$500 and \$2,000, that informal written quotes *from at least three (3) vendors* are obtained for purchases between \$2,000 and \$50,000, and that formal advertised bids are solicited for purchases over \$50,000.

To ensure that good value is received for funds expended, specifications shall be carefully designed and shall describe in detail the quality, delivery and service required.

Exemption from Formal Competitive Procedures and Reporting

Even when the estimated amount of equipment, supplies, and services is fifty thousand dollars (\$50,000) and above, formal competitive procedure requirements in Board Policy need not be followed in conjunction with the acquisition of the following:

1. Books, films, periodicals, and other educational materials;
2. Proprietary (sole source) items for which no competition exists;
3. Weekly and monthly food service requirements relative to perishables, emergency requirements, and the requests which cannot reasonably be obtained on a timely basis through the formal competitive procedures;
4. Goods or services from agencies of the Federal, State, or local government;
5. Goods or services available from local vendors on State of Alaska or Federal GSA contracts;
6. Professional services (such as property and casualty insurance) purchased jointly with the State of Alaska or Federal GSA.
7. Goods or services purchased for and to be reimbursed by student/parent teacher organizations;
8. Items traded in on like items;
9. Professional or consultant services (such as legal, negotiations, or educational services) not including architectural/engineering design services.

E-Rate Purchases

Purchases made pursuant to the E-Rate program, which is governed by the Federal Communications Commission, shall be made on a competitive basis subject to the provisions of this paragraph. Such purchases are not subject to any provisions in the school district purchasing policies or regulations that may be inconsistent with the E-Rate purchasing provisions.

Additions shown in *highlighted italic text*
Deletions shown in ~~striketrough text~~

Business and Noninstructional Operations

BP 3311(b)

BIDS

The Superintendent is designated to oversee the E-Rate application process in order to ensure that it is accurate and that the equipment and services to be purchased are eligible for E-Rate funding. Said individual shall devise an open, fair, competitive bidding process, separate and apart from other District procurement policies, that meets all rules of the E-Rate program. This process shall be overseen by, and subject to the approval of, the Superintendent for the District.

(cf. 9270 - Conflict of Interest)
(cf. 4030 - Nondiscrimination in Employment)

Legal Reference:

ALASKA STATUTES

- 14.14.060 Relationship between borough school district and borough
- 14.14.060 (h) Procurement of supplies and equipment
- 14.14.065 Relationship between city school district and city
- 14.03.085 Procurement preference for recycled Alaska products
- 29.71.050 Procurement preferences for recycled Alaska products
- 35.15 Construction Procedures
- 36.15.020 Use of local agricultural and fisheries products required in purchases with state money

ALASKA ADMINISTRATIVE CODE

- 4 AAC 27.085 Competitive pupil transportation proposals
- 4 AAC 31.080 Construction and acquisition of public school facilities

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT v. BOWERS, 851 P.2d 56 (AK 1992)

Revised 9/93, 6/09
Reviewed 4/07

Additions shown in *highlighted italic text*
Deletions shown in ~~strikethrough text~~

Business and Noninstructional Operations

AR 3311(a)

BIDS

1. Time and Circulation of Invitation to Bid

A notice inviting bids shall be published at least once in local newspapers of general circulation at least ten days preceding the last day set for receipt of bids. Additional notices may be published in trade journals or sent directly to known active prospective bidders. Bid circulation may be restricted to vendors/contractors within the boundaries of the District if required goods or services are available through them and adequate competition exists among them.

2. Content of Invitation to Bid

The notice inviting bids shall include all of the following:

- A. A general description of the work, materials, or services sought;
- B. Indication of where bidder forms and specifications may be obtained;
- C. Indication of closing time and place for submittal of bids;
- D. Indication of the time and place for opening of bids;
- E. The amount of bid security required, if any.

3. Addenda to Bid Documents

Clarifying information or changes which may affect the bids shall be issued in the form of addenda to all bidders. Receipt of any addenda shall be acknowledged by each bidder as part of the bid submitted.

4. Bid Submittal, Withdrawal, and Late Bids

Each bid must be signed by the bidder and submitted in a sealed envelope addressed to the District and plainly marked with the name of the bid and time and date of the bids opening. All bids shall be sent by certified mail.

Any bid may be withdrawn, or withdrawn and resubmitted, without penalty prior to the scheduled time for opening of bids.

Late bids shall not be considered and shall be returned to the bidder unopened. The District reserves the right at its discretion to consider bids which have been delayed or mishandled through the mail system when the envelop containing the bid bears postmark evidence of having been mailed at least three (3) calendar days in advance of the bid opening time.

Additions shown in *highlighted italic text*
Deletions shown in ~~strikethrough text~~

Business and Noninstructional Operations

AR 3311(b)

BIDS (continued)

5. Bid Opening

Bids shall be opened in public at the time and place stated in the public notice, or any extension thereof.

A tabulation of bids shall be prepared and transmitted to the Board with appropriate recommendations for acceptance or rejection. A copy of the tabulation shall be furnished upon request to each bidder.

6. Rejection of Bids and Waiver of Irregularities

- A. The Board shall have the authority to reject any and all bids.
- B. A bid shall be rejected if:
 - 1. The bid is late, except as provided above.
 - 2. The bidder fails to include security if required.
 - 3. The bidder submits more than one bid.
- C. A bid may be rejected at the discretion of the District if:
 - 1. The bid is not signed.
 - 2. The bidder has failed to perform under some other contract with the District.
 - 3. The bid fails to acknowledge all of the addenda issued by the District.
 - 4. The bid contains an alteration or erasure, which is not initialed by the signer of the bid.
 - 5. The bidder changes or qualifies a material term or condition of the invitation to bid.

The Board reserves the right to waive any and all irregularities on any or all bids except those noted in Section 6B above.

7. Award of Contract

The contract shall be awarded to the lowest responsible bidder after a minimum 10-day bid protest period, in making this determination, the District may consider, in addition to price, any of the following:

- A. The ability, capacity, and skill of the bidder to perform the contract.
- B. The quality of the performance by the bidder on previous contracts.
- C. The number and scope of conditions attached to the bid.

Additions shown in *highlighted italic text*
Deletions shown in ~~striketrough text~~

Business and Noninstructional Operations

AR 3311(c)

BIDS (continued)

7. Award of Contract (continued)

- D. The availability of replacements, replacement parts, and maintenance service, and/or the quality and availability of the supplies or equipment.
- E. Preference of five percent (5%), not to exceed \$5,000 to local bidders. For purposes of this section, local bidder shall mean a qualified bidder with an office located in Alaska. If there are no such bidders, then local bidder shall be expanded to include any qualified bidder who is a resident of Alaska.
- F. When two or more identical bids are received, the Board may determine by lot which bid shall be accepted.
- G. After being opened, all advertised bids shall be made available for review by all interested parties.

Legal Reference:

ALASKA ADMINISTRATIVE CODE

4 AAC 31.080 Construction and acquisition of public school facilities

ATTORNEY GENERAL OPINION

A.G. File #663-04-0103

Reviewed 4/07

Revised 9/93, 10/10

Additions shown in *highlighted italic text*
Deletions shown in ~~striketrough text~~

Business and Noninstructional Operations

BP 3312

CONTRACTS

The Superintendent or designee may enter into contracts on behalf of the district. All contracts must be approved or ratified by the School Board.

(cf. 3300 - Expenditures/Expending Authority)

Contracts between the district and outside agencies shall conform to standards required by law and shall be prepared under the direction of the Superintendent or designee. Contracts, where appropriate, shall be submitted to the legal advisor of the district for review and approval.

The district shall not enter into any contract with a person, agency, or organization if it has knowledge that such person, agency or organization discriminates on the basis of race, color, creed, gender, religion, ancestry, national origin, age or nonjob-related handicap or disability, either in employment practices or in the provision of benefits of services to students or employees.

(cf. 0410 - Nondiscrimination in District Programs and Activities)

Legal Reference:

ALASKA STATUTES

14.08.101 Powers

ALASKA ADMINISTRATIVE CODE

4 AAC 27.085 Competitive pupil transportation proposals

4 AAC 27.100 Contractor's duties

4 AAC 31.065 Selection of designers and construction managers

4 AAC 31.080 Construction and acquisition of public school facilities

Additions shown in *highlighted italic text*
Deletions shown in ~~striketrough text~~

Business and Noninstructional Operations

BP 3314

PAYMENT FOR GOODS AND SERVICES

The Superintendent or designee may authorize payment only for those goods and services that have been approved or ratified by the School Board.

The Superintendent or designee may make advance payment if a decrease in cost is possible or if the material is unavailable to the district without advance payment.

The Superintendent or designee may pay invoices in excess of previously approved purchase order amounts without further Board approval when the excess amount represents sales tax, transportation charges, or charges made for the detention of a shipment during loading or unloading.

Additions shown in **highlighted italic text**
Deletions shown in ~~strikethrough text~~

Business and Noninstructional Operations

BP 3315

RELATIONS WITH VENDORS

Note: A.S. 11.56.100-11.56.130 define the felony offense of receiving a bribe and the misdemeanor offense of receiving unlawful gratuities. Receiving a bribe includes soliciting or receiving a benefit with the intention or understanding that a public servant's decisions or actions will be influenced. Receiving unlawful gratuities includes soliciting a benefit of any value or accepting any benefit having a value of \$50 or more for performing an official act not entitled to any special or additional compensation.

No district employee or Board member shall accept personal gifts, commissions or expense-paid trips from individuals or companies selling equipment, materials or services required in the operation of district programs. Gifts include any gift purchased specifically for an employee which is not generally offered to other buyers.

This policy does not prohibit employees from accepting promotional or advertising items such as calendars, desk pads, notebooks and other office gadgets which are offered by business concerns free to all as part of their public relations programs.

District employees who work for or serve as consultants for potential vendors shall not participate in evaluating any equipment, materials or services of that vendor or its competitors.

(cf. 6161.1 - Selection and Evaluation of Instructional Materials)
(cf. 9270 - Conflict of Interest)

This policy does not prohibit the Board from accepting materials and/or services which are of use and benefit to the district.

(cf. 3290 - Gifts, Grants and Bequests)

Universal Service Program/E-Rate Vendors

Note: The following language should be adopted by those districts receiving E-rate discounts. Effective 2011, the FCC amended its E-rate program rules and adopted gift restrictions for schools and districts participating in E-rate. The receipt of gifts by applicants from service providers and potential providers is a competitive bidding violation. The gift prohibitions are always applicable, not just during the bidding process. Relevant school district personnel may not solicit or receive any gift or other thing of value from a service provider participating in or seeking to participate in the E-rate program. There are limited exceptions, including when the value of the item is worth \$20 or less, so long as items do not exceed \$50 per year per employee from any one service provider.

The District takes advantage of federal technology funding through the universal service program known as E-rate. E-rate participants may not, at any time, solicit or accept gifts or other things of value from an existing or potential E-rate service provider. Nominal gifts and refreshments may be allowed as authorized by the Superintendent or designee.

Additions shown in *highlighted italic text*
Deletions shown in ~~striketrough text~~

Business and Noninstructional Operations

BP 3315(b)

RELATIONS WITH VENDORS (continued)

E-rate gift prohibitions apply to the School Board and to employees, consultants or contractors involved in the District's E-rate Program who: prepare, approve, sign, or submit E-rate applications, technology plans or other E-rate forms; prepare bids, communicate, or work with E-rate service providers, E-rate consultants, or the Universal Service Administrative Company; and those responsible for monitoring compliance with the E-rate program.

Charitable donations by service providers in support of the schools are permitted. These contributions may not be directly or indirectly related to E-rate procurement activities or decisions.

The Superintendent or designee shall develop guidelines to implement this policy in compliance with E-rate program rules.

(cf. 3290 - Gifts, Grants and Bequests)

Legal Reference:

CODE OF FEDERAL REGULATIONS

47 C.F.R. Part 54, subpart f, Universal Service Support for Schools and Libraries

Reviewed 4/07

Revised 3/12