

SAGINAW LEARN TO EARN ACADEMY PROCEDURE

SUBJECT: **PROCUREMENT/PURCHASING**

Section: Finance
Procedure: 40a
Written: June 2018
Revision:
Revised:

Procedures:

Saginaw Learn to Earn Academy (Academy) follows the purchasing policies and procedures of the management company, which include obtaining approval from management for all purchases, creating purchase orders, using a preferred vendor whenever possible, obtaining three quotes for items over \$500, and identifying purchases with inventory tags.

A. Classroom and Office Supplies:

Classroom and office supplies are ordered through a preferred vendor approved via the management company's procurement procedure. The management company contracts with an office supply vendor to obtain competitive pricing. The School Accountant has a unique login to access the vendor's website, authorized by the management company. The management company has created an approved list of items that can be purchased.

1. A list of supplies to be ordered is kept in the supply room which is updated by staff members as needed. A designated staff member notifies the School Accountant when an order needs to be placed. The School Accountant logs into the vendor's website and selects items to purchase and submits the order. The designated employee in the accounting department at the management company is notified through the website that an order needs to be approved. The designated employee in the accounting department approves and submits the order via the website.
2. If grant funds are used for the purchase, the School Accountant verifies that there are sufficient funds in the grant budget to make the purchase and that it is included in the grant budget that has been approved by the MDE. A note is made on the order summary identifying the grant the expenses should be charged to.
3. The School Accountant prints the order summary after the designated employee in the accounting department of the management company approves and submits the order.
4. When the shipment arrives at the school, the pack slip is checked against the order summary to verify that all items have been received. The pack slip and order summary are sent to the management company.
5. Items purchased using grant funds are identified by writing the name of the grant on the item.

B. All Other Purchases:

1. Items that are not purchased through the preferred vendor require a purchase order

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- (PO). When an item is requested, staff members notify the Superintendent. If the Superintendent determines that there is a need to purchase the item(s), a PO is created. It is given to the designated employee at the management company for approval. After approval, a PO number is assigned. A copy of the PO is returned to the School Accountant. The School Accountant submits the PO to the vendor via fax or email.
2. If grant funds are used for the purchase, the School Accountant verifies that there are sufficient funds in the grant budget to make the purchase and that it is included in the grant budget that has been approved by the MDE. A notation is made on the PO identifying the grant the expenses should be charged to.
 3. When the order arrives, the pack slip is checked against the order summary to verify that all items have been received. The pack slip is sent to the management company.
 4. An employee may request reimbursement for an item purchased if the expense was pre-approved by the Superintendent. The employee fills out an Expense Reimbursement Request form including name, date, description of the item(s) purchased, reason for the purchase and signature. The Superintendent approves via signature and the request is submitted to the designated employee in the accounting department at the management company.
 5. If grant funds are used for the purchase, the School Accountant verifies that there are sufficient funds in the grant budget to make the purchase. The School Accountant also verifies that the item(s) is included in the grant budget that has been approved by the MDE. A notation is made on the reimbursement request identifying the grant the expenses should be charged to.
 6. Items purchased using grant funds are identified by writing the name of the grant on the item.
- C. Non-Capitalized Equipment:
1. Three quotes must be obtained for items costing over \$500. The Superintendent reviews the quotes with the designated employee at the management company to determine which bid will be accepted. A PO is created using the management company's PO form.
 2. Items costing over \$500 are tagged with an inventory tag and recorded on the inventory log. If the item is purchased with grant funds, an inventory tag identifying the grant will also be attached.
 3. Items purchased using grant funds that are not tagged with an inventory tag are identified as having been purchased with grant funds by writing the name of the grant on the item.
- D. At month end, a Job Distribution Report that captures all expenses related to the Academy is run via the management company's accounting software. The School Accountant uses the Job Distribution Report to post expenses to the general ledger utilizing the MDE chart of accounts. Expenses are posted in separate accounts for general funds and grant funds.

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