

## Operational Services

### Review and Approval of Purchases and Travel

The Board of Education, through the adoption of an annual budget and the approval and monitoring of District purchases and expenditures, fulfills its legal and fiduciary responsibilities to assure the appropriate and efficient use of the District's financial resources. All funds expended by the District are ultimately the responsibility of the Board of Education. This policy outlines the approval process for District purchases of goods and services and travel. (Services covered by this policy to not include District employee salaries.)

Approval Hierarchy. All expenditure approvals, excluding P-Cards per Board Policy 4:55, require a minimum of two individual approvals.

Expenditures up to \$999:	Clerical and FM
Expenditures from \$1,000 to \$2,499:	Above plus FM Supervisor
Expenditures from \$2,500 to \$9,999:	Above plus Chief Curriculum, Financial, or Legal Officer
Expenditures from \$10,000 to \$24,999:	Above plus Superintendent
Expenditures \$25,000 and above:	Above plus Board of Education

### Conflicts of Interest

Neither the District, nor any District employee acting on behalf of the District, shall purchase goods or services for the District from another employee, a family member, or an individual or entity with which the purchaser has a direct business or economic relationship without first disclosing in writing such purchase and relationship to the Superintendent and the Chief Financial Officer prior to any financial commitment on behalf of the District. After separate reviews of the proposed purchase by the Superintendent and the Chief Financial Officer, each will provide a written statement whether or not the purchase will be allowed. If either the Superintendent or the Chief Financial Officer disapprove of the expenditure because of the relationship, the expenditure will not be allowed.

### Minority Participation

The Purchasing Officer shall maintain an updated Minority/Female-owned Vendor Listings and, whenever possible, shall include those vendors as part of the bidders' list. The Board sets the goal that ten percent (10%) of the total purchases be to minority or women-owned vendors. Applicable purchases excludes utilities, textbooks, goods procured from only one source, and purchases obtained through any purchasing cooperative authorized by Illinois Compiled Statutes.

The District shall also encourage capital project contractors to make every reasonable effort to establish appropriate minority participation in their workforce. When construction work involves subcontractors, the Board encourages at least ten percent (10%) of the subcontractors be Minority Owned and five percent (5%) be Women Owned. For General Contractors, the Board encourages at least 18 percent (18%) of the workforce be from a minority group and 5 percent (5%) be women.

Reporting of Purchase Orders to the Board. The Superintendent and appropriate administrators, as outlined above, are authorized to approve Requisitions and initiate Purchase Orders up to \$25,000. All Purchase Orders issued above \$2,500 and below \$25,000 will be reported to the Board of Education as an information item at the next regularly scheduled meeting.

The Board of Education must receive at a regularly scheduled meeting and consider for approval each of the following transactions before any purchase or other financial commitment is made by any District employee:

- Any purchase order of \$25,000 or above
- Any potential expenditure subject to competitive bidding prior to the initiation of any competitive bidding process. Note that any competitive bidding that results in the potential issuance of a Purchase Order or any other expenditure commitment must have the Purchase Order or expenditure commitment also approved by the Board of Education prior to the issuance of any financial commitment.

**Travel Approval.** All travel outside of the state of Illinois and all travel involving estimated expenditures exceeding \$1,000, including registrations, must receive Board of Education approval before any financial commitment or expenditure is made for such travel. The use of a P-Card does not relieve the user of the P-Card of receiving prior Board of Education approval if travel exceeds \$1,000 or involves out-of-state travel. In-state travel and travel costing less than \$1,000 may be approved by the Superintendent. If emergency travel is necessary for which prior required Board of Education approval could not be obtained, the Superintendent will notify the Board President of such travel and report the necessity and cost of such emergency travel to the Board of Education at the next scheduled meeting.

LEGAL REF.: 105 ILCS 5/10-20.21, 105 ILCS 5/10-20.44

CROSS REF: 4:50 (Payment Procedures), 4:55 (Use of Credit and Procurement Cards), 4:60 (Purchases)

ADOPTED: September 28, 2015

## **Purchases of Goods and Services.**

### **Definitions.**

**Purchase Requisition.** A request initiated by an employee for approval to purchase a specific good or service. The requisition must include specific information regarding the purchase, such as a description of the good or service, quantity, date needed, shipping requirements, and estimated costs. The requisition is only a request until approved at all required levels.

**Purchase Order.** Once a requisition is approved, a Purchase Order is issued to a vendor, assuming required competitive bidding is complete or at least 3 quotes have been obtained. The Purchase Order creates the contractual relationship between the District and a vendor for the purchase of the specified goods or service.

**Purchasing Card (P-card).** A purchasing card, or P-card, is a District charge card that allows the card holder to purchase goods and services in a more efficient manner without using a traditional purchasing processes.

**Financial Manager (FM).** The District employee identified in Skyward as the individual responsible for a specific budget account.

### **Purchasing Approval Process**

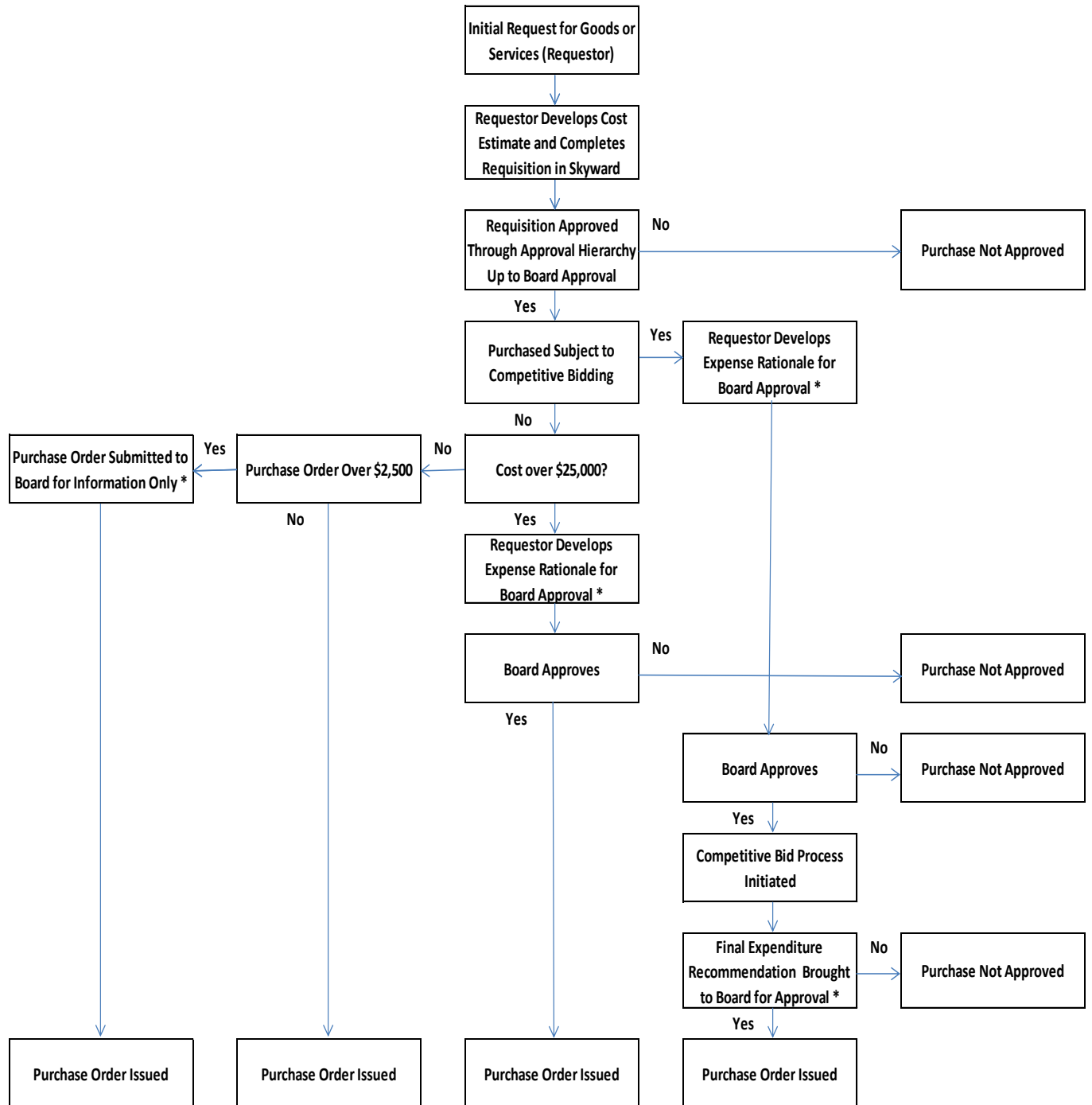
The typical purchase of goods or services starts with the individual requesting the purchase by initiating a requisition in Skyward. Certain expenditures, such as expenditures from petty cash or emergencies, may not involve a requisition. The requestor must include in the requisition all relevant purchasing information as the requisition will serve as the basis for the purchase order. Upon completion and submission, the requisition will be automatically sent for approval per the approval hierarchy. Except for emergency purchases, natural gas, and utility services, no financial commitment, expenditure obligation or purchase order can occur or be completed before all approvals are obtained. Expenditures up to \$25,000 can be approved by the Superintendent and reported to the Board as outlined below. All expenditures of \$25,000 or more require Board of Education approval prior to any financial commitment being made, including the issuance of a Purchase Order.

For purchases requiring competitive bidding or involving multi-year leases, prior to the initiation of the competitive bidding or leasing process, the Board of Education will be advised of, and vote to authorize, the planned procurement prior to the initiation of the bidding or leasing process. All bidding and leasing must in compliance with the Illinois School Code. Should the procurement process result in an expenditure recommendation, the Board will also be asked to approve the purchase or lease. The District Supervisor of Purchasing will assist in all bidding procurements.

### **Operational Flowchart**

The following page provides the operational flowchart for purchase approvals.

**PEORIA PUBLIC SCHOOLS DISTRICT 150  
PURCHASING REQUEST AND APPROVAL PROCESS**



\* Subject to review by legal counsel