

FALLBROOK UNION HIGH SCHOOL DISTRICT

DATE: January 13, 2014

TOPIC: Board Policy and Administrative Regulation 3300 – Expenditures/Expending Authority

ACTION X **CONSENT** _____ **INFORMATION** _____

BACKGROUND INFORMATION:

The Business Office is reviewing several of our business practices to streamline procedures and expedite procurement. A review of Board Policy 3300, Expenditures/Expending Authority indicates a need to revise the policy to allow for purchases which have been verbally authorized by the appropriate administrator and, by necessity, must often take place when the business office is closed and therefore unavailable to create a purchase order in advance of the purchase. The district has not had an AR 3300 in place, but has determined a need for the administrative regulation.

CURRENT CONSIDERATIONS

BP 3300 has been revised to allow for authorized purchase(s) and payment following the purchase(s). It is submitted for approval

AR 3300 is new and is presented for approval.

FINANCIAL IMPLICATIONS

There are no direct financial implications associated with this agenda item.

ALIGNMENT WITH DISTRICT GOALS

District Goal VIII states that the Fallbrook Union High School District will continue to seek opportunities for cost savings and economic efficiencies while providing a fiscally sound budget plan that both supports the District’s educational mission and provides for a stable reserve balance. The proposed revision of Board Policy 3300 and the adoption of AR 3300 are in direct support of this goal.

RECOMMENDATION

The Superintendent recommends that the Board of Trustees approves the revisions to BP 3300 – Expenditures/Expending Authority, as presented and approves the new AR 3300 as presented.

Wilson H. Hatcher
Chief Business Officer
(Originator)

Dale J. Mitchell, Ed.D.
Superintendent

Fallbrook Union HSD

Board Policy

Expenditures/Expending Authority

BP 3300

Business and Noninstructional Operations

The Board of Trustees recognizes its fiduciary responsibility to oversee the prudent expenditure of district funds. In order to best serve district interests, the Superintendent or designee shall develop and maintain effective purchasing procedures that are consistent with sound financial controls and that ensure the district receives maximum value for items purchased. He/she shall ensure that records of expenditures and purchases are maintained in accordance with law.

The Superintendent or designee may purchase supplies, materials and equipment in accordance with Board policy and administrative regulations. Such purchases shall not exceed the limits imposed by law. All such transactions shall be reviewed by the Board every 60 days. (Education Code 17605)

The Board shall review all transactions entered into by the Superintendent or designee on behalf of the Board no more than every 60 days. (Education Code 17605)

The Superintendent or designee may authorize an expenditure which exceeds the budget classification allowance against which the expenditure is the proper charge only if an amount sufficient to cover the purchase is available in the budget for transfer by the Board.

District funds shall not be expended for the purchase of alcoholic beverages. (Education Code 32435)

Purchasing Procedures

Insofar as possible, goods and services purchased shall meet the needs of the person or department ordering them at the lowest price consistent with standard purchasing practices. Maintenance costs, replacement costs, and trade-in values shall be considered when determining the most economical purchase price. When price, fitness, and quality are equal, recycled products shall be preferred when procuring materials for use in district schools and buildings.

All purchases shall be made by formal contract or purchase order or shall be accompanied by a receipt/invoice. An authorization to purchase, signed by a supervisor, may be used in place of a purchase order. In order to eliminate the processing of numerous small purchase orders, the Superintendent or designee may create a "blanket" or "open" purchase order system for the purchase of minor items as needed from a vendor. He/she shall ensure that the "open" purchase order system details a maximum purchase amount, the types of items that can be purchased under this order, the individuals authorized to approve purchases, and the expiration date of the "open" order.

The Superintendent or designee may develop a purchase card program so long as each individual card is controlled by the number of transactions, the dollar value per transaction and merchant category codes.

Legal Reference:

EDUCATION CODE

17604 Delegation of powers to agents; approval or ratification of contracts by governing board

17605 Delegation of authority to purchase supplies and equipment

32370-32376 Recycling paper

32435 Prohibited use of public funds, alcoholic beverages

35010 Control of district; prescription and enforcement of rules

35035 Powers and duties of superintendent

35160 Authority of governing boards

35250 Duty to keep certain records and reports

38083 Purchase of perishable foodstuffs and seasonal commodities

41010 Accounting system

41014 Requirement of budgetary accounting

GOVERNMENT CODE

4330-4334 California made materials

PUBLIC CONTRACT CODE

3410 U.S. produce and processed foods

20111 Contracts over \$50,000; contracts for construction; award to lowest responsible bidder

Management Resources:

CSBA PUBLICATIONS

Maximizing School Board Governance: Fiscal Accountability, 2006

WEB SITES

CSBA, Financial Services: <http://www.csba.org/fs>

California Association of School Business Officials: <http://www.casbo.org>

California Department of Education: <http://www.cde.ca.gov>

Policy FALLBROOK UNION HIGH SCHOOL DISTRICT

adopted: May 9, 1995 Fallbrook, California

revised: September 14, 2009

revised: June 13, 2011

revised:

Fallbrook Union High School District

Administrative Regulation

Expenditures/Expending Authority

AR 3300

Business and Noninstructional Operations

Purchasing Procedures

Certain administrators of the district are granted the oversight responsibility for budget allocations for their respective school sites or departments. This responsibility includes the requirement to authorize purchases of goods and/or services. Any purchase may be made using one of the following methods:

School Site Administrators:

1. P-card, if available), up to \$750 for single transaction – See the P-card Program Policies and Procedures Handbook.
2. Telephone or on-line orders up to \$750 for single transaction that will be followed with an invoice/receipt of purchase.
3. Requisition or online purchase order for transaction in excess of \$750.
4. In person purchases for reimbursement up to \$200.
5. Blanket purchase orders may be issued in amounts not to exceed \$200.
6. All items must be shipped to a district address. No other address may be used for shipping.

Department Administrators

1. P-card, if available), up to \$750 for single transaction – See the P-card Program Policies and Procedures Handbook.
2. Telephone or on-line orders up to \$750 for single transaction that will be followed with an invoice/receipt of purchase.
3. Requisition or online purchase order for transaction in excess of \$750.
4. In person purchases for reimbursement up to \$200.
5. Blanket purchase orders may be issued in amounts not to exceed \$200.

Expense Reimbursement

Personnel and officials who incur expenses in carrying out their authorized duties shall be reimbursed by the district upon their submission of a properly completed and approved district form and such original supporting itemized receipts as are required by the business office. Such expenses may be approved in accordance with budgetary allocations for specific types of expenses and with Board policies and administrative regulations pertaining to travel.

In no instance will the district reimburse any individuals for:

1. Interdepartmental expenses incurred by supervisors, managers, directors, officers, or Superintendents arising in connection with employee birthdays, anniversaries, showers, or retirement parties and/or any such social event incidental to the purpose and mission of the

district.

2. Expenses incurred for the beautification of any district office which involve the purchase of pictures, frames, photographs, paintings, prints, flowers, or other such supplies of a purely cosmetic utility.

3. Coffee, doughnuts, popcorn, etc., for consumption during individual work hours.

4. Food or beverage expenses incurred in connection with conferences, in-service workshops, or other district-sponsored or approved events without prior budget approval and adherence to regulations pertaining to in-service workshops.

Special Events/Activities

The Superintendent or designee may require officers and employees to meet during meal periods and to provide nonalcoholic beverages and/or refreshments and to provide for other certain items related to these meetings or events as designated and approved. Therefore, the following activities are approved for service of nonalcoholic beverages and/or other refreshments:

1. Functions for volunteers and retiring employees

2. Activities honoring individuals in education

3. Public Schools Week activities

4. Educational events

5. Seminars and workshops

6. Educational committee meetings

7. Group planning and operational meetings

The following items related to the above are approved for payment:

1. Speakers' fees

2. Rental of space and equipment

3. Framed certificates, plaques, and trophies

4. Flowers and gifts

All necessary paperwork and receipts shall be filed in a timely manner and in accordance with district procedures.

Awards and Special Recognition

The Board of a school district may make awards to employees who do any of the following:

1. One Certificated and one classified employee are awarded \$25 for Employees of the Month, and \$500 for Employees of the Year.
2. Longevity awards are earned at \$500 for 30 years, \$1,000 for 35 years, and \$1500 for 40 years.
3. Perfect attendance awards for the year are \$25.
4. Propose procedures or ideas that thereafter are adopted and effectuated, and that result in eliminating or reducing district expenditures or improving operations.
5. Perform special acts or special services in the public interest.
6. By their superior accomplishments, make exceptional contributions to the efficiency, economy, or other improvement in operations of the school district.

The Board of a school district may make awards to pupils for excellence.

The Superintendent or designee may make awards to students and recognize the special circumstances of employees, officials, and community members in the following manner:

1. Food and beverages - limited to \$3 for snacks and treats for individuals and \$15 per person for group meals.
2. Clothing not to exceed \$25 per person.

The Superintendent or designee may expend funds for these purposes and such expenses for awards and special recognition duly authorized shall be paid from district funds in accordance with administrative regulations and procedures.

Regulation FALLBROOK UNION HIGH SCHOOL DISTRICT

issued: Fallbrook, California

Revised: