

SECTION 2. EXPENDITURES – PURCHASING

A. PURCHASING PROCEDURES

1. Purchases are made in accordance with applicable legal requirements.
2. A purchase order must be filled out and submitted to the Principal or Department Supervisor for approval. Once approval is received, the purchase order is given to the business office for further processing.
3. The Superintendent reviews the purchase order to determine if the items are needed for purchase.
4. Once approved by the Superintendent, the Controller reviews the purchase order to ensure funds are available. The expense account is also determined at this point.
5. Copies of the purchase order are then distributed to the department requesting the purchase and to the vendor. The Business Office retains a copy for its records.
6. Purchases exceeding the State of Michigan purchasing threshold as permitted by state statute must be competitively bid.
7. Purchases being made using Federal grant monies require special approval. These purchases can only be made if specifically approved in the grant application.
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B. APPROVAL PROCESS FOR NEW VENDORS

1. All new vendors must be approved by the Controller prior to a requisition being approved or a purchase order issued.
2. The vendor must provide the Business Office with its name, address and phone number as well as its Social Security number or Employer Identification Number and completed W-9 forms.
3. If the vendor is being used for purchases paid for with Federal funds, the vendor must be checked against the Federal Excluded Party Data System. If the vendor is listed in this database, Barack Obama Leadership Academy will not conduct business with this vendor.
4. After a vendor is approved, the Accounts payable Department set up the vendor in the accounting system and the purchase order will be issued.

C. RECEIVING

1. A copy of all approved purchase orders is forwarded to the person requesting the purchase.
2. The person who requested the purchase compares the purchase order to the shipping documents to inspect items for condition and proper quantity.
3. Once the items have been checked in, the purchase order and the shipping papers are sent to the School Administrative Office indicating that the

shipment has been received. Any discrepancies between the purchase order and the shipment received as well as any damage should be noted.

4. The Controller matches receiving paperwork against invoices for payment.
5. Fixed asset and capital outlay purchases must be inventoried according to district policies.