



Accounting & Finance
(541) 862-3111 ext: 5260
Fax: (541) 862-3119
lisa.cross@threerivers.k12.or.us

Memo

To: TRSD Board Members
From: Lisa Cross
CC: Dan Huber-Kantola
Date: 6/11/2012
Re: Additional Information for Proposed Policy Revision DJ - Purchasing

District Purchasing policy DJ was adopted in 2006. In July of 2008 the positions of Superintendent and Director of Fiscal & Support Services were combined. The policy change adds an allowance for the Director to designate an additional (second) employee for approval on purchases and invoices.

ORS 279A.075 Delegation, allows, "(1) *Unless otherwise provided in the Public Contracting Code, the exercise of all authorities in the code may be delegated and subdelegated in whole or in part.*"

ORS 332.075 Powers of the Board, states, "(3) ... a district school board may, by resolution or policy, *authorize its superintendent or the superintendent's designee to enter into and approve payment on contracts for products, materials, supplies, capital outlay, equipment and services that are within appropriations made by the district school board...*"

Below are the different transaction types and authorization flows for your review:

Check Requests

- Check request initiated at the building level, requires immediate administrator approval (principal or director responsible for those funds).
- Additionally, in the case of Title dollars the request is forwarded to the curriculum department for approval.
- The request is then routed to the business department for approval where we check for a number of criteria:
 - Use of appropriate account codes
 - Use of appropriate approval groups
 - Supporting documentation is attached and complete
 - Requirement for quotes or purchase from state contracted bids, and appropriate awarding of quotes or bids
 - Notification to other departments / locations regarding impact of purchase
 - Requests issued in correct fiscal year
- Requests submitted to the senior Accounts Payable clerk for payment, where she reviews for similar criteria. (Please see the attached Internal Controls Guidelines for complete business department procedures)
- For every batch of checks the senior Accounts Payable clerk will print a Cash Requirements list from the associated checks and submit to the Superintendent for approval.
- Any check over \$5,000 requires a review and signature from another Director.
- All payments are submitted monthly for approval by the Board.

Purchase Orders

- Purchase Requisitions are submitted within the Financial Accounting System by office managers, bookkeepers, or librarians. The system's security allows for limitations on use of account codes by location and the employees authorized to approve requisitions.
- The requisition is then available for approval by the Principal or Director. Again, if they are Title funds the approval is required from the curriculum department.
- The 3rd step is approval at the business office level where requisitions are reviewed for much of the criteria mentioned above and/or placed on hold until quotes are received, other departments are notified, etc.
- Once approved by the business department, the purchase order is available for review and approval and issuance by the Support Services Coordinator.