District Issuance of Checks and Other Payment Options

AUTHORIZATION

The treasurer shall prepare, in accordance with the state mandated District Administration Software, a "Paid Warrant Report"~~"Orders of the Treasurer"~~ to be presented~~acted upon~~ at each regular Board meeting.~~, where they are presented on the consent agenda. Except for situations requiring subsequent Board approval, before checks are issued, the treasurer shall have received the approved orders, which shall include signatures of the chairperson, treasurer and secretary of the Board.~~

~~The Board shall designate one (1) or more Board members to review Orders of the Treasurer and all back-up documentation requested before a meeting for items that may need clarification prior to presentation for final approval for payment.~~

PAYMENT OF CLAIMS

Invoices for just and proper claims against the District for services, supplies, and equipment shall be processed efficiently and paid promptly according to approved procedures and policies. In keeping with prudent and sound business practices, the Superintendent or designee shall establish adequate internal controls for all purchases and all appropriations to individual schools or departments.

~~Directors must authorize all purchase orders of $10,000 to $20,000. Purchase orders for more than $20,000 must have approval of both the Director and the Superintendent prior to authorization for purchase by the budget manager~~.

With the exception of recurring monthly payments such as utilities and fixed charges, payments to vendors shall require the following supportive information:

1. A purchase order, when applicable, produced under the authority of the Superintendent or designee;
2. An invoice as to goods or services shipped/received;
3. Confirmation that invoiced materials or services were shipped/received in accurate quantity and in acceptable condition.
4. Travel reimbursement request forms inclusive of substantiating documentation provided in the travel policies and procedures handbook and prior Board approval, as applicable.

BOARD MINUTES

The original copy of the Paid Warrant Report"~~warrants or "Orders"~~ shall be maintained on file as a part of the official Board minutes.

~~**SUBSEQUENT APPROVAL (POST APPROVAL)**~~

~~The Board shall give subsequent approval to all budgeted disbursements made between meetings of the Board. Payment made between regular Board meetings where "Orders of the Treasurer" are presented on the consent agenda shall be confined to the following:~~

1. ~~Contracts (including legal matters, renovations and new construction),~~
2. ~~Salaries,~~

~~DEBT SERVICE,~~

District Issuance of Checks and Other Payment Options

~~SUBSEQUENT APPROVAL (POST APPROVAL) [CONTINUED]~~

3. ~~Preapproved contract schedules,~~
4. ~~Payments to take advantage of discounts, prevent penalties, avoid disruption of services, and make necessary interfund transfers, and~~
5. ~~Payments for purchases made in accordance with District policy and procedures to avoid invoices being more than thirty (30) days past due as of the date of the Board meeting.~~

DIRECT DEPOSIT

Employees shall participate in the program to receive net pay deposited electronically to a designated account in any bank, savings and loan, or credit union that is a member of the National Automatic Clearing House Association (NACHA). In addition to standard electronic deposits to traditional financial institutions, the District may utilize an ePayroll program (or similar Board-approved electronic payroll card program) as an authorized method for distributing employee net pay. Participation in this program shall satisfy the requirement for electronic net pay distribution and will be subject to the same internal controls and procedures as standard direct deposits.

ELECTRONIC FUNDS TRANSFER (EFT)

Vendors have the option to receive payments via Electronic Funds Transfer (EFT). Such payments shall follow the same authorizations, policies and procedures as are required for payment by check. The method of payment is the only difference. Employees shall participate in the program to receive approved reimbursements.

REFERENCES:

KRS 160.290; KRS 160.340
KRS 160.370; KRS 160.560
OAG 79321; 702 KAR 3:120
Accounting Procedures for Kentucky School Activity Funds

RELATED POLICY:

04.31

Model Procurement Code Purchasing

AUTHORITY

Purchasing procedures shall conform to the Model Procurement Code, KRS 45A.345 KRS 45A.460, except as otherwise provided by law.[1] All contracts or purchases shall be awarded by competitive sealed bidding or competitive negotiation, both of which may include the use of a reverse auction, except as otherwise provided by law.[2]

All purchases of Kentucky Education Technology System (KETS) components shall adhere to KETS architectural standards and procedures.

~~The District may purchase supplies and/or equipment outside an established price contract of the federal government (GSA), the State Division of Purchases, a cooperative agency bid approved by the Board, or a District bid if:~~

1. ~~The supplies and/or equipment meet the specifications of contracts awarded by the Division of Purchases, a federal agency (GSA), a cooperative agency, or a District bid;~~
2. ~~The supplies and/or equipment are available for purchase at a lower price;~~
3. ~~The purchase does not exceed $2,500[4&6]; and~~
4. ~~The District's finance or purchasing officer has certified compliance with the first and second requirements.~~

~~The Fayette County Public School System (FCPS) supports the participation of Minority, Women, and Veterans' Business Enterprises (MBE/WBE/VBE) in the bidding process. District leadership shall annually track and report the inclusion and participation of minority-, women-, and veteran-owned businesses from all procurement contracts, projects and awards relative to the District's annual spend. District leadership shall present data to the Board on the participation of minority, women, and veteran-owned businesses on at least an annual basis.~~

~~Prior to purchase of education technology components defined in the master technology plan, the Department of Education must certify that the items to be purchased meet or exceed the specifications of components of the original equipment of manufacturers currently holding Kentucky price contracts.~~[4]

~~PURCHASING FROM MINORITY, WOMEN AND VETERAN BUSINESS ENTERPRISES~~

~~The Board supports the purchase of goods; construction, renovation and repair services; and other services from minority, women, and veteran-owned businesses by the District.~~

~~The District shall develop and implement purchasing procedures, in accordance with the Kentucky Model Procurement Code (KRS 45A.345 to 45A.460); KRS Chapters 136, 139, 141, 337, 338, 341, and 342; related administrative regulations; and other pertinent state and federal laws, that actively promote increasing opportunities for minority, women, and veteran-owned businesses to become vendors providing goods and services to the District.~~

~~Model Procurement Code Purchasing~~

~~PURCHASING FROM MINORITY, WOMEN AND VETERAN BUSINESS ENTERPRISES (CONTINUED)~~

~~This policy and related procedures shall establish expectations of good faith efforts by prospective vendors for minority, women, and veteran-owned business participation and include mechanisms to document and measure those efforts. However, nothing about the terms of this policy, nor any related procedure or form, shall be construed to mean the District will not comply with applicable provisions of procurement law, including but not necessarily limited to applicable provisions of KRS Chapter 45A, nor shall it be construed to mean the District will award contracts to bidders, contractors, and subcontractors who are not qualified, willing, and able to perform a given contract or project.~~

~~The District shall establish procedures for its use, to assist District staff responsible for bidding and purchase processes in meeting good faith effort requirements.~~

~~ADMINISTRATION~~

~~District leadership shall incorporate procedures established under this policy as part of their financial and management responsibilities over District procurement processes. District leadership shall be responsible for supporting effective implementation of this policy. District leadership may also encourage, track, and report the inclusion and participation of potentially underrepresented businesses not addressed in this policy.~~

~~DEFINITIONS~~

~~As used in this policy:~~

~~**Construction, renovation, and repair services** means the erection, construction, alteration, or repair of District facilities.~~

~~**Goods** means supplies, materials, and equipment.~~

~~**Other services** means services procured by District that are not construction, renovation, and repair services.~~

~~**Minority Business Enterprise (MBE)** means a business that is certified as being at least fifty-one percent (51%) controlled by one (1) or more racial/ethnic minority persons of either sex. A racial/ethnic minority person shall be described as follows: Black or African-American, Hispanic-American, Asian-American, Native American.~~

~~**Women Business Enterprise (WBE)** means a business that is certified as being at least fifty-one percent (51%) controlled by one or more non-minority women.~~

~~**Veteran Business Enterprise (VBE)** means a small business that is certified as being at least fifty-one percent (51%) controlled by one (1) or more veterans, and that has one or more veterans managing day-to-day operations and also making long-term decisions.~~

~~**M/W/VBE** means a minority, women, and veteran business enterprise.~~

~~SUPPORT FOR VENDOR UTILIZATION~~

~~The District shall establish an ongoing outreach effort to MBEs, WBEs, and VBEs including, but not limited to providing information and guidance regarding doing business with the District and assisting vendors with the District's e-procurement system. The District shall establish and maintain partnerships with existing management and technical assistance providers to assist MBEs and WBEs in securing and meeting performance expectations for District contracts.~~

~~Model Procurement Code Purchasing~~

~~M/W/VBE GOALS AND GOOD FAITH EFFORT~~

~~For Construction, Renovation, and Repair Services Projects~~

~~The District is committed to inclusive practices and supports equitable opportunities for minority, women, and veteran-owned businesses to participate in construction contracting opportunities. The District shall utilize relevant and objective data acquired from its own studies and/or other governmental entities to determine the availability of M/W/VBEs in its geographic area and shall make efforts to ensure its participation goals reasonably reflect that availability. The District shall establish objective evaluation criteria that encourages prime contractors to work with minority, women, and veteran-owned subcontractors or suppliers they have not previously worked with. Such criteria may include but not necessarily be limited to (1) awarding evaluation points for working with such subcontractors or suppliers; or (2) requiring prime contractors to either identify and use at least one such subcontractor or supplier or submit documented good faith efforts to identify and use at least one such subcontractor or supplier for the project at issue.~~

~~PURCHASE OF GOODS AND OTHER SERVICES~~

~~District staff shall make good faith efforts to utilize minority, women, and veteran-owned business vendors in accordance with documentation requirements set forth in District purchasing procedures. At a minimum, when feasible, District staff responsible for soliciting three price quotes for non-bid items shall make a good faith effort to include at least one minority, woman, or veteran-owned business vendor per quote, provided that in no case shall the District award contracts to bidders, contractors, and subcontractors who are not qualified, willing, and able to perform a given contract or project.~~

~~OTHER EFFORTS~~

~~The District, pursuant to established procedures, may use other efforts to increase minority, women, and veteran-owned business participation including but not limited to reserving certain small prime contracts for minority, women, and veteran-owned businesses, using invoice tracking software or systems to help ensure minority, women, and veteran-owned businesses are being used where required, sponsoring lender fairs, and establishing mentoring programs for minority, women, and veteran--owned businesses interested in doing business with the District.~~

~~DOCUMENTATION, REPORTING, AND EVALUATION~~

~~District leadership shall establish procedures for the collection, maintenance, and tracking of records at the District, department and school level relating to implementation of this policy to include, but not be limited to:~~

1. ~~Documentation of compliance with the good faith effort requirements; and~~
2. ~~Statistics regarding the utilization of MBEs, WBEs, and VBEs by District Departments and Schools.~~

~~District leadership shall:~~

1. ~~Submit annual written reports to the Board regarding the implementation of this policy; and~~

~~Model Procurement Code Purchasing~~

~~DOCUMENTATION, REPORTING, AND EVALUATION (CONTINUED)~~

2. ~~Conduct annual formal evaluations of the effectiveness of the minority, women, and veteran-owned business program.~~

PUBLIC-PRIVATE PARTNERSHIPS

The Board may utilize a public-private partnership delivery method. Public-private partnerships shall comply with KRS 65.028 and other applicable state laws and regulations.

FEDERAL AWARDS/CONFLICT OF INTEREST

No employee, officer, or agent of the District may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.[8]

The officers, employees, and agents of the District may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. In determining whether an activity constitutes an impermissible acceptance of a gratuity or item of monetary value, the definition of "gratuity" (covering anything of more than fifty dollars [$50] value) set forth in KRS 45A.445 shall apply. Violation of these standards may result in disciplinary action including, but not limited, to suspension, dismissal, or removal.

ETHICAL STANDARDS

To avoid conflicts that may arise during the decision-making process for procurement of services and products for the District, employees shall adhere to the ethical standards set out in KRS 45A.455.

PREFERENCE FOR RESIDENT BIDDERS

For all contracts funded in whole or in part by the District, the Board shall apply the reciprocal preference for resident bidders required by law. Geographical preferences relating to school nutrition service purchases may be utilized only as permitted by applicable federal law.[3]

EXEMPTIONS

Federal regulatory requirements do not provide a bidding exception of perishables using school nutrition service funds. Such purchases must follow applicable federal regulations.4

Refer to the Districts' purchasing notebook for complete details.

~~PRICE REDUCTIONS~~

~~Price reductions may be accepted on supplies and/or equipment being offered by the vendor with whom a price agreement has been made if the supplies and/or equipment meet all terms and conditions specified in the price agreement except for price and if the price reduction is offered to all participants in the price agreement. Price reductions may be accepted even if the reduced price requires the purchase of a specified quantity of units different from the quantity stated in the original price agreement.~~

~~SMALL PURCHASES~~

~~District small purchase procedures may be used for any contract in which the aggregate amount does not exceed $40,000.00.~~[5]

~~Model Procurement Code Purchasing~~

~~ADVERTISEMENT OF BIDS~~

~~Adequate public notice of invitations for bids shall be provided through posting via the District's web-based procurement portal and on the Internet or publication in the legal section of the local newspaper.~~[6]

~~WAIVER STIPULATION~~

~~The Board shall reserve the right to waive defects and informalities in proposals, to reject or accept any proposal, and to award by item, combination of items or lot.~~

~~RECORDING OF BIDS~~

~~All bids meeting Board specifications shall be recorded in Board minutes. In the event the lowest bid is not accepted, the Board shall record in the minutes the reason for the rejection.~~[7]

~~BACKGROUND CHECKS~~

~~The Superintendent shall require an adult who is permitted access to school grounds on a regularly scheduled and continuing basis pursuant to a written agreement for the purpose of providing services directly to a student or students as part of a school-sponsored program or activity to submit, at no expense to the District, to a national and state criminal history background check by the Kentucky State Police and the Federal Bureau of Investigation and to provide a clear CA/N check in keeping with KRS 160.380.~~[10]

~~The form for requesting a CA/N check is available on the Cabinet for Health and Family Services website.~~

REFERENCES:

[1]KRS 45A.343
[2]KRS 45A.345; KRS 160.290; KRS 45A.380
[3]KRS 160.303; 200 KAR 5:400; KRS 45A.494
[4]KRS 156.076
[5]KRS 45A.385
[6]KRS 45A.365
[7]702 KAR 3:135
[8]2 C.F.R. 200.318
[9]KRS 45A.360
[10]KRS 160.380
KRS 45A.352; KRS 45A.365; KRS 45A.370
KRS 45A.420; KRS 45A.445; KRS 45A.455
KRS 45A.460; KRS 45A.620
KRS 65.027; KRS 65.028; KRS 160.151; KRS 162.070; KRS 164A.575; KRS 176.080
200 KAR 5:355
OAG 79501; OAG 82170; OAG 82407
Kentucky Educational Technology Systems (KETS)

Model Procurement Code Purchasing

RELATED POLICIES:

05.6; 06.4; 07.13