

## **Alaka`i O Kaua`i Public Charter School**

### **Criteria and Procedures for Vendor and Contract Selection**

#### **1. PURPOSE**

- a. This document prescribes the process for purchasing goods and services for Alaka`i O Kaua`i Public Charter School in order to provide timely purchasing of quality goods and services in a cost effective manner. This document covers the purchase to payment process including Authorization, Vendor Management, Vendor Selection, and Approved Purchase Methods according to 103 D.

#### **2. PRACTICE**

- 2.1 Authorization: Only those authorized in the below procedures have the authority to contract for goods and services which create financial obligations for Alaka`i O Kaua`i Public Charter School.
- 2.2 Compliance: All actions, policies, and procedures will be completed in accordance with governmental regulations.
- 2.3 Code of conduct: Those operating on behalf of Alaka`i O Kaua`i Public Charter School will conduct themselves professionally and use methods that avoid appearances of impropriety. Decisions will be made with integrity and objectivity in the best interest of the organization.

#### **3. APPLICABILITY**

These practices and procedures apply to the purchase of goods and services to support Alaka`i O Kaua`i Public Charter School with the following exceptions:

- 3.1 Purchase of real estate
- 3.2 Auditor selection
- 3.4 Complex business arrangements
- 3.5 Provision of educational or other services to AOK students
- 3.6 Transactions that by nature may expose the organization to compliance risk or present a significant business exposure to AOK
- 3.7 Expense reports
- 3.8 Insurance

#### **4. RESPONSIBILITY**

- 4.1 The Governing Board is responsible for monitoring and initiating changes to this document.
- 4.2 The Governing Board is responsible for overall vendor management overseeing the overall purchase process for goods and services.
- 4.3 The Governing Board is responsible for ensuring that Purchasing practice and procedures are in accordance with applicable Federal, State, and local laws, regulations, codes, and ordinances.
- 4.4 The Governing Board establishes the approval authority for the purchasing process and contracts and approves Authorized Approvers (See Section 5.1).
- 4.5 The purchasers and Authorized Approvers are responsible for compliance with all policies and procedures for purchasing goods and services. They are responsible for

ensuring that purchases are made within their allowable budget and scope of business activities.

## **5. PROCEDURES**

### **5.1 Authorization**

- i. 5.1.1 All purchases must be approved by an Authorized Approver.
- ii. 5.1.2 The Governing Board has established the following Authorized Approvers for the purchasing of goods and services.
  - Business Manager and School Director – These individuals have the authority to approve purchases within their budget or Board Discretionary Funds. All purchases must align within the budget and curriculum standards. The Purchaser and the Authorized Approver should consult the Board financial committee and budget guidelines as necessary.
  - Service Center Department Managers – These individuals have the authority to approve purchases within their department budget or school budget for which they have assigned responsibility. Purchases must impact the position's direct responsibilities and NOT include those goods and services that are purchased centrally by the business manager.
  - Curriculum Coordinator, School Director and Business Manager – These individuals have the authority to approve purchases within the budget for the applicable school year.
  - Authorized Approvers may delegate their approval authority to others.

### **5.2 Vendor Management**

5.2.1 The Business Manager performs vendor evaluations, prepares Requests For Proposals (RFP) reviews proposals, and selects vendors and manages vendor relations to maximize value for Alaka`i O Kaua`i Public Charter School.

5.2.2 For certain commodities, the Business Manager evaluates vendors and completes a vendor selection process. The Business Manager provides on-going support and management of these vendors.

5.2.3 Preferred vendors are evaluated by the Business Manager. A formal RFP process may be performed. The vendor chosen by the Business Manager is recommended for purchases of the specific goods and services.

5.2.4 In order to control costs and continuously maximize value to Alaka`i O Kaua`i Public Charter School, the school's vendor relations will be monitored and periodically reviewed.

### **5.3 Vendor Selection**

- iii. 5.3.1 Alaka`i O Kaua`i Public Charter School will maintain a uniform vendor selection process, whether performed by the Business Manager, School Director, or Curriculum Coordinator. The selection process is as follows:

For purchases of goods and services of or over \$5,000, the following steps are to be completed.

- The Business Manager or purchaser prepares an RFP and requests quotes from at least three vendors unless other methods are more effective in maximizing value for Alaka`i O Kaua`i Public Charter School.
- The Business Manager or purchaser performs an analysis and evaluates alternatives so that the alternative offering the maximum value to Alaka`i O Kaua`i Public Charter School can be selected.
- Documentation supporting the selection process, such as evidence of quotes obtained should be retained by the Business Manager as required by the Records Retention and Disposal Policy.

For purchases of goods and services below \$5,000, the following steps are to be completed.

- Determine the best method of evaluating potential vendors (RFP, negotiated price, discount, etc.) and the goods or services they provide.
- Competitive processes will be used to the extent practicable for maximizing value for Alaka`i O Kaua`i Public Charter School. Typical practices would be to receive three competitive quotes.
- The Business Manager or purchaser performs an analysis and evaluates alternatives so that the alternative offering the maximum value to Alaka`i O Kaua`i Public Charter School can be selected.

#### 5.4 Approved Purchase Methods

The following methods are the approved methods for purchasing goods and services. The following methods are legally binding contracts between Alaka`i O Kaua`i Public Charter School and a vendor, authorized by the Authorized Approver on behalf of Alaka`i O Kaua`i Public Charter School.

5.4.1 Purchase Orders (POs) are the default method of purchasing goods. Purchase requests will be submitted and approved through the established electronic process. Corporate Credit Cards may be used by authorized card holders for the purchase of goods, travel and certain other expenses with a total value under \$500, inclusive of tax, delivery and add-on costs. Purchases are not to be “split” into multiple purchases to avoid the \$500 ceiling.

5.4.2 Non-PO Invoices may be submitted to the Business Manager if a vendor does not accept Alaka`i O Kaua`i Public Charter School Purchase Orders or credit card. These should be used by exception only. Non-PO Invoices are NOT to be used as substitutes for Purchase Orders. Non-PO Invoices must be approved before payment is made.

Vendor payment is executed by Alaka`i O Kaua`i Public Charter School Business Manager or delegate and depends on the method of purchase used.

Adopted: October 28, 2016

Approved by Attorney General: