

PROCUREMENT

Procurement Procedural Limits:

- All staff must follow the requirements associated with the limits below for purchases made using federal funding for (1) equipment, materials or supplies, (2) services, except construction, (3) repairs including maintenance that are not public projects. Federal funding has a resource code between 3000-5999. Your program's fiscal support staff can assist you with determining the funding source.

Micro purchase	Under \$3,500	No bidding process, but should not be using same vendor each time.
Small purchase	\$3,500 - \$149,999	Must get at least 3 competitive bids
Competitive bid	Over \$150,000	Must go out for RFP
Non-competitive bid	Applies when only one source or an emergency need.	Must have prior authorization from CDE.

The Superintendent or designee shall comply with the standards specified in 2 CFR 200.317-200.326 and Appendix II of Part 200 when procuring goods and services needed to carry out a federal grant as well as any more restrictive state laws and organization policies concerning the procurement of goods and services.

As appropriate to encourage greater economy and efficiency, the Superintendent or designee shall avoid acquisition of unnecessary or duplicative items, give consideration to consolidating or breaking out procurements, analyze lease versus purchase alternatives, consider entering into an interagency agreement for procurement of common or shared goods and services, and/or use federal excess or surplus property. (2 CFR 200.318)

The procurement of goods or services with federal funds shall be conducted in a manner that provides full and open competition in accordance with state laws and organization regulations and the following requirements:

Any purchase of supplies or services that does not exceed the "micro-purchase" threshold specified in 48 CFR 2.101 may be awarded without soliciting competitive quotes, provided that the organization considers the price to be reasonable and maintains written evidence of this reasonableness in the record of all micro-purchases. (2 CFR 200.67, 200.320)

For any purchase that exceeds the micro-purchase threshold but is less than the bid limit required by Public Contract Code 20111, the Superintendent or designee shall utilize "small-purchase" procedures that include obtaining price or rate quotes from an adequate number of qualified sources. (2 CFR 200.320)

Contracts for goods or services over the bid limits required by Public Contract Code 20111 shall be awarded pursuant to California law and AR 3311 - Bids, unless exempt from bidding under the law.

If a purchase is exempt from bidding and the organization's solicitation is by a request for proposals, the award may be made by either a fixed-price or cost-reimbursement type contract awarded to the entity whose proposal is most advantageous to the program, with price and other factors considered. (2 CFR 200.320)

Procurement by noncompetitive proposals (sole sourcing) may be used only when the item is available from a single source, the need or emergency will not permit a delay resulting from competitive solicitation, the awarding agency expressly authorizes sole sourcing in response to the organization's request, and/or competition is determined inadequate after solicitation of a number of sources. (2 CFR 200.320)

Time and materials type contracts may be used only after a determination that no other contract is suitable and if the contract includes a ceiling price that the contractor exceeds at its own risk. Time and materials type contract means a contract whose cost is the sum of the actual cost of materials and direct labor hours charged at fixed hourly rates that reflect wages, general administrative expenses, and profit. (2 CFR 200.328)

For any purchase of \$25,000 or more, the Superintendent or designee shall verify that any vendor which is used to procure goods or services is not excluded or disqualified by the federal government. (2 CFR 180.220, 200.213)

All solicitations shall incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description shall not, in competitive procurements, contain features which unduly restrict competition. The description shall avoid detailed product specifications to the extent possible, but may include a statement of the qualitative nature of the material, product, or service to be procured and, when necessary, shall set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. When it is impractical or not economical to make a clear and accurate description of the technical requirements, a brand name or equivalent description may be used to define the performance or other salient requirements of procurement, clearly stating the specific features of the named brand which must be met by offers. In addition, every solicitation shall identify all requirements which the offer must fulfill and any other factors to be used in evaluating bids or proposals. (2 CFR 200.319)

The Superintendent or designee shall maintain sufficient records to document the procurement, including, but not limited to, the rationale for the method of procurement, selection of the contract type, contractor selection or rejection, and the basis for the contract price. (2 CFR 200.318)

The Superintendent or designee shall ensure that all contracts for purchases using federal grant funds contain the applicable contract provisions described in Appendix II to Part 200 - Contract Provisions for Non-Federal Entity Contracts Under Federal Awards. (2 CFR 200.326)

- All staff must follow the requirements associated with the limits below for purchases made using restricted state funding for (1) equipment, materials or supplies, (2) services, except construction, (3) repairs including maintenance that are not public projects. State funding has a resource code between 6000-7999. Your program’s fiscal support staff can assist you with determining the funding source.
- The following limits may not apply to all state funding. Check with your state agency consultant for their procurement guidelines.

Micro purchase	Under \$92,599	No bidding process, but should not be using same vendor each time.
Small purchase	Over \$92,600	Must get at least 3 competitive bids
Non-competitive bid	Applies when only one source or an emergency need.	Must have prior authorization from CDE.

- Refer to SP 3311/AR 3311 for additional information regarding bids.

EXPENDITURES

Authorized Signers and Expense Approvals:

- Administrative Services maintains a list of Authorized Signers and approval limits (for expenses).
- An authorized signer is defined as an employee that is authorized to sign for and approve expenses within a specified limit. The current authorized signer list is emailed periodically when updated. It is also available on the network at \\goddard\Public\ADMIN\Fiscal_Services\Signer_List or can be requested from the Administrative Services Administrative Assistant.
- Authorizations that approve an employee’s travel expense or out-of-pocket reimbursement, must be signed by an authorized signer who is the supervisor of the employee, or if unavailable, the next level of authority above the supervisor.
- Signatures may only be provided by an authorized signer, and must remain consistent within their signing limit. If an authorized signer elects to assign a Proxy Approver in the financial system, the Proxy Approver must have equal or higher signing authority.
- Any additions and/or modifications to this list are to be communicated to the Internal Services Manager by the Assistant Superintendent for their Division. It is the responsibility of the division Assistant Superintendent or designee to notify the Internal Services manager when staff is terminated, resigns, or retires.
- The following is a guide for setting signing limits:
 - Assistant Superintendent \$20,000
 - Senior Director \$10,000-15,000
 - Director \$4,000-5,000
 - Manager \$2,000
 - Program Support \$1,000
 - Coordinator \$500
- In the absence of the Superintendent or Deputy Superintendent, a designee may be assigned for authorizing purchases higher than the normal limit. An e-mail notification from the Superintendent will be sent to the Assistant Superintendents, Sr. Director of Fiscal Services, Internal Services Manager, and Accounts Payable staff stating the applicable date ranges.

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Allowable Costs for Federal Grant Funds

Prior to obligating or spending any federal grant funds, the Superintendent or designee shall determine whether a proposed purchase is an allowable expenditure of federal funds in accordance with 2 CFR 200.400-200.475 and the terms and conditions of the federal grant award. He/she shall also determine whether the expense is a direct or indirect cost as defined in 2 CFR 200.413 and 200.414 and, if the purchase will benefit other programs not included in the grant award, the appropriate share to be allocated to the federal grant.

The Superintendent or designee shall review and approve all transactions involving federal grant funds and shall ensure the proper coding of expenditures consistent with the California School Accounting Manual (CSAM).

Electronic Authorization Policy

Electronic authorization may be used for authorizing payment of invoices that have Purchase Orders in lieu of an original signature in accordance with the following terms, limits, and procedure.

Limits:

- An electronic authorization may not be used for the approval of documents which are used to enter into contractual commitments.
- This policy does not apply to the process by which payroll and vendor checks are signed and authorized.
- Invoices that do not have an associated Purchase Order cannot be authorized using this method.

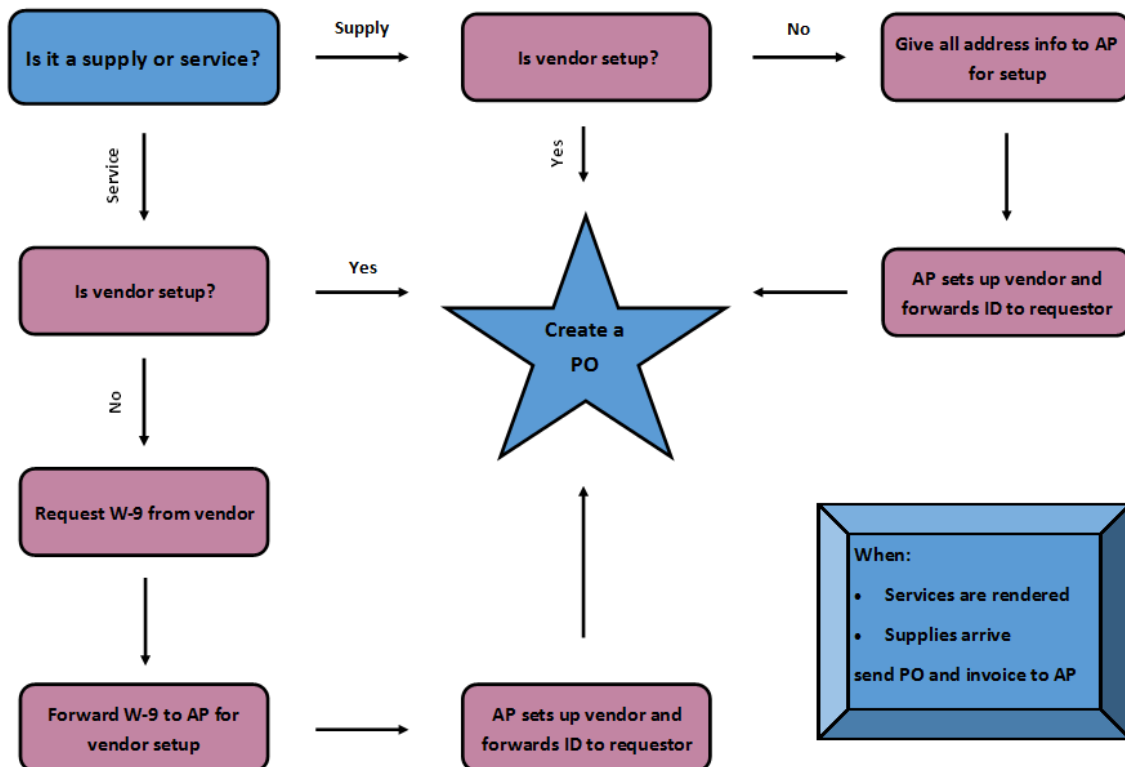
Procedure:

1. Create an email
2. Attach a copy of the specific invoice you wish to authorize for payment.
3. In the body of the email, you must include the following information:
 - a. Invoice number
 - i. If there is no invoice number, include the name of the vendor or person to be paid.
 - b. Invoice date or date range
 - c. Invoice amount
 - d. Purchase Order (PO) number;
 - i. Identify account to match to Purchase Order, line items if more than one item.
 - ii. **If there is no PO number, the payment will not be processed.**
 - e. A phrase that says something similar to "I approve this invoice." or "Okay to pay." Is required from the authorized signer.
4. Send the email to accountspayable@bcoe.org. The authorizing email **MUST** come from the authorizing signer directly to the Accounts Payable email account to verify authenticity.
5. Accounts Payable will save a copy of the approval email and a PDF of the invoice in the financial system as backup.

General Expenses / Purchase Orders:

- Planned purchases from individual vendors should be encumbered on a purchase order via the financial system software and approved by an authorized signer **prior to actual purchase of items or services.**
- Utility expenses are an exception to the purchase order process, but do require an authorized signature. Utilities include the following:
 - All phone service including phone lines, data lines, and cellular phone service
 - Garbage service
 - PG&E
 - Pest Control Services (ongoing services only)
 - Water/Sewer services (this does not include bottled water service)
- Legal expenses and UPS expenses are also an exception to the purchase order process.
- The encumbrance of a purchase order not only provides the mechanism to obtain prior approval for an expense, but also ensures that funds are set aside in the program budget for that expense. Prior to submitting a purchase order to a vendor, best practice is to encumber for an amount as close to the projected total expense as possible; this may require adjusting the PO amount in the financial system software, reprinting, and re-obtaining prior approval if the purchase amount changes substantially prior to submission of an order to a vendor.

A request is made to a PO creator....



PO Description Samples

Transportation:

Bus, 4/11-13/19, Students

Car, 4/11-13/19, J. Smith

Air, 4/11-13/19, J. Doe

Conference:

Reg, 4/11/19, R. Williams (1 line per person)

Hotel:

Accom, 4/11-15/19, J. Doe (1 line per person)

Rents:

Qty.	Description	Unit Price
8	Rent, 1859 Bird St	\$50
4	Rent, 1859 Bird St	\$75

Meals/Catering:

Breakfast, 4/11/19, B. Jones

Breakfast, 4/12/19, Meeting (4300 if picked up)

Catering, 4/13/19, Meeting (5800)

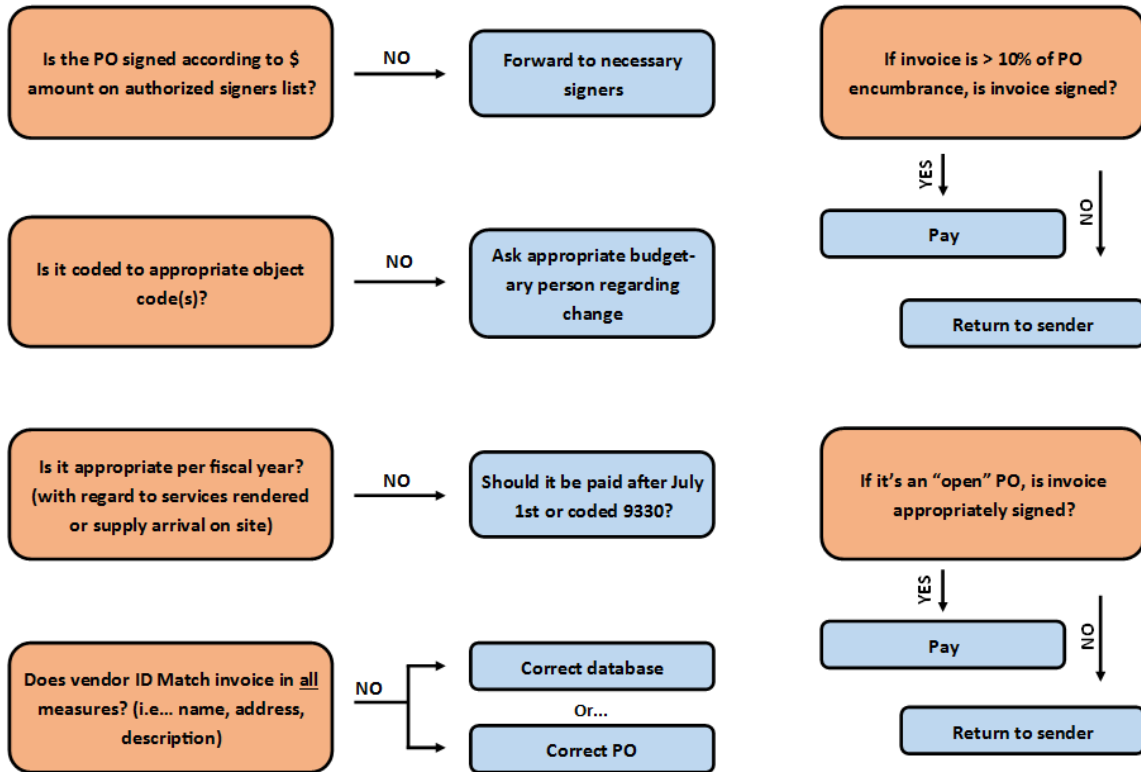
Dinner, 4/14/19, (5)

Passes/Field Trip Admissions:

Qty.	Description	Unit Price
16	16 student passes at \$24 each	\$24
12	12 students at \$12 each	\$12

- The approved original purchase order is held with the department submitting the purchase until the purchased item and the first invoice has been received.
- Upon receipt of the purchased item, the detailed vendor invoice or receipt is submitted to the Accounts Payable (AP) department for payment. Do not submit vendor statements or quotes for payment.
- The AP department will process payment based upon the amount of the invoice or receipt. Upon submission for payment, it is not necessary that the amount encumbered on a purchase order exactly match the amount listed on the invoice or receipt. If, however, the amount of the invoice or receipt is greater than 10% over the encumbered amount, an authorized signer should indicate their approval of the higher amount on the invoice or receipt.
- In accordance to Superintendent Policies and Procedures, purchase orders should be encumbered and approved **prior** to an expense being incurred, to ensure proper authorization for the purchase. The invoice or receipt should be coded with a valid account string and approved by an authorized signer, then submitted to the AP department for payment.

PO Arrives in AP....
AP examines the following:



- Per California state law, the AP department is required to charge sales tax on **all** tangible purchases, regardless of whether or not sales tax was charged by the vendor. Shipping and handling is taxable when combined. If separate, shipping is not taxable, but handling is taxable.
- Expenses for breakfast, lunch or dinner meetings with other BCOE employees are not allowable.
- Expenses for staff breakfast, lunch, or dinner that occur on BCOE premises “for the convenience of the employer” must include an agenda and a sign in sheet of attendees to accompany the PO and receipt(s). “For the convenience of the employer” refers to working meals in which there is not enough time for a meal break offsite. Meals immediately before or after a meeting are not allowable.
- Expenses for breakfast, lunch or dinner meetings that occur in the same town as your assigned headquarters must include a copy of the agenda and a list of meeting attendees to accompany the PO and receipt(s).
- All processed vendor payments are scanned and available in the financial system software. Avoid using highlighters on invoices or receipts, as this will cause illegible data once the invoice or receipt is scanned.
- If adhering receipts with tape, avoid taping over any printed area, as the tape causes the data to disappear. Avoid using staples to adhere receipts, as staples may damage the scanner during processing. One receipt per page is preferred for scanning purposes.
- Vendor checks will be issued and distributed every Tuesday and Thursday and mailed out that day. The Accounts Payable Manager or designee will communicate any adjustment to this schedule, due to holidays or unforeseen circumstances, to BCOE staff

and districts.

Commonly used Object Code Guidelines: ([printable version](#))

- o **4100**.....**Approved Textbooks / Core Curricula Materials**
 - Curriculum adopted by the State Board of Education (books, software, kits, workbooks, audiovisual, teachers' manuals)
- o **4200**.....**Books and Reference Materials**
 - Books, other than California approved textbooks or core curriculum
 - Library books
 - Books purchased for staff use that are kept and used for reference (dictionaries, educational materials, books purchased at conference/workshop)
- o **4300**.....**Materials & Supplies**
 - Any consumable materials/supplies (1 year or less expected life)
 - Individual item that is under \$500 (including tax and shipping)
 - Bottled water service
 - Food picked up from store/restaurant (non-travel or conference, LEA sponsored)
 - Actual cost of cell phone/equipment (charger, battery, not service contract)
 - Fuel when transporting students
 - Magazine/Newspaper subscriptions
 - Periodicals, magazines, workbooks, drill books, etc.
- o **4400**.....**Non-Capitalized Equipment**
 - Individual item that is over \$499.99, but under \$50,000 including tax and shipping (\$5,000 threshold for federal funds)
- o **4700**.....**Food Service Activities**
 - Food purchased to be used in food-service activities in which the purpose is nourishment or nutrition for students
(ie: breakfast, snacks, lunch, refreshments)
- o **5100**.....**Sub-Agreements for Services**
 - For contracts/DSAs/MOUs that exceed \$25,000, the initial \$25,000 is budgeted in 5800 object code and the amount that exceeds \$25,000 is budgeted in 5100 because it must be excluded from the calculation of indirect cost rate
- o **5200**.....**Travel and Conferences**
 - Travel cost for staff, parents, and non-employee that is submitted on a mileage or travel claim (parking, meals, fuel cards, airfare, hotel, and registration fees)
 - Lodging for conferences/professional development sponsored by the LEA is charged to 5600, not 5200.
- o **5300**.....**Dues & Memberships**
 - Fees for any society, association, or organization
 - Fees for any society, association or organization paid by BCOE for individual memberships are taxable as income to the employee. Those paid on behalf of an employee as an organization are not taxable as wages to the employee.
- o **5500**.....**Pest Control**
- o **5502**.....**Gas or Electricity**
 - Budgetary purposes
- o **5503**.....**Water Service**

- Budgetary purposes
- (not for bottled water service, which should be coded to 4300)
- **5504**.....**Sanitation or Garbage Service**
 - Budgetary purposes
- **5600**.....**Rentals, Leases, and Repairs**
 - Leases for copiers, fax machines, postage meters
 - Vehicle rental or service (oil changes, tires/wipers when installed by vendor)
 - Storage facility rental
 - Meeting room rental (note: if rented facility also provides catering service for an event, room rental and catering service need to be broken out on invoice; use 5600 for room and 5800 for catering)
 - Vehicle rental when BCOE vehicle is under repair or when transporting students
- **5701**.....**Postage (BCOE only)**
- **5702**.....**Reprographics (BCOE only)**
 - All copy/printing cost from copier/printer machines and networked printers charged through PaperCut
- **5710**.....**Direct Cost for interdepartmental services (BCOE only)**
 - Initiated by program or department charging a receiving department. Signatures of both receiving and sending department/program managers are required.
- **5800**.....**Professional/Consulting Services and Operations Exp**
 - Contracted services with organizations/companies (contracts/DSAs/MOUs) up to \$25,000
 - Contracted services with individuals (Independent Contractors); service and expenses
 - Catered (delivered) food (ie: pizza, sandwiches, etc.)
 - Catering agreements with hotel/restaurant
 - Printing of business cards, brochures / flyers
 - Service or maintenance agreements for access to internet-based publications and materials
 - Screen-printing service for items that cannot be separated from the service (ie: t-shirts, pencils)
 - Lodging and admission tickets for students and staff on field trips
 - Student transportation cost by common carrier (ie: van/bus when driver is provided by vendor, airfare)
 - All advertising (ie: position vacancies, public relations)
 - Duplication/printing/engraving services by outside vendors (ie: envelopes, presentation folders)
 - Photo processing
 - Courier service
 - DMV report
- **5840**.....**Legal Fees**
- **5900**.....**Communications**
 - Phone system/lines
 - Service charges for cell phones or wireless devices
 - Postage stamps and other mailing charges (UPS, FedEx, Pitney Bowes)
- **6400**.....**Equipment / New**
 - Individual item over \$5,000 (including shipping) – threshold for federal funded only
 - Individual item over \$50,000 (including shipping) – threshold for all other funded

- o **6500**.....**Equipment / Replacement**
Replacement of equipment (individual item) if over \$5,000 (including shipping)

New Vendor Setup

If a new vendor needs to be set up for services, Accounts Payable will need the following documentation before providing you with a vendor number for a purchase order:

Form W-9 (SS# not needed if a Tax ID# is provided)

DE-542 information

If a new vendor needs to be set up for purchases, Accounts Payable will need the following documentation before providing you with a vendor number for a purchase order:

Form W-9 (SS# not needed if a Tax ID# is provided)

Open Purchase Orders:

- Planned expenses to individual vendors that will be paid in increments throughout the fiscal year should be encumbered for the entire amount on a single purchase order (via the financial system software after obtaining approval from an authorized signer.
- With the first partial payment, the expending program should submit the original invoice to the AP Department; the original invoice should be approved by an authorized signer, and indicate “partial payment” or “P”, referencing the PO#.
- For any subsequent payments towards the open PO, the expending department needs to submit only the original invoice, referencing the open PO number, and approved by an authorized signer.
- It is important to **check the remaining balance** of an Open PO, **prior to submitting invoices** for payment, to avoid expending more than the original encumbrance.
- Contact Accounts Payable for assistance if you do not know how to access this information in the financial system.
- The AP Department will pay against the account encumbered on the purchase order and the amount on the invoice, but the purchase order will remain open to accept further future payments.
- When the final invoice is submitted to the AP Department, it should be approved by an authorized signer, and indicate “final payment” or “F”, referencing the PO#. The purchase order is then closed out by the AP Department.
- **Important:** It is the responsibility of the program/department to regularly monitor the balance of all Open Purchase Orders encumbered by their program/department, as well as close any Open Purchase Orders no longer needed.
 - o **Exceptions to the above Open PO process:**
 - BCOE facility rent/lease expenses are processed as follows:
 - The renting/leasing program is responsible to encumber an annual purchase order, encumbering the funds necessary for rental/lease payments throughout the fiscal year. The original purchase order is submitted to Accounts Payable and regular payments are completed based on the terms of the rental/lease

agreement.

- Facility landlords may charge Common Area Maintenance fees (CAM fees) separately from the lease agreement. The renting/leasing program is responsible to encumber an annual purchase order, encumbering the funds necessary for CAM fee payments throughout the fiscal year. The original purchase order is submitted to Accounts Payable and regular payments are completed based on the terms of the CAM fees agreement.

- Due to the billing practice of certain vendors (ie: organization-wide combined invoice sent directly to AP), Accounts Payable will require the Open Purchase Order to be created immediately at the start (or before) of the fiscal year, in order to streamline and facilitate payments in a timely manner.
- The list of these vendors is as follows:
 - Accularm - WEX - Mt. Shasta - UPS
- In order to avoid an audit exception, AP will routinely check that sufficient funds are available in each Open PO from the above-listed vendors prior to paying the organization-wide invoice. However, it still remains the responsibility of the program/department to regularly monitor the balance of all their Open Purchase Orders, and add funds to the encumbrance if the balance is insufficient for any remaining expenses.

Fiscal Year End:

New Encumbrances -

- When encumbering purchase orders towards the end of a fiscal year, it is important to note a few guidelines in order to ensure that expenses are paid out of the correct fiscal year.
- In the financial system software, when a purchase order is completed, the expense is only encumbered into the budget if the purchase order is printed. If the purchase order is never printed, the encumbrance will never occur or show up in reports.
- When a purchase order is printed, the financial system software will automatically encumber into the current fiscal year, based on the default date in the "Purchase Order Date" field of the print screen.
- A fiscal year begins July 1 and ends June 30. According to audit guidelines, unless an exception is specifically documented by the funding source, all purchased goods and services received by June 30 are considered an expense of that fiscal year. Any goods and services received after June 30 are considered an expense of the next fiscal year.
- The date when the purchased item will be received, or the date when the service will be rendered, determines which fiscal year the purchase order should be encumbered.

Closing out Encumbrances:

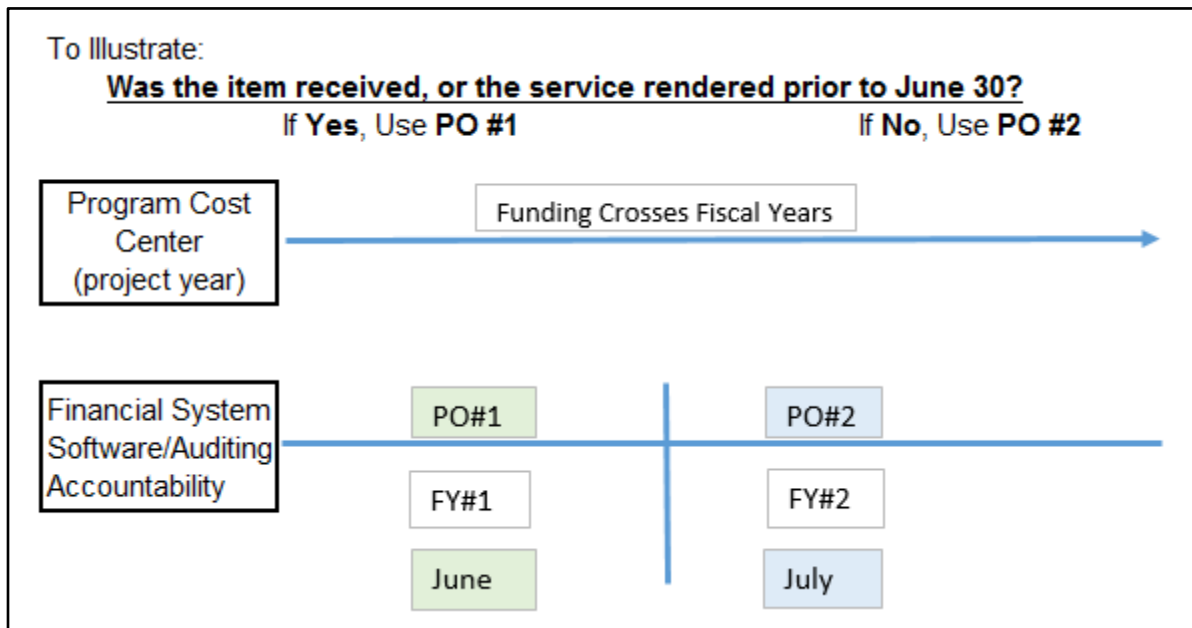
- Purchase orders are not automatically closed out at the end of a fiscal year.
- Towards the end of a fiscal year, it is important to be checking your financial records and close out any unnecessary encumbrances and/or completed purchase orders for the fiscal year.

- It is the program's responsibility to monitor their open encumbrances, in the financial system software to ensure that requests for PO closures have been completed successfully.

Summer Expenses:

Project Year Funding / Crossing Fiscal Years -

- When it comes to end-of-year expenses, the auditing golden rule to remember is: *The date when the purchased item will be received, or the date when the service will be rendered, determines which fiscal year the purchase order should be encumbered.*
- Regardless of if the account/budget crosses fiscal years (a project year account), the above auditing rule applies.
- If there are some supplies/services planned for June, July, and August, then the program will actually need to do **two PO's** – **one** for supplies/services received/rendered in **June**, then **another** for any supplies/services received/rendered in **July/August**.



- This will keep the encumbrances/expenses in the correct fiscal year, to accommodate the financial system software and auditing accountability.
- It does take a little pre-planning...for example...when planning to order supplies in June...one will have to figure out if the items will be actually received in June or July. If the items will not be arriving until July, then the PO should be encumbered into the next fiscal year, even though it's still June.
- To close out purchase orders that are still open, open the vendor requisition that needs to be closed. If it has never been used, from the task bar, choose Cancel. If any monies have been taken from the encumbrance, choose Manual Complete.

Fiscal Year Beginning:

Prior Year Expenses in New Fiscal Year -

- Once the new fiscal year begins in July, often prior year expenditure invoices will arrive for payment. If a prior purchase order was not completed and an invoice or receipt is received and awaiting payment, a purchase order should not be completed to pay the expense, as this will encumber the expense into *current* fiscal year instead of *prior* fiscal year.
- Instead, to process payment into the prior fiscal year, the invoice or receipt should be coded and approved by an authorized signer, then submitted to the AP Department for payment (without a purchase order).
- Although the Accounts Payable Department will check the invoice/receipt for the date received/incurred, it is helpful to indicate the fiscal year of the expense on the invoice/receipt when sending for payment.
- Expenses for prior fiscal year will normally continue to be accepted and processed throughout the month of July. Towards the end of every fiscal year, Fiscal Services sends out an annual “year-end closing dates” memo outlining specific timelines allowed when submitting prior year expenses.

Reimbursements:

- A Reimbursement form (BSF-69) must be submitted to the Accounts Payable (AP) Department and accompanied with an original receipt(s) to request reimbursement for out-of-pocket expenses. The form requires signatures of both the requestor and a supervisor who is an authorized signer.
- It is the responsibility of the individual to obtain written or verbal authorization for expenditure and subsequent reimbursement prior to the purchase; purchases obtained without prior approval may become the responsibility of the purchaser, per Superintendent Policy.
- Employees and non-employees may request reimbursement(s).
- Reimbursement forms should be properly coded with a valid account prior to submission to avoid delay in processing. Incomplete or incorrect forms may be returned for completion.
- Expenses over 60 days old will require approval of the division Assistant Superintendent prior to processing.
- Reimbursement claims for breakfast, lunch or dinner meetings that occur in the same town as your assigned headquarters, must include a copy of the agenda and a list of meeting attendees to accompany the claim. Note that meals exceeding the IRS approved amounts for the location of the meal will not be reimbursed for any amounts in excess of those limits. Reimbursement claims for breakfast, lunch or dinner meetings with other BCOE employees are not allowable.
- Reimbursement claims for breakfast, lunch or dinner that occur on BCOE premises “for the convenience of the employer” must include an agenda and a sign in sheet of attendees. “For the convenience of the employer” refers to working meals in which there is not enough time for a meal break offsite. Meals immediately before or after a meeting are not allowable for reimbursement.
- When a personal credit card is used for a purchase, the itemized receipt issued upon purchase is required to be submitted with the reimbursement claim. Including the credit card statement is not necessary or valid as a receipt. An affidavit of non receipt is not acceptable.
- All processed claims are scanned and available in the financial system software. Avoid using highlighters on receipts, as this will cause illegible data once receipt is scanned.

- If adhering receipts with tape, avoid taping over any printed area, as the tape causes the information on the receipt to disappear. Avoid using staples to adhere receipts, as staples may damage the scanner during processing. One receipt per page is preferred for scanning purposes.
- Checks are issued and distributed every Tuesday and Thursday after reimbursement claims are processed. Any adjustment to this schedule, due to holidays or unforeseen circumstances, will be communicated to BCOE staff and districts by the Accounts Payable Manager or designee.

Credit Card Policies and Operating Procedures

In order to expedite the purchase and accounting of low cost and specialized items, the Superintendent of Schools issues credit cards to a limited number of employees whenever there is sufficient benefit to BCOE. Cards will be issued by Fiscal Services upon the request of the appropriate division administrators.

1. Every cardholder must be a full-time permanent employee of the Superintendent of Schools, and shall agree to all terms and conditions established for the issuance of Superintendent of Schools credit card.
2. Every cardholder shall sign their card in the presence of a designated Superintendent of Schools issuer immediately upon taking possession of the card.
3. The credit cardholder shall be personally liable for all inappropriate charges and shall be personally responsible for the settlement of any dispute on any purchase with a vendor.
4. The credit card may be revoked for the following reasons:
 - a. The card is used for personal or unauthorized purposes.
 - b. The card is used to purchase alcoholic beverages or any substance, material, or service which violates policy, law, or regulation pertaining to the Superintendent of Schools.
 - c. The cardholder fails to provide Accounts Payable with information about any specific purchase.
 - d. The cardholder fails to provide Accounts Payable with expense documentation that may be necessary to record a purchase appropriately
 - e. The cardholder does not adhere to credit card Policies and Operating Procedures.
 - f. The credit card is the property of the bank, and it may at any time revoke card privileges under the provisions of its policies and limits.
5. Each credit card will be assigned specific purchase limits and restrictions. Cardholders shall adhere to these limits and restrictions. It is the responsibility of the cardholder to monitor usage and confirm that sufficient budget balances are available prior to incurring charges.
6. The cardholder is personally responsible for guaranteeing that all charges are for appropriate Superintendent of Schools expenses, that purchases are within budget limits, and that the purchase does not violate any other law, regulation, or policy of

the Board of Education. Neither the bank nor the Superintendent of Schools assume responsibility for non-Superintendent of Schools purchases. The cardholder shall be liable to the Superintendent of Schools and to the bank for any non-Superintendent of Schools purchase.

Charge Card and On Account Expenses:

- BCOE-issued charge cards are available for specific vendors. Charge cards are provided to BCOE by vendors as indication that there is an established account; the vendor will accept the charge card in lieu of a purchase order. However, for internal accounting and approval purposes, planned purchases from individual vendors should be encumbered on a purchase order (via the financial system software) and approved by an authorized signer prior to purchase completion.
- The original receipts and invoice (if available) should be submitted to the Accounts Payable (AP) Department for payment. If purchase orders were not encumbered for each expense, the expense should be properly coded on the receipt or statement and approved by an authorized signer.
- BCOE-issued charge cards are assigned to individual employees throughout the organization, and the assignee is responsible for the proper use of the card. Lost or stolen BCOE-issued charge cards are to be reported to Administrative Services immediately. If an expenditure is deemed as not allowable on a BCOE-issued charge card, the cardholder will be required to repay BCOE .
- The employee to whom the card is assigned will be given an Asset Summary Agreement to sign and return to Administrative Services. This summary identifies all equipment assigned to the employee and indicates to employee that equipment will be used for business purposes only.

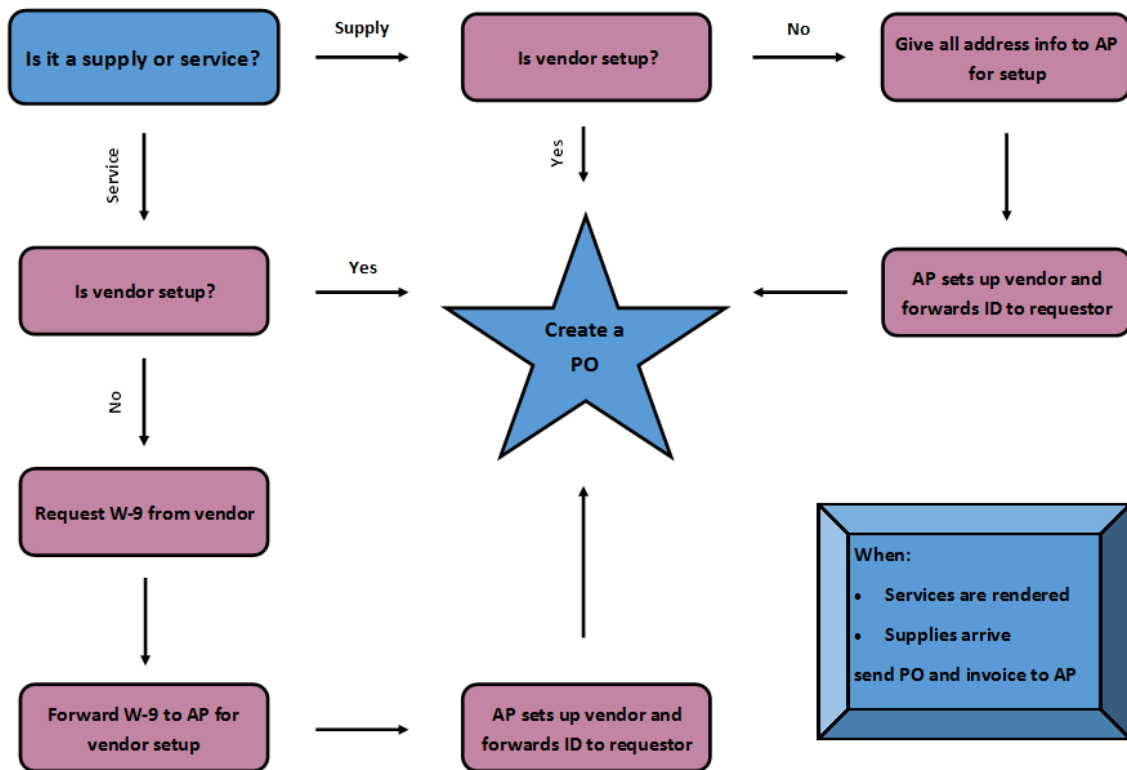
Visa Credit Card Expenses:

- BCOE-issued Visa credit cards are available in each division, assigned to the applicable Division Assistant Superintendent, or division designee and one Visa credit card is assigned to the Superintendent. Allowed use of the Visa card is defined by the Assistant Superintendent of each division within BCOE and must adhere to the same Superintendent Policies and Operating Procedures outlined in General Expenses. Non allowable expenditures will require reimbursement to BCOE. Lost or stolen BCOE-issued charge cards are to be reported to Administrative Services immediately.
- Prior approval of an expense is not necessary on purchases made directly by the Superintendent or an Assistant Superintendent of the assigned Visa card.
- Charges to the Visa made by Division employees must be pre-authorized by the Assistant Superintendent, and do require prior approval.
- A purchase order should be created with each purchase on or before the order date, using the US Bancorp vendor. In the description of the purchase order, include the name of the vendor from which the purchase will be made (ie: Set of books from Random House). If the item is taxable, be sure to include tax at the appropriate tax rate

and shipping/handling in the purchase order.

- Expenses for breakfast, lunch or dinner meetings with other BCOE employees are not allowable.
- Expenses for staff breakfast, lunch or dinner that occur on BCOE premises “for the convenience of the employer” must include an agenda and a sign in sheet of attendees to accompany the PO and receipts. “For the convenience of the employer” refers to working meals in which there is not enough time for a meal break offsite. Meals immediately before or after a meeting are not allowable BCOE credit card expenditures.
- Upon receipt of the Visa statement, the original purchase order(s), receipt(s), and statement should be submitted to the Accounts Payable (AP) Department in a timely manner for payment. If purchase orders were not encumbered for each expense, the expense should be properly coded on the statement, approved by an authorized signer, and designate the purpose of the expense.

A request is made to a PO creator....



PO Description Samples

Transportation:

Bus, 4/11-13/19, Students

Car, 4/11-13/19, J. Smith

Air, 4/11-13/19, J. Doe

Conference:

Reg, 4/11/19, R. Williams (1 line per person)

Hotel:

Accom, 4/11-15/19, J. Doe (1 line per person)

Rents:

Qty.	Description	Unit Price
8	Rent, 1859 Bird St	\$50
4	Rent, 1859 Bird St	\$75

Meals/Catering:

Breakfast, 4/11/19, B. Jones

Breakfast, 4/12/19, Meeting (4300 if picked up)

Catering, 4/13/19, Meeting (5800)

Dinner, 4/14/19, (5)

Passes/Field Trip Admissions:

Qty.	Description	Unit Price
16	16 student passes at \$24 each	\$24
12	12 students at \$12 each	\$12

New Vendor Setup

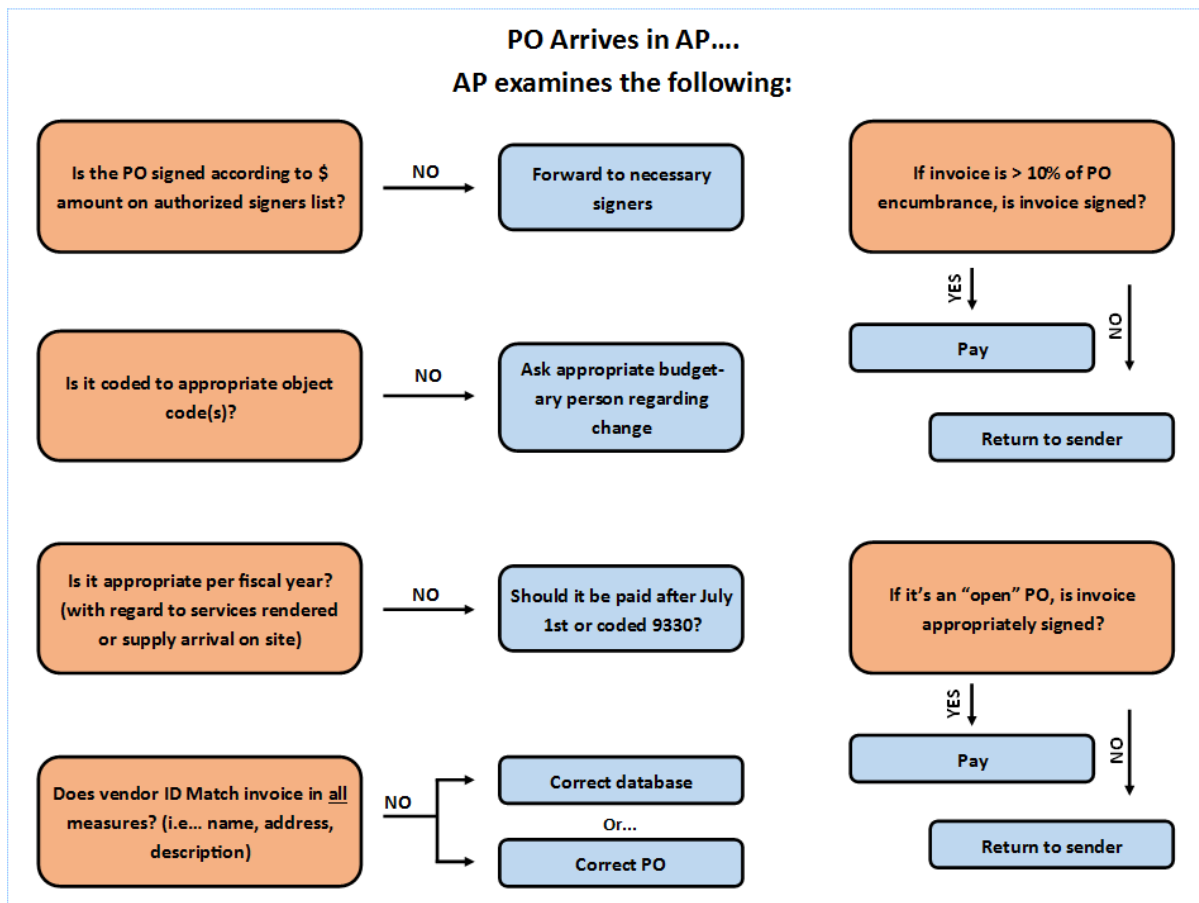
If a new vendor needs to be set up for services, Accounts Payable will need the following documentation before providing you with a vendor number for a purchase order:

Form W-9 (SS# not needed if a Tax ID# is provided)

DE-542 information

If a new vendor needs to be set up for purchases, Accounts Payable will need the following documentation before providing you with a vendor number for a purchase order:

Form W-9 (SS# not needed if a Tax ID# is provided)



WEX Fuel Card Expenses:

- BCOE-issued fuel charge cards are available to employees for business purposes. Fuel charge cards are provided to BCOE by WEX as indication that there is an established account; the vendor will accept the charge card in lieu of a purchase order. However, for internal accounting and approval purposes, planned purchases from individual vendors must be encumbered on a purchase order via the financial system software and approved by an authorized signer, prior to purchase completion.
- BCOE-issued fuel charge cards are assigned to individual employees throughout the organization, and the assignee is responsible for the proper use of the card. Unauthorized or non-allowable expenses will require reimbursement to BCOE by the employee.
- Lost or stolen BCOE-issued charge cards are to be reported to Administrative Services immediately.
- The employee whom the fuel card is assigned to will be given an Asset Summary Agreement to sign and return to Administrative Services. This summary identifies all equipment assigned to the employee and indicates to the employee that equipment will be used for business purposes only.
- The Accounts Payable department has a list of all assigned fuel cards; an Open PO must be encumbered and provided to the Accounts Payable department for any planned expenses, providing prior approval to charge the monthly expenses.
- Receipts from fuel expense charges do not need to be submitted to the Accounts Payable department, as all charges are listed on the monthly statement that they receive.
- The correct object code for specific types of charges on fuel cards are as follows:

Fuel for student transportation: 4300

Fuel for employee transportation: 5200

- Open PO's encumbered for fuel card expenses should be broken out by object code according to the amount expected per specific type of charge (as indicated in the above list).

Gift Cards:

- When a BCOE program/department chooses to purchase and distribute gift cards to students and/or families, it is often difficult to obtain record of what the gift card recipient ultimately "purchased". It is important for a program/department to understand that the practice of purchasing gift cards always runs the risk of the recipient potentially obtaining alcohol, tobacco, or other inappropriate items.
- If a program/department chooses to purchase gift cards, it is pertinent to keep in mind a few "best practice" guidelines in order to, as much as possible, facilitate the proper use of public funds:
 - Ensure that the funding source of the BCOE program budget utilized allows "open" expenditures, such as gift cards.
 - Purchase gift card from a store that does not sell alcohol, tobacco, or other inappropriate items.
 - If the store where the card is purchased sells alcohol, tobacco, or other inappropriate items, inquire if the store is able to place purchasing restrictions on gift card.
 - Review the "terms and conditions" of the store in which the gift card will be purchased, becoming familiar with their "loss of card", or "transfer of card" policies, as an example.
 - Obtain a signature from the recipient confirming date of receipt of gift card.
 - Maintain records of who received a gift card, date received and the amount of the gift card.

Technology Purchases:

- All technology hardware, software, and service purchases must be requested and arranged through the Information Technology Services (ITS) Department.
- To request a technology purchase, contact ITS by email to initiate a workorder.
- When submitting a workorder to ITS, approvals for the expense and a valid account are required from an authorized manager.
- All aspects related to the expense, including purchase orders, shipping/receiving, installation, equipment tracking, and licensing are handled by the ITS Department.
- Refer to AR 3300 in Superintendent Policy for further details.

Transfer of Expenses:

There are two different types of expense transfers -

- Interdepartmental Transfer: transferring expenses from one BCOE department to another BCOE department.
- S-Transfer: transferring expenses from a BCOE department to a district; or transferring expenses between separate BCOE funds (ie: Fund 01 to Fund

12).

Interdepartmental Journal: To transfer expenses from one BCOE department to another BCOE department, the Interdepartmental Journal Request form (BSF-28) should be used.

- The BSF-28 serves as an invoice from the BCOE department providing the goods/services to the receiving department. Backup documentation must accompany the BSF-28.
- The Providing Program initiates the BSF-28 for goods/services, including an invoice number, and sends it to the Receiving Program. (a standard invoice # usually consists of a dept. account, fiscal year, and sequential number)
- Once the Receiving Program authorizes (codes/signs) the request, the original is returned to the Providing Program.
- After the delivery of goods/services is complete, the Providing Program authorizes (codes/signs) the Interdepartmental Journal Request, and the original is sent to Fiscal Services for processing.
- When coding the BSF-28, the Object Code used should be the same for both the Receiving and Providing Program. Object Code 5710 is generally used when transferring funds.
- Signatures may only be provided by an authorized signer, and must remain consistent within their signing limit.

S-Transfer: To transfer expenses from a BCOE department to a district, or to transfer expenses between separate BCOE funds (ie: Fund 01 to Fund 12), the S-Transfer form (BSF-92) should be used.

- The department authorizing the decrease from their budget should initiate the S-Transfer, but it can also be done by the receiving department. An invoice number is not necessary.
- The initiating department will indicate the budget amount to decrease and the amount to increase the receiving budget.
- If the four-digit Sub Fund number (Butte County Treasurer Account Number) is not known, it is not necessary to enter; Fiscal Services (Financial Services and/or District Services) will input the appropriate Sub Fund numbers upon submission.
- The initiating department will indicate the account to decrease. The object code used should coincide with the type of expense (i.e.: 4300 for supplies, 5800 for services).
- The initiating department authorizes (codes/signs) the S-Transfer, and sends the original to Fiscal Services for processing.
- Signatures may only be provided by an authorized signer, and must remain consistent within their signing limit.

Vehicle Purchase / Replacement / Lease:

- To arrange a purchase, replacement, or lease of a vehicle, an online workorder must be submitted to the Maintenance & Operations (M&O) department. This workorder requires the approval of the division Assistant Superintendent.
- The M&O department will assist the requesting department/division with obtaining the necessary quotes, direction regarding encumbering the purchase order, and finalizing the sale. The vehicle purchase order requires the signature of both the requesting division Assistant Superintendent and the Superintendent.

- Applicable vehicle licensing, registration, insurance, and keys will be arranged by the M&O department.
- Refer to AR 3300 for additional information regarding vehicle purchasing, replacement and leasing.
- The employee to whom the vehicle is assigned will be given an Asset Summary to sign and return to the M&O department. This summary identifies all equipment assigned to the employee and indicates employee agreement that equipment will be used for business purposes only.
- Vehicle documentation and records are stored with the M&O department.
- Refer to SP 3544.1 / AR 3544.1 for additional information regarding use of BCOE-owned vehicles.