



North Davis Preparatory Academy
Administrative Policy
Procurement, Purchasing & Disbursement Policy

These administrative procedures are adopted in accordance with the Purchasing, Procurement & Disbursement Policy adopted by the North Davis Preparatory Academy Board of Directors.

PROCUREMENT

No formal procurement process is required for purchases up to \$1,000. The School may make such purchases from any vendor without obtaining competitive bids.

For small purchase as defined in Utah Administrative Code R33-3-3, which will typically include purchases over \$1,000 up to \$50,000 of items other than professional services, the School will follow the procedures set forth in the rule and will typically obtain at least two competitive quotes and purchase from the responsible vendor offering the lowest quote meeting the specifications.

Unless an exception applies, for purchases of items other than professional services over \$50,000, the School will conduct an appropriate procurement process, such as a Request for Bids or a Request for Proposals.

The School will not artificially divide purchases or otherwise take steps in order to avoid the requirement to obtain competitive quotes or conduct a procurement process.

School personnel will comply with the provisions of the Procurement Code prohibiting the acceptance of gratuities or kickbacks from vendors during the procurement process.

The School will comply with the requirements of the Procurement Code in connection with any contract with a term that is longer than five (5) years, including any automatic renewals or extensions.

The School will comply with the requirements of the Procurement Code in connection with any construction or real property improvements undertaken by the School.

PURCHASING

Invoices, purchase orders, and authorized facsimiles must be approved by the school Principal and/or by the Board Financial Coordinator or Board President as set forth in the Board Purchasing, Procurement & Disbursement Policy.



Purchases of miscellaneous items such as office supplies shall be coordinated through the front office. Personal purchases that result in reimbursement to School employees shall be kept to an absolute minimum.

Purchases for travel that require the use of a credit card are to follow the standard purchasing disbursement process utilizing a purchase order. Academica West, the School's management company, will retain the credit card for making such purchases and only utilize the credit card when required to do so.

DISBURSEMENTS

Disbursements will be charged to one of two School accounts: (i) the General Operating Account; or (ii) the Petty Cash Account. Academica West is responsible for disbursements charged to the General Operating Account, and the Principal is responsible for disbursements charged to the Petty Cash Account.

Disbursements are handled in such a manner as to ensure that the proper funds and accounts are charged, that the disbursement is used only for authorized purposes, and that laws, rules and regulations governing the disbursements and handling of public funds are followed.

The following controls are established to ensure that all payments charged to the General Operating Account are made on a timely basis and in accordance with all purchase orders and contracts:

- A purchase order shall be completed prior to disbursing funds for a purchase unless the disbursement is made in accordance with the terms of an ongoing contract that has been previously approved by the Board.
- A purchase order shall be authorized by the individual(s) listed above based on the purchase amount.
- Following proper authorization, purchase orders are reviewed by Academica West.
- Academica West must be given a valid invoice and properly completed purchase order prior to making payment.
- Disbursements are to be made primarily by check with counter signatures to provide additional control.

Petty Cash Account



In addition to the General Operating Account, the Board may approve a Petty Cash Account with corresponding checks and a debit card to be utilized at the discretion of the Principal. The purpose of the Petty Cash Account is to provide a convenient way to pay for small expenses while minimizing exposure of School funds to the risk of misuse or theft.

Blank warrants/checks and/or a debit card for the Petty Cash Account may be kept in locked storage under the control of the Principal or their designated alternate. Disbursements charged to the Petty Cash Account shall be made in accordance with the following provisions to ensure payments are properly authorized and recorded:

- In general, the Petty Cash Account should maintain a balance between \$500 and \$2,000.
- Access to the Petty Cash Account debit card is limited to the Principal or their designated alternate;
- Access to blank checks is limited to the Principal or their designated alternate. When blank checks are received; the date, quantity, and inclusive serial numbers are recorded and added to the total balance on hand. When a blank check is used, the stub along with a copy of the receipt is to be signed by the Principal and forwarded to Academica West. The use of these blank checks should be kept to an absolute minimum;
- The Principal or their designated alternate is responsible for: (i) maintaining records and receipts for each transaction charged to this account; and (ii) entering the information into the School's accounting software on a regular basis. Information should be uploaded in a timely manner to allow Academica West adequate time to provide accurate monthly financial reports to the Board.
- The Principal or their designated alternate is responsible for replenishment of the account when petty cash is low. To replenish petty cash, the Principal must request Academica West to transfer funds.