

GENERAL PURCHASING AND ACCOUNTING

I. Purchasing

The overall goal of Lionheart Classical Academy's purchasing program is to obtain the best value for goods and services, relative to both price and quality, within the proper budgetary authority. These procedures will require that all purchases are made on properly approved purchase orders and that for items not put to bid, price quotations will be solicited. Special arrangements may be made for ordering perishable and emergency supplies.

The Board assigns the Director the responsibility for the quality and quantity of purchases made. The prime guidelines governing this responsibility are that all purchases fall within the framework of budgetary limitations and that they are consistent with the approved educational goals.

All purchases must be made within the scope of the approved annual budget.

II. Competitive Purchasing Procedures

All purchases made using state or federal grant monies over \$500 will require the use of a purchase order and will be conducted in accordance with all applicable local, state and federal regulations. All procurements made with federal funds will be consistent with 2 C.F.R. §200.317 through §200.326 Procurement Standards. These policies are to ensure that goods and services are procured at the best available price, consistent with high quality, that sound business and ethical practices are adhered to and that all transactions are completed in a manner that provides for open and free communication.

The Executive Director or designee shall function as the Purchasing Agent for the school and shall have the authority to reject or award bids solicited under the appropriate purchasing procedures. Requirements for bidding goods or services can be met by purchasing through bids or contracts available to the school through the State of New Hampshire Bureau of Purchase and Property, or regional purchasing cooperatives.

To the extent practicable, the school shall make purchases equitable among qualified suppliers. Documentation on all bid openings shall be maintained for a period of two years.

III. Credit Card Use

The use of a school credit card by a purchasing agent to make a purchase is considered as the issuance of a purchase order and is controlled by all sections of Purchasing Procedure Policy DJB.

Unless previously approved, the total amount of each purchase may not exceed a limit of \$10,000 or a lesser amount established by the Board of Trustees. Designees will be determined by the Board of Trustees. All charges made by a designee shall be authorized by the Treasurer or his/her designee prior to payment. Credit limits per card will be no more than \$20,000 dollars. Splitting of charges to avoid

the transaction limit set for the credit card is prohibited. The use of the credit card is for purchases only. No personal charges can be made on credit card(s). In using the credit card the cardholder should: (1) ensure that the goods being purchased are budgeted and allowable; (2) determine if the intended purchase is within cardholders credit limit; (3) inform the merchant that the purchase is tax exempt; and (4) further the cardholder will be responsible for managing any returns or exchanges and insuring that proper credit is received for returned merchandise.

The Executive Director or designee is required to authorize payment of the actual invoices prior to forwarding to the Treasurer or his/her designee for approval. This includes the charges made by the designated individuals. All purchases made with credit cards shall be paid for within the grace period so that no interest charges or penalties will accrue. The Executive Director or designee will receive all necessary documentation to support each purchase for entry into the financial system.

Any incentive program benefits derived using school credit cards shall be the property of the school. The Executive Director or designee and Treasurer or his/her designee will determine the use of such incentive program benefits. All cardholders should take all measures necessary to ensure the security of the credit card and credit card number. Cardholders shall not give their card or their card number to others to use on their behalf. The exception is when the card is used to purchase an item online or over the telephone. Lack of processing the necessary transactions into the accounting system or lack of proper documentation or authorizations may result in loss of credit card privileges and/or personal liability.

Credit Card Procedures

- A. The Executive Director or designee will make decisions regarding the issuance of individual cards and the establishment of any and all additional controls on their use.
- B. Each authorized cardholder must sign an agreement to accept Lionheart Classical Academy cards. Forms to be kept in respective personnel files.
- C. For each purchase made with a credit card, a purchase order will be submitted to the accounting system, encumbering funds.
- D. All receipts related to the purchase should be forwarded with any receiving documents and the receiving copy of the purchase order. Lack of receipts may result in personal liability to the cardholder.
- E. The accounting process will reconcile the amounts per the credit card statement to purchase orders submitted to the accounting system and to receipts forwarded by the purchaser. Exceptions will be forwarded to the individual involved for resolution. The accounting system will verify the expenditure object code designated per transaction by the department and adjust, if necessary.
- F. Lionheart Classical Academy will arrange for timely payment of the statement for all authorized purchases.

G. In case of an exception or disputed charge, the cardholder should first contact the supplier. Most exceptions or issues can be resolved at this level. When the vendor corrects the problem, the accounting system should see the correction on the next monthly statement. If the cardholder cannot reach an agreement with the supplier, the next step is to contact the purchasing agent for escalation.

H. It is the responsibility of the cardholder to immediately notify the Executive Director or designee of a lost or stolen credit card.

I. Upon separation of employment, cardholders must surrender their Lionheart Classical Academy card to the Executive Director or designee (on or before their last day of work).

IV. Bidding

All contracts for, and purchases of supplies, materials, equipment, and contractual services in the amount of \$10,000 or more shall be based, when feasible, on at least three (3) competitive bids from qualified bidders. All purchases less than \$10,000 in amount may be made in the open market, but shall, when possible, be based on at least three competitive quotations or prices. All purchases made in the open market shall be consummated after careful pricing. The Board reserves the right to waive the bidding procedures.

When bidding procedures are used, bids shall be advertised appropriately. Suppliers may be invited to have their names placed on mailing lists to receive invitations to bid. When specifications are prepared, they will be communicated to all merchants and firms who have indicated an interest in bidding.

The Board reserves the right to reject any or all bids and will accept the bid which appears to be in the best interest of Lionheart Classical Academy. The Board reserves the right to waive any informalities in, or reject, any or all bids or any part of any bid. Any bid may be withdrawn prior to the scheduled time for the opening of bids. Any bid received after the time and date specified may not be considered. The Board also reserves the right to negotiate with a bidder when all bids exceed the budgeted appropriation.

The bidder to whom the award is made may be required to enter into a written contract with the school.

V. Payment Procedures

Lionheart Classical Academy desires efficient fiscal management. To this end, the Board adopts the following procedures to settle payment of its liabilities in conjunction with the limitations outlined in an approved budget:

A. Requisitions and purchase orders will require the signature of the Executive Director or designee.

B. Quotes, bids, requisitions, purchase orders, receipts, and invoices will be on file at Lionheart Classical Academy to document the flow of all active and past purchases.

C. All checks/payments in excess of \$5,000 generated by Lionheart Classical Academy will require the signature of two authorized signers.

D. No check shall be issued to an authorized signer without an additional signature.

E. Each individual with check-writing authority will be covered by a fidelity bond in accordance with the guidelines of the New Hampshire Department of Revenue Administration.

VI. Fiscal Accounting and Reporting

The school's accounting system will be in conformance with the New Hampshire Financial Accounting Handbook published by the State Department of Education. An adequate system of encumbrance accounting will be maintained.

The school's financial records will provide the following information:

A. For each account in the budget—the appropriation, appropriation transfers, expenditures, encumbrances, and unencumbered balance.

B. For each purchase order--the name of the vendor, description of the item involved, the amounts, the call for bids if required, and an abstract of the bids received.

C. For each purchase--the purchase order information above, plus the record of receipt and condition of goods, the invoice and the record of payment.

D. For each income account, the budget estimate, the estimates as revised periodically, the receipts to date, and the balance anticipated.

The Board shall receive financial reports and statements showing the financial condition of the school. These statements/reports shall be prepared monthly and shall include the amount appropriated for each purpose and the amount expended to date for each purpose.

Approved by Organizational Committee: 4/30/2024

Approved by LCA Board: 5/9/2024