

**FISCAL MANAGEMENT POLICY**

The school board recognizes the important trust it has been given with the responsibility of managing public resources. As trustee of local, state, and federal funds allocated for use in public education, the board will be vigilant in fulfilling its responsibility to see that these funds are used wisely for achievement of the purposes to which they are allocated.

In the district's fiscal management, the board seeks to achieve the following goals:

1. To engage in thorough advance planning, in order to develop budgets and to guide expenditures so as to achieve the greatest educational returns and the greatest contributions to the educational program in relation to dollars expended.
2. To establish levels of funding which will provide high quality education for the district's students.
3. To use the best available process for budget development and management.
4. To provide timely and appropriate information to all staff with fiscal management responsibilities.
5. To establish effective and efficient procedures for accounting, reporting, business, purchasing and delivery, payroll, payment of vendors and contractors, and all other areas of fiscal management.
6. To communicate noteworthy quality improvement and cost-controlling actions to the public and press.

One of the primary responsibilities of the school board is to secure adequate funds to carry out a quality program of education.

The adopted annual school budget is the financial outline of the district's educational program; it is the legal basis for the establishment of tax rates. The annual school budget process is an important function of school district operations and should serve as a means to improve communications within the school organization and with the residents of the community.

The superintendent shall be responsible for preparing and presenting the annual school budget to the board for adoption. The board expects the Superintendent to work closely with the principal and other administrators in their respective

areas in studying the needs of the school and in compiling a budget to meet those needs. The principal is expected to confer with appropriate staff in getting budgetary requests and information on requirements.

The school board will adopt by September 15, or earlier, of each year guidelines to govern the budget development for the budget to be adopted the following year.

The superintendent will communicate by September 20 procedures for the involvement of staff in the development of the budget proposal.

Budget planning will be related to the goals and objectives of the district and its programs, including an assessment of existing programs and an examination of alternative program possibilities.

The budget proposal must be within the parameters of board policy and include provisions for:

1. Programs to meet the needs of the entire student body
2. Staffing arrangement adequate for proposed programs
3. Maintenance of the district's equipment and facilities
4. Efficiency and economy.

Upon receipt of the superintendent's recommendations the board will schedule meetings on the budget to receive in-depth information with regard to budget items prior to specific action by the board. The advisory finance committee appointed by the school district moderator will be invited to these meetings.

**ADOPTION: 5/3/90**  
**AMHERST**

**BUDGET REVIEW/HEARING/ADOPTION**

The budget will be made available to the advisory ways and means committee, the press and the public at the same time the superintendent presents the budget to the school board. It is the intent of the school board to have budget information disseminated so the public and advisory finance committee may review it several weeks prior to any public hearing.

The first session of the annual meeting shall consist of explanation, discussion and debate of each warrant article, including the budget warrant article. Warrant articles as presented or amended shall be placed on the official ballot for a final vote at the second session of the annual district meeting or at any special district meeting.

*Statutory reference: RSA 40:13 (Senate Bill 2), Use of Official Ballot*

**ADOPTION: 5/30/90  
AMHERST**

**BUDGET IMPLEMENTATION**

The district budget serves as the control to direct and limit expenditures. Overall responsibility for this control rests with the Superintendent, who will establish the procedures for budget control and reporting throughout the district.

The total amounts which may be expended during the fiscal year for the operation of the school system are set forth in the budget. It shall be the practice that funds not be transferred from one account to another; however, it is expected that necessary overexpenditures in certain accounts will be offset by underexpenditures in other accounts.

The school district treasurer is not permitted to honor any invoice against the school district that is in excess of the income and revenue appropriated for the school district for the fiscal year, except as may be authorized by a deficit or supplemental appropriation by the school district or by the State Board of Education as authorized by RSA 32:10-a.

**ADOPTION: 5/03/90  
AMHERST**

**TAXING AND BORROWING AUTHORITY AND LIMITATION**

No funds will be borrowed without the expressed approval of the school district electorate as determined by a vote of the school district at an annual or special school district meeting in accordance with the Municipal Finance Act, RSA Chapter 33.

**ADOPTION: 5/3/90  
AMHERST**

**REVISION: 5/8/95**

**FUNDING GRANTS AND APPLICATIONS**

The school board is to be kept informed of all possible sources of state, federal, and other funds for the support of the schools and/or for the enhancement of educational opportunities. The superintendent is to apprise the board of its eligibility for general or program funds and to make recommendations for board action.

The warrant for the annual meeting of the school district shall include an article which reads:

"To see if the district will vote to accept the provisions of RSA 198:20-b which shall authorize the school board, until specific rescission of such authority, to apply for, accept and expend, without further action by the school district, money from a state, federal or other governmental unit or any private source which becomes available during the fiscal year."

Note: Above article included on March 2, 1992 School District Warrant and accepted.

**ADOPTION: 3/2/92 Annual District Meeting  
AMHERST**

**REVISION: 5/8/95**

## INVESTMENT

The school board authorizes the school district treasurer working in conjunction with the superintendent and his/her designee and pursuant to RSA 197:23-a to invest the funds of the district subject to the following objectives and standards of care.

### OBJECTIVES

The three objectives, in priority order, of investment activities shall be safety, liquidity, and yield.

1. Safety of principal is the foremost objective in this policy. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital by mitigating credit and interest rate risk. This will be accomplished by limiting the type of the investments and institutions to those stipulated by statute and fully covered by FDIC insurance or collateral approved pursuant to RSA 386:57.

2. Liquidity of the investment portfolio shall remain sufficient to meet all operating requirements that may be reasonably anticipated.

3. Yield. The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above.

### STANDARDS OF CARE

1. Prudence. The standard of prudence to be used by the school district treasurer and superintendent or his/her designee involved in the investment process shall be the “prudent person” standard and shall be applied in the context of managing an overall portfolio. They are directed to use the GFOA\* Recommended Practices and Policy Statements Related to Cash Management as a guide to the prudent investment of public funds.

2. Ethics and Conflicts of Interest. The school district treasurer and superintendent or his/her designee involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program or that could impair their ability to make impartial decisions.

3. Internal Controls. The school district treasurer and superintendent or his/her designee shall establish a system of internal controls which shall be reviewed by an independent auditor.

This investment policy shall be reviewed annually each July by the school board.

#### Statutory Reference:

RSA 197:23-a

RSA 383:22

RSA 386:57

THIRD READING: July 7, 2003

ADOPTED: July 21, 2003

**DONATIONS FOR PROGRAMS**

Donations may be requested for admittance to programs sponsored by school clubs and organizations. Refreshments and other items may be sold by school organizations with approval of the principal. Money collected shall be handled in accordance with Policy DM, Cash in School Buildings.

**ADOPTION: 4/16/90**  
**AMHERST**

**REVISION: 5/8/95**

**AUTHORIZED SIGNATURES/PRENUMBERED CHECKS**

Checks drawn on the general fund or any special fund (with the exception of the activity fund) will require the signature of the school district treasurer. Checks drawn on an activity fund will require the signature of the building principal.

The checks used by the school district will be prenumbered.

**ADOPTION: 5/3/90**  
**AMHERST**

**REVISION: 5/8/95**

**DEPOSITORY OF FUNDS**

All income payable to the school district and all revenue received will be deposited with the school treasurer, who will credit it to the appropriate account.

The school board will determine when other depositories are needed and will name them by resolution.

The value of funds in any single account will not exceed the amount guaranteed by the FDIC. Depositories will be selected only after careful review of fiscal practices and ability to meet the safety and service criteria of the district.

ADOPTED: July 21, 2004

**COLLATERALIZATION OF SCHOOL DEPOSITS**

The school district shall enter into agreement with banks to secure collateralization of deposits of school district funds pursuant to the collateralization of Public Deposits, Chapter Ban 1400, and PART Ban 1450, as adopted by the Bank Commissioner and approved by the Joint Legislative Committee in Administrative Rules.

Statutory Reference:

RSA 197:23-a  
RSA 383:22

ADOPTED: July 21, 2003

**BONDED EMPLOYEES AND OFFICERS**

The school board requires that the treasurer and assistant treasurer be bonded. The district will arrange a public officials bond to cover the treasurer and each assistant, if any, in the amount of \$100,000. It is the practice that any employee who administers student activity money shall be bonded.

Any employee who administers funds for the district will be bonded appropriately. The district will arrange a blanket position bond, including a faithful performance endorsement, in the amount of \$100,000 on all employees who administer funds for the district.

ADOPTED: May 3, 1990  
Amherst

**FISCAL ACCOUNTING AND REPORTING**

The district'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 following purposes must be satisfied by the accounting system:

1. Administrative Control: The financial records must be adequate to guide the making or deferring of purchases, the expanding or curtailing of programs, and the controlling of expenses. Current data should be immediately available and in such form that periodic summaries may be readily made from the data.
2. Budget Preparation: The financial records must be adequate to serve as a guide to budget estimates of subsequent years, and to hold expenditures to the amounts appropriated. Accounts are to be kept for each item for which separate budget estimates must be made. An adequate code of expenditure accounts will be used.
3. Accounting for Stewardship: The financial records must be adequate to show that those in charge have handled funds within the framework of law and in accordance with Board policy.

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

1. For each account in the district's budget: the appropriation, appropriation transfers, expenditures, encumbrances, and unencumbered balance.
2. For each purchase order: the name of vendor, description of the item involved, signatures of the Assistant Superintendent and Principal, the amounts, the call for bids if required, and an abstract of the bids received. Purchase order sets will be prenumbered and each set accounted for.
3. For each purchase: the purchase order information, plus the record of receipt and condition of goods, the invoice and the record of payment.
4. For each income account: the budget estimate, the estimates as revised periodically, the receipts to date, and the balance anticipated.
5. Reimbursement of expenditures will be debited to the appropriate previously expended account.

**ADOPTED: April 16, 1990**  
**Amherst**

**REVISED: May 8, 1995**

**BOARD REVIEW AND SIGNING OF MANIFESTS**

The school board shall designate one of its members at the annual organizational meeting in March, or when required by change in membership, to review and sign each manifest; the signature of the board member attesting to the review.

Any questions or concerns the board's reviewer may have concerning a manifest will be brought to the immediate attention of the business office.

Reviewed manifests will be taken to school board meetings and signed by at least one additional member so designated by the board.

ADOPTED: May 8, 1995  
Amherst

**PAYMENT PROCEDURES: BOARD REVIEW AND SIGNING OF MANIFESTS**

The school board shall designate onetwo of its members at the annual organizational meeting in March, or when required by change in membership, to review and sign each manifest; the signatures of the board members attesting to their review.

All manifests, supported by original invoices, must be approved and signed by the designated board members.

Any questions or concerns the board's reviewers may have concerning a manifest will be brought to the immediate attention of the business office.

Reviewed manifests will be taken to school board meetings and signed by at least one additional member so designated by the board.

The district treasurer will sign all checks that will be sent from the district office.

The school board authorizes the Superintendent and Assistant Superintendent for Finance to release treasurer-approved, contractually-obligated employee checks and/or payments to vendors and agencies which, if delayed, would incur penalty, prior to the approval of the entire manifest.

Statutory Reference:

RSA 197:23-a

ADOPTED: May 8, 1995  
Amherst

Revisions: First Reading: September 23, 2002  
Second Reading, October 21, 2002

## **INVENTORIES**

To serve the functions of conservation and control, a running inventory will be maintained on school buildings and grounds equipment, vehicles, administrative equipment, furniture, and educational and athletic equipment which exceed \$300 in purchase price. Moreover, a textbooks and library collection inventory shall be maintained.

Changes in inventory will be maintained on an ongoing basis through a process developed by the superintendent's office. A copy of the inventory will be filed in the superintendent's office.

ADOPTED: May 21, 1990  
Amherst

**REVISION: 5/8/95**

**AUDITS**

The books and accounts of the districts shall be audited yearly. Such audit will be made in accord with RSA 197:25. The audit to be performed will meet the basic audit procedures prescribed by GAAP standards.

The successful bidder for audit services shall not have worked for the district as an auditor in the previous three years.

**Regulatory Reference:**

*RSA 197:25*

ADOPTED: May 3, 1990  
Amherst

REVISED: May 9, 1995  
REVISED: April 21, 2003

## AMHERST Policy

### DJ – PURCHASING

The function of purchasing is to serve the educational program by providing the necessary supplies, equipment, and services.

The board declares its intention to purchase competitively without prejudice and to seek maximum educational value for every dollar expended.

The acquisition of supplies, equipment, and services will be centralized in the business office, which functions under the supervision of the Superintendent or his/her designee, and through whose office all purchasing transactions are conducted.

The board assigns the Superintendent or his/her designee 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 be consistent with the approved educational goals and programs of the district.

The principal is responsible for the receipt, storage, distribution, and use of all school supplies and equipment.

*Legal References:*

*RSA 194-C:4 II (a), Superintendent Services*

*NH Code of Administrative Rules Section 303.01 (b), Substantive Duties of School Boards*

**Adopted- May 6, 2010**

## AMHERST Policy

### DJB - PURCHASING PROCEDURES

Procedures for purchasing will be developed by the Superintendent or his/her designee and shall be presented annually at a school staff meeting no later than October 1.

Purchasing procedures will be designed to avoid assumption of risk and to ensure the best possible price for the desired products and services.

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, or with the authorization of the Superintendent or his/her designee.

Any significant changes to the purchasing procedures (DJB-R) that affect this policy must be presented to the school board.

#### **Legal References:**

*RSA 194-C:4 II (a), Superintendent Services*

*NH Code of Administrative Rules Section 303.01 (b), Substantive Duties of School Boards*

**Adopted- May 6, 2010**

# Amherst School District Purchasing Policy Procedure DJB-R

Adoption: 4/21/2003 (Effective 6/1/2003)

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# Purchasing and Contracting

## 1 Introduction

It is the policy of the Amherst School District to encourage full and open competition among potential contractors and suppliers, and to seek maximum value for every dollar expended. Any departures from this policy, taken by the Administration, shall be in the best interest of the Amherst School District and must be disclosed to the Amherst School Board at the next scheduled meeting of the Amherst School Board.

The Amherst School District expends substantial sums of money each year for the purpose of educating the children in the Amherst School District. The Amherst School District also must dispose of surplus property from time to time. Taxpayers have a right to expect that the Amherst School District's operations be carried out efficiently and expeditiously with adequate financial control and accountability. At the same time vendors should have a reasonable right to equal opportunity to provide the goods and services that are used by the Amherst School District if they can provide an equivalent product or service and a competitive price.

The objective of this policy is to attempt to strike a balance between the need for operating efficiency and flexibility, the need for financial control and accountability and the need to provide reasonable opportunity for all qualified vendors and citizens to compete for the Amherst School District's business and / or purchase its surplus materials or property.

It is also the purpose of this policy to encourage joint and bulk purchasing among the Amherst School District and other school districts, SAU 39 and / or the Town of Amherst wherever such purchasing practices achieve better pricing without significantly degrading quality or operational efficiency.

## 2 Responsibilities

### ***2.1 Responsibilities of the Amherst School Board***

The Amherst School Board is responsible for the issuance of this policy and for any revisions thereto.

### ***2.2 Responsibilities of the Superintendent***

The Superintendent has responsibility for managing the overall budget for the Amherst School District. Therefore, it is the Superintendent's responsibility to ensure that this purchasing and contracting policy is properly implemented.

The Superintendent may wish to designate additional individuals who are authorized to approve purchase requests, work requests, expense requests and / or approve invoices for payment. In this case, the Superintendent must prepare a list, stating each individual by name, title, the budget line(s) that they have acquisition approval or invoice payment approval over. Maximum dollar limits may also be specified for each individual and line item. In no instance, may the dollar limit on this list exceed the dollar limits specified elsewhere in this procedure.

This list designating additional authorized individuals can only cover one fiscal year and expires at the end of each fiscal year. Prior to the start of a new fiscal year, the Superintendent must submit a new list to cover the new fiscal year. Each year, this list must be submitted to the Amherst School Board for approval as an addendum to this Purchasing Policy.

### **3 Financial Commitment**

No one acting on behalf of the Amherst School District shall request goods or services for the Amherst School District without first obtaining the proper authorization.

Furthermore, no vendor shall provide any goods or services to the Amherst School District which they expect payment for, unless they have received valid authorization.

Any questions to the validity of an authorization should be addressed to the Superintendent.

### **4 Types of Authorizations**

The following are the only valid authorization vehicles that can be used to commit the Amherst School District to expend funds. A properly authorized:

Purchase Order

Contract

Work Order

Expense Order

Each of the above requires the same levels of approval prior to committing the Amherst School District to expend money. The use of each is defined below.

The following are not used to purchase goods or services for the Amherst School District:

Check Requests

Petty Cash

#### **4.1 Purchase Request / Purchase Order**

A Purchase Order is the preferred method of purchasing goods and services for the Amherst School District. A completed and properly authorized Purchase Order is a binding agreement to buy goods or services from a vendor at a specific price. The approved Purchase Order is given to a vendor, who, after delivering the required goods or services to the district, will invoice the Amherst School District for payment.

To initiate the Purchase Order process, a Purchase Request is generated. Prior to the approval of a Purchase Request and it becoming a Purchase Order, all of the requirements of this procedure including those in Section 5(Acquisition of Goods or Services) must be met.

A Purchase Order is used to formalize a purchase transaction with a vendor. A Purchase Order, when given to a vendor, should contain statements as to the quantity, description, and price of the goods or services ordered; agreed terms as to payment, discounts, date of performance, transportation terms, and all other agreements pertinent to the purchase and its execution by the vendor. In addition, the Purchase Order must clearly state the exact Amherst School District need that this Purchase Order is addressing.

#### **4.2 Contract**

A contract is a legal agreement between a vendor and the Amherst School District. Although many contracts will obligate the district financially, any financial obligations must also have a corresponding Purchase Order.

#### **4.3 Work Request / Work Order**

Where work needs to be performed, and it is not possible to obtain fixed priced quotes in advance, but a negotiated rate has been established through the competitive bidding procedures, the Work Request / Work Order process may be used. A completed and properly authorized Work Order is also a binding agreement to buy goods or services from a vendor at a specific price. The approved Work Order is given to a vendor, who, after delivering the required goods or services to the district, will invoice the Amherst School District for payment.

To initiate the Work Order process, a Work Request is generated. Prior to the approval of a Work Request and it becoming Work Order, all of the requirements of this procedure including those in Section 5(Acquisition of Goods or Services) must be met.

A Work Order is used to formalize a purchase transaction with a vendor. A Work Order, when given to a vendor, should contain statements as to the quantity, description, and price of the goods or services ordered; agreed terms as to payment, discounts, date of performance, transportation terms, and all other agreements pertinent to the purchase and its execution by the vendor. In addition, the Work Order must clearly state the exact Amherst School District need that this Work Order is addressing.

#### **4.4 Expense Request / Expense Report**

If it is not practical to utilize the Purchase Request / Purchase Order procedure, an Expense Request / Expense report may be used to procure goods or services for the Amherst School District.

An Expense Request is required to obtain approval for an expenditure before a commitment or purchase is made. Once the Expense Request is approved, an employee or other agent of the Amherst School District may make a purchase of goods or services on behalf of the Amherst School District. Once the purchase has been made, the employee or agent must submit an Expense Report (along with the other required documentation including the original receipt) for reimbursement.

Prior to the approval of an Expense Request, all of the requirements of this procedure including those in Section 5 (Acquisition of Goods or Services) must be met.

An Expense Request and Expense Report should both contain statements as to the quantity, description, and price of the goods or services ordered. In addition, the both the

Expense Request and Expense Report must clearly state the exact Amherst School District need that this expense is addressing.

## **5 Acquisition of Goods or Services**

All acquisition requests (purchase requests, work requests and expense requests) will be entered on-line so that the committed expenditure will immediately show up on the Amherst School District financial reports. Any exceptions to this requirement will be reported by the Superintendent to the Amherst School Board at the next scheduled Amherst School Board meeting.

Before approving any acquisitions, the Superintendent or authorized designee will verify that:

- (1) Funds for the acquisition in question have been authorized in the District budget approved by the Board; and
- (2) Sufficient funds exist in the appropriate account to cover the acquisition in question.

### **5.1 Acquisition of Goods or Services Valued at \$25,000 and Above**

This acquisition shall require the approval of the Amherst School Board.

The acquisition of goods or services for any one contract or project, with an estimated cost which is twenty five thousand dollars (\$25,000) or above shall be by formal competitive procedures (Section 5.5 - Formal Competitive Bidding Procedure).

No project or contract specification shall be subdivided to avoid the requirement for the use of formal competitive procedures or the approval of the Amherst School Board.

### **5.2 Acquisition of Goods or Services Valued at \$500 and up to \$25,000**

This acquisition shall require the approval of the Amherst School Board if it is one thousand dollars (\$1,000) or more.

The acquisition of goods or services for any one contract or project, with an estimated cost of which is between five hundred dollars (\$500) and up to twenty five thousand dollars (\$25,000), may, at the discretion of the Superintendent, be on the basis of informal procedures (Section 5.6 - Informal Competitive Bidding Procedure) under which the requirement for requests for proposals need not be observed.

No project or contract specification shall be subdivided to avoid the requirement for the use of informal competitive procedures or the approval of the Amherst School Board.

### **5.3 Acquisition of Goods or Services Valued at less than \$500**

The acquisition of goods or services for any one contract or project, with an estimated cost of less than five hundred dollars (\$500) should follow the procedure

outlined in the preceding section (5.2 - Acquisition of Goods or Services Valued at \$500 and up to \$25,000). However, the Superintendent has the discretion to alter these criteria if it is felt to be in the best interest of the Amherst School District.

#### **5.4 Emergency Purchases or Contracts**

When an emergency for goods or services does not allow sufficient time to engage in normal procurement procedures, the Superintendent may enter into any purchase or contract without following the procurement procedures. The Superintendent shall make a full report concerning any such emergency purchase or contracts awarded to the Amherst School Board at the next scheduled Amherst School Board meeting.

#### **5.5 Formal Competitive Bidding Procedure**

Formal procedures include the use of competitive bidding and / or the use of competitive requests for proposals to obtain maximum value for the Amherst School District through the encouragement of full and open competition when practicable.

If there is only one vendor for these goods or services, the requirement for formal competitive bidding is waived, but a sole source memo must be written and provided to the Amherst School Board. This memo must justify the need for selecting a sole source item and the reasonableness of the cost.

The Superintendent shall prepare a Request for Proposal or Request for Quote, which shall be sent to vendors, and / or by advertising. The Request for Proposal or Request for Quote shall include all of the following:

- (1) A general description of the work, materials, or services sought;
- (2) Where bidder forms and specifications and/or requests for proposals may be obtained;
- (3) The closing time and place for submittal of bids/proposals;
- (4) The time and place for opening of bids/receipt of proposals; and
- (5) The amount of bid security, if any, required.

Technical specifications for bids shall state information as broadly as practicable, yet shall be specific enough to describe the requirements of the District. Non-technical specifications for bids shall state the quality required in general terms.

Formal, sealed bids shall be submitted by qualified vendors before that stated deadline, and may be withdrawn by any bidder before the deadline. After the deadline the Superintendent shall receive no further bids, and no bidder shall withdraw a bid. The Amherst School District shall have custody of all bids submitted pursuant to this Policy.

At an official meeting of the Amherst School Board, the Superintendent shall open bids and read them in public.

The Superintendent must inspect all bids and process for award. In determining the low bid or the bid most advantageous to the Amherst School District, the Superintendent shall analyze the bids so that the bids are compared on an equal basis (Section 5.7 - Evaluation Criteria).

After reviewing the proposals, the Amherst School District reserves the right to bid any and all items or to not make any award if it is determined to be in the best interest of the Amherst School District.

In the event of a tie for low bid by equally qualified bidders where one bid is not considered a bid most advantageous, the following rules shall apply to the tied bidders:

- Preference for award shall be given first to any bidder who is located within Amherst, New Hampshire. If none of the bidders are located in Amherst, New Hampshire, preference shall then be given to any bidder located within the State of New Hampshire.
- If preference cannot be determined the Superintendent shall, in the presence of such bidders, if possible, or in the presence of a witness, draw lots to determine who shall be awarded the bid.

The competitive bid procedure may be waived by a majority vote of the Amherst School Board.

The Superintendent shall maintain a record of all bids and proposals submitted, and such record shall be kept open to the public for inspection. Such records will be maintained by the Amherst School District for at least three years and one day from the conclusion of any contract.

## **5.6 Informal Competitive Bidding Procedure**

Informal procedures are intended to strike a balance by allowing a procurement to be carried out efficiently and expeditiously, while obtaining favorable pricing for the Amherst School District, and providing adequate financial control and accountability.

If there is only one vendor for these goods or services, the requirement for informal competitive bidding is waived, but a sole source memo must be written and provided to the Amherst School Board. This memo must justify the need for selecting a sole source item and the reasonableness of the cost.

Informal procedures shall include obtaining quotations or proposals, when practical, from at least three (3) contractors, preferably in writing.

The Superintendent shall maintain a record of all informal bids/informal proposals submitted, and such record shall be kept open to the public for inspection. Such records will be maintained by the Amherst School District for at least three years and one day from the conclusion of any contract.

## **5.7 Evaluation Criteria**

In addition to price, the evaluation criteria will include at least some of the following factors:

- (1) The ability, capacity, and skill of the proposer to perform the contract.
- (2) Whether the proposer can perform the contract within the time specified without delay or interference.

- (3) The character, integrity, reputation, judgment, experience, and efficiency of the proposer.
- (4) The quality of performance by the proposer on previous contracts.
- (5) Whether the proposer is in arrears on any existing contract with the District or is in litigation, arbitration, or other legal disputes with the District.
- (6) Previous compliance by the proposer with laws and regulations relating to the contract.
- (7) The number and scope of conditions attached to the proposal.
- (8) The number and scope of minor variations contained in the proposal.
- (9) If the subject of the contract will require future maintenance or repairs, the availability of replacements, replacement parts, and maintenance service for any machinery, equipment, or other material proposed to be installed or supplied by the proposer.
- (10) The quality, availability, and adaptability of the supplies, equipment or contractual services to the particular use required.
- (11) Whether the apparently successful proposer is prepared to furnish supplies, equipment, or contractual services which meet the specifications of the District.
- (12) After the minimum acceptable qualifications have been demonstrated, enhancements offered or demonstrated by the proposer which increases the quality, efficiency, or value of the project as defined in the request for proposal may be considered.

When an award shall be recommended to other than the lowest bidder, the Superintendent shall submit such recommendation to the Amherst School Board for approval or disapproval

### **5.8 Open Pricing Offer**

An Open Pricing Offer is an offer from a vendor to sell to the Amherst School District goods or services for a specified price (or discount) over a period of time, not to exceed one year. Open Pricing Offers can not be exclusive and can not obligate the Amherst School District to purchase any goods or services.

An Open Pricing Offer may be used where the Amherst School District may need to make recurring purchases of identical or similar items. Utilizing an Open Pricing Offer can alleviate the need to obtain new bids for each subsequent purchase.

Open Pricing Offers must be received through the use of the Formal Competitive Bidding Procedure (Section 5.5) or the Informal Competitive Bidding Procedure (Section 5.6), depending on the dollar amount applicable.

Each Open Pricing Agreement must be approved by the Amherst School Board before it is used and each purchase utilizing an Open Pricing Agreement must follow all of the other requirements in this policy.

The following are examples where an Open Pricing Offer might be utilized: copy paper, printer supplies, computers, professional services, SPED services (doctors, specialist), electricians, utilities (electricity, phone, long distance, cell phones), and fuels (oil, propane).

## **5.9 Construction Security Requirements**

The Superintendent shall require security from vendors for construction projects estimated to be in excess of \$25,000.

The form of the security prescribed by the Superintendent and acceptable by the Amherst School District Attorney can consist, but is not limited to, bonds issued by surety companies licensed within the United States, certified checks and irrevocable letters of credit at banks acceptable to the Amherst School District.

The Superintendent may include security requirements for projects less than \$25,000 and in other types of purchases where doing so is determined to be in the best interests of the Amherst School District.

The elements of a purchase to be secured include, but are not limited to, the following:

- **BID PRICE** - To insure a margin above the bid price, from the time of bid opening until signing of the contract, in case of default by the bidder. The amount is used to offset the cost of accepting the next lowest qualified bidder (Minimum of 10% of bid price).
- **PERFORMANCE** - To insure compliance with and completion of the contract (100% of contract).
- **LABOR AND MATERIAL PAYMENT** - To insure payment to suppliers and subcontractors by the contractor (100% of contract).

## **6 Payment**

No payment for goods or services shall be made until:

- the goods or services are received, and
- the original invoice has been signed by an authorized District representative, and
- the Purchase Order, Work Order or Expense Report is present, and
- two members of the Amherst School Board have reviewed and approved the payment.

### **6.1 Payment Approval Exceptions**

The following transactions do not require prior approval from the Amherst School Board member prior to sending out the check. However, the transaction must meet all other requirements and be reviewed and approved by two members of the Amherst School Board as soon as practical.

- Payroll checks

## **7 Disposition of Goods**

Goods which are obsolete, unusable, or surplus to the Amherst School District needs, or are otherwise not in the Amherst School District's best economic interests to retain, shall be disposed of by requesting sealed bids or public auction, or other means as practical. The Superintendent will submit to the Amherst School Board for approval the method of disposal of any such goods which are non-perishable and has an expected net sale or auction value of over two hundred fifty dollars (\$250) for the individual item.

Goods which have an expected net sale or auction value less than two hundred fifty dollars (\$250) for the individual item, may be sold to the public, provided that a determination of price reasonableness is made by the Superintendent. However, individual items may be transferred to governmental units and then to nonprofit organizations without charge. The Superintendent shall establish procedures to facilitate such transfers.

Disposal of textbooks, library books, and supplies shall be in accordance with administrative procedures developed by the Superintendent.

Goods purchased through restrictive federal grants, or other funding sources which have restrictive disposal provisions, shall be processed in accordance with those terms specified therein.

## **8 Conflict of Interest**

Except as may be expressly authorized by the Amherst School Board, no Amherst School Board member, Amherst School District employee or Agent of the Amherst School District may:

- Accept any gifts or favors in any form from any person, firm or corporation that is directly or indirectly involved or interested in business dealings with the Amherst School District.
- Take any action to influence the Amherst School District's selection of a person, firm or corporation as a potential vendor of goods or services to the Amherst School District, in which they or their family have a financial interest.

**PETTY CASH ACCOUNTS**

Petty cash funds may be established for the school, superintendent's office, and special programs in such instances as they will expedite the purchase of minor items and/or provide immediate payment for minor services.

Petty cash will be administered as follows:

1. No purchase will be reimbursed through a petty cash account unless accompanied by a receipt and noted on the petty cash report.
2. The petty cash report and accompanying receipts shall be turned in periodically to the superintendent's office to reimburse the fund. The report must be filled out completely.
3. The maximum petty cash allowable for each building is \$100.
4. When the petty cash account is reimbursed, the appropriate account will be charged.
5. Money received must not be put directly into petty cash. This money must be turned in to the business office, and the appropriate fund will be credited.

**ADOPTION: 5/21/90  
AMHERST**

**REVISION: 5/8/95**

**DJD - COOPERATIVE PURCHASING**

The board, at its option, may join in cooperative purchasing with other school districts and municipalities to take advantage Of lower prices for bulk purchasing and to reduce the administrative costs involved in bidding.

The Superintendent or his/her designee is encouraged to contact school districts and municipalities when deemed feasible, appropriate and advantageous to the school district.

## **DJE - BIDDING REQUIREMENTS**

All contracts for, and purchases of supplies, materials, equipment, and contractual services in the amount of \$1,000 to \$9,999 will require , when feasible, at least three employee-documented competitive bids or quotations. For all contracts and purchases between \$10,000 and \$24,999 three written vendor bids will be required when feasible. For all contracts and purchases \$25,000 and greater, the formal bidding procedures will be used. Special arrangements may be made for ordering perishable and emergency supplies or repairs, or may be authorized by the Superintendent or his/her designee. If a sole provider is the only bidder procedure manual DJB-R, Section 5.5 will guide the procedure.

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

All formal bids must be submitted in sealed envelopes, addressed to the Board or its designee, and plainly marked with the time of the bid and the time of the bid opening. Bids shall be opened at the time specified and all bidders and other persons shall be invited to be present.

The Board's designee will present recommendation and rationale of the final bid to the Board for all purchases which fall under formal bidding procedures. The Board reserves the right to reject any or all bids and to accept that bid which appears to be in the best interest of the district. The Board reserves the right to waive any formalities 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 shall not be considered. The Board also reserves the right to negotiate with a bidder.

The Board or its designee will consider such factors as, but not limited to, price, bidder qualifications, past performance, responsiveness and financial integrity, warrantees, delivery, and quality. The Board may require the successful bidder to furnish a performance bond, liability insurance, workman's compensation, security deposit, retainer, and any other instrument to protect the District.

**Legal References:**

*RSA 194-C:4 II (a), Superintendent Services*

*NH Code of Administrative Rules, Section Ed. 303.01 (b), Substantive Duties of School Boards*

**Adopted- May 6, 2010**

**LOCAL PURCHASING**

It shall be the policy of the school district to purchase locally, provided goods of equal quality, and at competitive prices, are available from local suppliers.

The district purchasing process should not bind the district to purchase any item locally that can be secured at a saving to the school district from outside sources, nor it be bound to purchase locally unless adequate service and delivery can be given by the local supplier.

**ADOPTION: 5/3/90**  
**AMHERST**

**REVISION: 5/8/95**

**SALES CALLS AND DEMONSTRATIONS**

Sales representatives are not permitted to call on teachers or other school staff members without authorization from the school administration.

The school principal may give permission to sales representatives of any products to see members of the school staff at times that will not interfere with the educational program.

Gifts or other consideration valued at more than five dollars which sales representatives give to school district employees become the property of the school.

**ADOPTION: 5/3/90**  
**AMHERST**

**REVISION: 5/8/95**

**EXPENSE REIMBURSEMENTS**

District personnel and officials who incur expenses in carrying out their authorized duties may be reimbursed by the district, subject to prior approval, upon submission of a properly filled out and approved voucher and such supporting receipts as required by the office of the superintendent. Such expenses may be approved and incurred in line with budgetary allocations for the specific type of expense; for example, staff development, meetings and procurement of incidental operations and maintenance supplies.

Mileage, meals and lodging reimbursement rates will be announced by June 15 for the following school year.

When official travel by personally owned vehicle has been authorized, mileage payment shall be made at the rate currently approved by the board.

All travel outside New England must have the prior written approval of the superintendent of schools.

**ADOPTION: 5/3/90**  
**AMHERST**

**REVISION: 5/8/95**

**SALARY DEDUCTION - TAX SHELTERED ANNUITY**

The school board will establish procedures within the office of the superintendent for employees to take advantage of federal law concerning tax-sheltered annuities.

**ADOPTION: 5/8/95  
AMHERST**

**CASH IN SCHOOL BUILDINGS**

Money collected by school employees and by student treasurers shall be handled with good and prudent business procedures. All moneys collected shall be receipted, accounted for, and directed without delay to the proper location of deposit.

In no case shall money be left overnight in school, except in safes or locked file cabinets provided for safekeeping of valuables. The principal shall provide for making bank deposits during regular banking hours in order to avoid leaving money in school overnight.

**ADOPTION: 5/21/90  
AMHERST**

**REVISION: 5/8/95**

**SCHOOL DISTRICT PROPERTIES DISPOSAL**

The Board authorizes disposition of obsolete items according to the following priority actions:

1. By selling to the highest bidder or whatever other arrangement is in the best interest of the school district.
2. When practicable, the Board shall donate such items to charitable organizations and schools.
3. By giving such items to local citizens.
4. By removal to a town dump or transfer station.

Sale of real estate will be by the vote of the school district at an annual or special school district meeting.

**ADOPTION: 5/21/90**  
**AMHERST**

**REVISION: 5/8/95**