
SUBJECT: Purchasing Policy and Procedures

I. Board Policy

It is the policy of the Summit Academy Board of Trustees to have purchasing procedures that are conducted in an efficient and responsible manner. The Board delegates to the administration the responsibility for establishing procedures consistent with Board Policy. The purposes of the purchasing policy and procedures include (1) ensuring fair and equitable treatment of vendors, businesses and persons who conduct business with Summit Academy; (2) to provide for the greatest possible economy in purchasing activities; and (3) to ensure that Summit Academy is able to receive quality goods and services at reasonable, competitive prices.

II. Administrative Guidelines and Procedures

A. Purchasing

The Summit Academy Business Manager has the responsibility, under the Director's supervision, to conduct the purchasing and budgeting affairs for the school. Purchases and acquisitions are to be performed consistent with the following guidelines:

1. **Normal Business Operations** – the Business Manager is approved to make purchases, with the Director's approval, for this category of disbursement subject to the requirements of the requisition process. The Business Manager shall submit monthly transaction reports and profit and loss reports to the Board for review.
2. **Annual Budget** – Budget items included in the Annual Financial Budget, which is published by the Board of Trustees, are approved for purchase, requisition or disbursement in a manner consistent with the annual budget. This category includes goods and services delivered to the school under a contract or agreement previously ratified by the Board of Trustees.
3. **Items costing more than \$1,000 but less than \$2,000** – Items not covered by the above categories which cost more than \$1,000 but less than \$2,000 shall require a minimum of 3 telephone bids or proposals prior to purchase.
4. **Items over \$2,000 Total** – Items not covered by the above categories which cost more than \$2,000 in total, shall require three written bids or proposals, which shall be reviewed by the Director and approved based on a consideration of total overall price, completeness of the bid, warranty, and integrity to the intent of the bid request. The Director shall report any such purchases to the Board of Trustees on a monthly basis for review and ratification.

B. Contingency Reserves

The Summit Academy Board of Trustees will maintain a contingency reserve to help avoid future deficit fund balances as well as mitigate the impact of budget reductions which may be imposed by the Utah State Legislature from time to time. The Board of Trustees will review the contingency reserve amount on an annual basis and determine an appropriate amount of the maintenance and operation budget to place in the contingency

reserve.

C. Disbursements

Disbursements from the school's operational accounts will be in compliance with the Board Purchasing Policy. Disbursements for significant purchases outside of Normal Business Operations or items approved in the Annual Budget, will require the signature of at least two authorized signatories. Significant disbursements are defined as those greater than \$2000. Both signatories will be accountable to the Summit Academy School Board of Trustees.

D. Contracts for Services

Summit Academy may contract for certain services such as bookkeeping, accounting, payroll, benefits, facilities maintenance, and student services.

E. Budgets

The Summit Academy Business Manager will present a planning budget to the Board in May of each year. The annual operating budget will be reviewed and approved by the Board of Trustees on or before June 30th of each year.

F. Financial Reporting

An independent auditing company, will complete the required financial reporting (including the AFR, APR, Fall Enrollment Count, Year-End S3 and IRS form 990. The Business Manager will work closely with Squire and Co. to ensure that all required information is available.