

LOCAL SCHOOL ACCOUNTING AND REPORTING (PURCHASING AND PURCHASE ORDERS)

The principal must ensure that good, sound business practices are followed regarding the purchase of goods and/or services from the school's general fund. In order to control the purchasing, the principal should determine the need for the goods and/or services and the availability of funds, and then approve or disapprove the proposed purchase. If he/she approves the purchase, he/she should sign a purchase order to document his/her approval, and then the purchase can be processed.

1. The principal will be responsible for approving all purchases made on behalf of the school.
2. A local school purchase order shall be issued for every local school purchase of goods and services except for recurring expenditures such as school telephone, school utilities, bank service charges, and other expenditures not requested by a local school employee or sponsor. The purchase order number and account name (general, lunchroom, etc.) shall be typed in the upper corner of each purchase order.
1. The individual making the purchase shall be responsible for preparing a local school purchase order prior to making the purchase. Failure to complete and/or secure proper purchase order approval(s) prior to any purchase will result in the individual(s) making the invalid purchase being held personally responsible for payment of such purchase. Any exceptions to this liability must be based on standards of reason that would be acceptable for consideration. Only on rare occasions as deemed necessary by the principal may an individual purchase supplies and then be reimbursed for the purchase price exclusive of sales tax and other charges from school funds.
4. Only purchase order forms approved by the Board shall be used by local schools.
5. A student body organization shall not be obligated for purchases made by students, sponsors, faculty, and others unless supported by a local school purchase order signed by an authorized person.
6. The following procedure shall be used when preparing a local school purchase order:
 - a. The Requisition - Purchase Order Form should be filled out completely by the individual wishing to make the purchases: officer, sponsor, or other responsible person.
 - b. The completed purchase order should be checked for accuracy by the school secretary or bookkeeper. The account form that the purchase is to be made should have funds adequate to cover the cost of the purchase.
 - c. Final approval for a purchase made with local school funds rests with the school principal.

- d. After the purchase order has been completed and approved, a purchase order number is assigned. Numbers shall be given in chronological order.
- e. A purchase order register should be maintained recording date, vendor, purchase order number, account classification and total order.
- f. The copies of the purchase order are distributed as follows:
 - (1) Original (white) is submitted to the vendor for the purchase. (2) The duplicate (pink) copy should be maintained in the principal's office. (3) The triplicate (yellow) copy should be returned to the organization requesting the order.
- g. When the goods or services ordered are received, the invoice shall be checked against the purchase order and the person receiving the goods or services shall sign and date the invoice indicating that the goods or services have been received. The invoice shall then be attached to the duplicate copy of the purchase order and placed in the accounts payable file to be paid.
- h. As invoices are received, or incurred expenditures become measurable, they should be posted to the respective vendor. This provides an accounting for all unpaid obligations of the General Fund.
- i. A year-end summary or report of all accounts payable is to be made at the end of the school year. All account payable for goods or services received (including debts to the School Board or other schools) must be listed regardless of the date when payment is due. If payment of an obligation will not be completed in the next school session, a written explanation should be attached to the report explaining the circumstances and stating the payments that will be made. If the exact amount of the payable is not known when this report is due, an approximate charge is to be reported with an indication that the figure is estimated. A payable does not exist unless the goods or services have been received.

SOURCE: Winston County Board of Education, Double Springs, AL

ADOPTED: Sep. 26, 1986; REVISED: Nov. 6, 2003; Sept. 25, 2007

LEGAL REF.: The Code of Alabama, 16-13-32, 16-13-38(d), 41-5-23 State Department of Education, Bulletin Number 32, 1982.