



Ka'Umeke Kā'eo

Hawaiian Immersion Public Charter School

I N K E A U K A H A

Procurement Policy

Category: Financial	Policy Description: Outlines the necessary steps various procurement activities
Approved Date: 09/16/14	Replaces Policy Dated: 10/24/13
Effective Date: 09/16/14	Created By: Toni-Ann Samio, Mālama Kula

PURPOSE:

This Procurement Policy is enacted in order to guide Ka `Umeke Kā`eo's administration, faculty, and staff on the procedures for procuring goods and services. These procedures will assist in ensuring that all purchases and obligations of funds are paid, maintained, and assessed in a timely manner for the benefit of the school.

DEFINITIONS:

*Goods are tangible items.

*Services are time, work, or effort provided by an individual or company for a fee.

*Travel is services for approved time away from campus for work related meetings, conferences, workshops, professional development, or training.

*Vendor(s) is/are the provider of the goods or services.

*Quote is a request for goods or services and does not obligate or commit to the vendor.

*Invoices are requests for payments from vendors upon receipt of goods or completion of services.

*Request for Price Quotes (RPQ) are detailed requests to vendors for identical goods or services as part of the competitive bidding process.

*Immediate Family is defined as parents, grandparents, great-grandparents, child, siblings, grandchildren, great-grandchildren, uncles/aunts, great uncles/aunts; nephew/nieces, grandnephews/nieces, and first cousins.

*Requestor is the Administrator, faculty, or staff in need of goods or services.

*Consumable items are items that will be used, and not planned for re-use, for less than a year (i.e. paper, pens, file folders, pencils, labels, envelopes, post-its, fabric, toner, etc.).

*Non-consumable items are items that will be used for more than a year (i.e. tables, chairs, coolers, metal/wooden cabinets, staplers, paper cutter, computer carts, etc.).

These are items that have a longer "shelf-life" of use or wear.



Ka'Umeke Kā'eo

Hawaiian Immersion Public Charter School

I N K E A U K A H A

*Placed in Service is when an item is ready and available for use regardless if it is actually being used or not.

*Hawai'i Compliance Express is the online medium through which proof of vendor's/contractor's compliance upon award is obtained for purchases of \$2,500.00 or more.

POLICY:

1. All requests for goods or services (including travel related expenditures) must have PRIOR written approval regardless of the method of payment (i.e. purchase order, corporate card, direct debit payment to vendor, or reimbursement) via a Palapala Noi Kālā (Request for Funds form). A Request for Funds form must be completed for each individual vendor. Description of goods or services must be included or attached (online print outs of shopping carts, conference information, training/professional development flyers, etc. attached to forms indicating estimated total costs are acceptable).
2. A Request for Funds form will be completed for monthly invoices (i.e. wireless internet service, lease payments, telephone services, refueling charges, etc.) upon receipt of invoice.
3. Any request for computers, software, hardware, cables, external hard drives, USB drives, printers, etc. must be approved by the Limahana `Enehana to ensure compatibility and support services.
4. All other methods of payments should be explored before a request for reimbursement is made to reduce risk and liability. Reimbursements are limited to \$100.00 (cumulative based on the date of receipt, not when the receipt is submitted for reimbursement) per person per calendar month. Reimbursements must be submitted within 30 working days of date printed on receipt. Original receipt is required for reimbursements. Receipts MUST list items purchased and their costs, vendor's name, contact information, and date of purchase. If the vendor's receipt does not have the aforementioned information, a written receipt from the vendor must be obtained. Written receipts MUST include:
 - a. List of items and costs
 - b. Applicable taxes, fees, licenses, shipping and/or handling
 - c. Vendor's name and contact information
 - d. Date of purchase
 - e. Vendor's signature
5. Any purchase of goods or services totaling \$1,999.99 or less must have the written approval of the Po`okumu and written co-approval of the Mālama Kula.



Ka'Umeke Kā'eo

Hawaiian Immersion Public Charter School

I N K E A U K A H A

6. Any purchase of goods or services totaling between \$2,000.00 and \$4,999.99 must have the written approval of the Po`okumu and written co-approval of the Mālama Kula.
7. Any purchase of goods or services totaling between \$5,000.00 and \$9,999.99 must have written approval by the Po`okumu, Mālama Kula, and the Local School Board Chair. Additionally, three quotes must be obtained. All things being equal, the lowest bidder will be selected. If the lowest bidder is not selected, a detailed justification by the requestor for the selection must accompany the purchase request.
8. Any purchase of goods or services totaling over \$10,000.00 must have written approval by Po`okumu, Mālama Kula, and the Local School Board Chair. A Palapala Noi Kumukū`ai (Request for Price Quote; RPQ) must be used to obtain three quotes. Any goods or services offered by a vendor and accepted by the requestor that was not included on the RPQ must be asked by the other vendors for consideration before selection is made. A committee of no less than three (3) people, made up of the written approvers (or their delegates) will convene to make the selection.
9. If, for any reason, three quotes cannot be obtained or the RPQ process cannot be utilized (i.e. only one or two vendors for the requested goods or services, no response from vendors, etc.), a written justification describing the specific reasons for the goods or services and why the procurement process (three quotes or RPQs) could not be followed must be submitted with the purchase request. The Po`okumu, Mālama Kula, and the Local School Board Chair will review and provide written PRIOR approval for the purchase of goods or services.
10. If any procurement process includes the consideration of a vendor that has an immediate family relationship with a member of the leadership team or Local School Board, then the requestor must disclose this conflict of interest and remove themselves from the selection process. If a member of the procurement process must remove themselves for this reason, then a member of the Local School Board must take their place. The selection of the replacement person will proceed in the following order until someone without a conflict is identified:
 - a. Vice-Chair
 - b. Secretary
 - c. Treasurer
 - d. Board member based on longevity on the board
 - e. Board member's age



Ka'Umeke Kā'eo

Hawaiian Immersion Public Charter School

I N K E A U K A H A

11. If requests are submitted by the Po`okumu, written approval must be obtained by the Local School Board Chair.
12. If requests are submitted by the Mālama Kula, written approval must be obtained by the Po`okumu, and the Kāko`o Kula as the co-approver.
13. Allow at least five (5) working days after request has been submitted for required signatures (dependent on availability of required signators).
14. Allow at least five (5) working days after request has been signed to be processed (i.e. creation of Purchase Order, submission of online order, availability of corporate card, written correspondence to make purchase for reimbursement; dependent on availability of work load, signators, corporate cards, etc.).
15. Inventory will be taken of all goods regardless of dollar amount spent. All requested goods will be shipped to the Pā Hoaka Office for processing and be inventoried (checked against original request). Consumable goods will be inventoried then released to requestors. Non-consumable goods must be inventoried and labeled before being released to requestors. Labeling will be done with a permanent marker, label, or etched on, depending on the item. Inventoried goods will be labeled by the Mālama Kula or the Kāko`o Kula or by the requestor if picking up goods from local vendors with a corporate card. The Mālama Kula and/or the Kāko`o Kula will verify purchases made by corporate cards or reimbursements monthly and conduct bi-annual (mid and end of fiscal year) cumulative inventory.
16. Depreciation will be taken into account for purchases \$500.00 (single item value) and a useful life of more than one (1) year and will not be disposed of in the same year it which it was purchased. Depreciation will begin when the item is placed in service. Depreciation ends when the item is sold, converted to personal use, abandoned, transferred, destroyed, or lost/stolen.
17. All vendors/contractors for purchases of \$2,500.00 or more must provide proof of compliance upon award for goods/services. Awarding to vendor is determined at issuance of a purchase order or contract. Ka 'Umeke Kā'eo will utilize the Hawai'i Compliance Express at this link: <https://vendors.ehawaii.gov> to obtain vendor's/contractor's "Certificate of Vendor Compliance". This is to comply with the Hawai'i Revised Statutes Section 103D-310(c).

APPLICABLE PROCEDURES:

SUBMITTING REQUESTS:

1. A Request for Funds form is completed by the requestor and turned in to the Kāko`o Kula to be reviewed and routed for signatures PRIOR to purchase/receipt of



Ka'Umeke Kā'eo

Hawaiian Immersion Public Charter School

I N K E A U K A H A

goods or services. Kāko`o Kula will check that all necessary information has been submitted. Kāko`o Kula will contact requestor for follow-ups or for missing information. Kāko`o Kula will route forms to Mālama Kula for account and class designation.

2. Mālama Kula will sign off and route to Po'okumu for signature.

3. Po`okumu will review forms and if approved, will sign and return forms to the ke`ena for processing.

4. For Travel related services, a Palapala Noi Huaka`i (Request to Travel Form) must be completed and turned in to the Kāko`o Kula for review. A separate Request for Funds form must also be completed for each individual vendor required to complete the travel activity (i.e. airfare, lodging, ground transportation, conference/workshop/training fees, etc.) and be attached to the Request to Travel Form.

PROCESSING REQUESTS:

4. Kāko`o Kula will take appropriate action as indicated on request forms (i.e. generate purchase order, make online purchase, notify requestor to pick up corporate card, etc.)

a. Purchase Orders:

- For purchase orders for purchase totaling \$2,499.99 or less, Kāko`o Kula will generate a purchase order, route to Mālama Kula for signature, then process order (i.e. deliver purchase order to vendor by fax, email, mail or hand delivery).
- For purchase orders for purchases totaling \$2,500.00 or more, Kāko`o Kula will obtain a "Certificate of Vendor Compliance" for the vendor. If vendor is compliant, a purchase order will be generated, routed to Mālama Kula for signature, then processed by the Kāko`o Kula (i.e. deliver purchase order to vendor by fax, email, mail, or hand delivery). If a Certificate of Compliance is not found for the selected vendor, the requestor and the Kāko`o Kula can work with the vendor to assist them in registering with Hawai'i Compliance Express to show compliance. If the vendor does not register or cannot prove compliance, a new vendor who is compliant must be selected. A Certificate of Compliance must be printed and filed with the originating purchase request.

b. For online purchases, Kāko`o Kula will place orders using school debit card. Kāko`o Kula will print out any order confirmations and email confirmations and attach to original request form.



Ka'Umeke Kā'eo

Hawaiian Immersion Public Charter School

I N K E A U K A H A

- c. For corporate card purchases, requestor will make purchases and submit the original receipt and corporate card to the Kāko`o Kula immediately upon return to campus. All cards must be returned to the ke`ena. The Kāko`o Kula will notify the next requestor of the availability of the corporate card.
- d. For reimbursements, requestor will make purchases and turn in original receipts to the Kāko`o Kula upon completion of purchase. Receipts must match original request form (do not include personal items; if personal items are included, please note on the receipt items to be reimbursed only).

RECEIPT OF GOODS OR SERVICES:

5. Mālama Kula will receive goods and verify order before submitting packing slip/invoice to Kāko`o Kula. Upon receipt of packing slip/invoice, Kāko`o Kula will log and label inventory as needed and notify requestor of delivery of goods. For services, Mālama Kula will verify services have been rendered as requested before signing off. Mālama Kula will submit invoice/work order for services to Kāko`o Kula for processing.

6. Upon verification of receipt of goods or services, Kāko`o Kula will take appropriate action (file packing slip until final invoice is received, enter bill for payment if final invoice is received, make arrangements for returns or exchanges if needed, etc.). For inventory, goods will be labeled as follows:

- a) Furniture (tables, chairs, file cabinets, storage cabinets, mobile white boards, carts, etc.) shall be labeled as follows:
 - i) KUK - K(H/W/K; H=Ha`aha'a, W=Waena, K=Ki`eki`e), FYxxxx (Fiscal Year in which purchase was made), PO#(if applicable), or Order # EXAMPLE: "KUK - KW FY2013 #123456"
 - ii) If more than one of the same item was ordered, the quantity count will also be added to the label.
EXAMPLE: "KUK - KW FY2013 #123456 4/5"
- b) Non-furniture (playground equipment, staplers, coolers, water jugs, tent poles/tarps, plastic storage bins, books, clipboards, classroom equipment, gardening equipment, etc.) shall be labeled as follows:
 - i) KUK - K(H/W/K; H=Ha`aha`a, W=Waena, K=Ki`eki`e) and FYxxxx (Fiscal Year in which purchase was made)
EXAMPLE: "KUK - KW FY2013"
 - ii) If space on the item allows, the PO# (if applicable) or Order # and quantity count will be added to the label.
EXAMPLE: "KUK - KW FY2013 #123456 4/5"



Ka'Umeke Kā'eo

Hawaiian Immersion Public Charter School

I N K E A U K A H A

- c) If Title I funds were used to purchase goods, "Title I" and the award year will also be added to the label or replace the PO/Order # if space is limited.
EXAMPLE: "KUK - KW FY2013 #123456 4/5 Title I 2012-2013"
- d) Goods/Items to be depreciated will have the suffix "D" added to the fiscal year of purchase.
EXAMPLE: "KUK - KW FY2013D #123456 4/5"

PAYMENT PROCESS:

7. Payments will be entered within 5 days of receipt of bill or invoice.
8. Checks for payments will be run weekly by the Mālama Kula and routed for signatures.
- a. Checks totaling \$2,499.99 or less will be signed by the Po`okumu.
 - b. Checks totaling \$2,500.00 or more will be signed by the Po`okumu and the Local School Board Chair.
 - c. Checks made out to the Mālama Kula will be run by the Kāko`o Kula, regardless of the amount.
 - d. Checks made out to the Po`okumu will be signed by the Local School Board Chair, regardless of the amount.
 - e. Checks made out to the Edith Kanaka`ole Foundation will be signed by the Local School Board Chair, regardless of the amount, and the Local School Board Secretary, if two signatures are required.
 - f. Checks made out to any immediate relation of the Po`okumu will be signed by the Local School Board Chair, regardless of the amount.
9. Checks will be returned to the ke`ena after signatures are obtained. Checks will be copied and mailed out to vendors.
10. Checks for reimbursement will be held at the ke`ena. Payees will be notified that a check is ready for pick-up. Payees must sign off before receiving their check.
11. All documents (request for funds form, correspondence/confirmations, packing slips, invoices, check copies, check stubs, etc.) will be filed to close out the procurement process.



Ka'Umeke Kā'eo

Hawaiian Immersion Public Charter School

I N K E A U K A H A

OTHER RELATED INFORMATION:

Palapala Noi Kālā (Request for Funds)

Palapala Noi Kumukū`ai (Request for Price Quotes)

Palapala Noi Huaka`i (Request to Travel)