

LAMOILLE NORTH SUPERVISORY UNION PURCHASING PRINCIPLES & PROTOCOL

The Lamoille North Supervisory Union and its member districts adhere to the following purchasing principles and practices in accordance with state and federal regulation and statute as well as generally accepted guidelines, best practices and the professional Code of Ethics of the Association of School Business Officials. It is not appropriate or legal to separate portions of like items in order to avoid bid process and beyond adherence to the legal aspects of bidding. LNSU strives to adhere to the ethical adherence of fairness, propriety and avoidance in not only any conflict of interest but also, the appearance of a conflict of interest.

BIDDING: Legal Requirement

The Duty to Publicly Bid is prescribed under Title 16 of the Vermont State Statute as follows:

§ 559. Public bids.

(a) When the cost exceeds \$15,000.00. A school board or supervisory union board shall publicly advertise or invite three or more bids from persons deemed capable of providing items or services if costs are in excess of \$15,000.00 for any of the following:

- (1) the construction, purchase, lease, or improvement of any school building;
- (2) the purchase or lease of any item or items required for supply, equipment, maintenance, repair, or transportation of students; or
- (3) a contract for transportation, maintenance, or repair services.

(b) When a school construction contract exceeds \$500,000.00:

(1) The state board shall establish, in consultation with the commissioner of buildings and general services and with other knowledgeable sources, general rules for the prequalification of bidders on such a contract. The department of buildings and general services, upon notice by the commissioner of education, shall provide to school boards undergoing construction projects suggestions and recommendations on bidders qualified to provide construction services.

(2) At least 60 days prior to the proposed bid opening on any construction contract to be awarded by a school board which exceeds \$500,000.00, the school board shall publicly advertise for contractors interested in bidding on the project. The advertisement shall indicate that the school board has established prequalification criteria which a contractor must meet, and shall invite any interested contractor to apply to the school board for prequalification. All interested contractors shall submit their qualifications to the school board which shall determine a list of eligible prospective bidders based on the previously established criteria. At least 30 days prior to the proposed bid opening, the school board shall give written notice of the board's determination to each contractor that submitted qualifications. The school board shall consider all bids submitted by pre-qualified bidders meeting the deadline.

(c) Contract award.

(1) A contract for any such item or service to be obtained pursuant to subsection (a) of this section shall be awarded to one of the three lowest responsible bids conforming to specifications, with consideration being given to quantities involved, time required for delivery, purpose for which required, competency and responsibility of bidder, and his or her ability to render satisfactory service. A board shall have the right to reject any or all bids.

(2) A contract for any property, construction, good or service to be obtained pursuant to sub-section (b) of this section shall be awarded to the lowest responsible bid conforming to specifications. However, when considering the base contract amount and without considering cost overruns, if the two lowest responsible bids are within one percent of each other, the board may award the contract to either bidder. A board shall have the right to reject any bid found not to be responsible or conforming to specifications or to reject all bids.

(d) Construction management. The school board may contract for the service of construction management to assist in a school construction project. The state board, in consultation with the commissioner of buildings and general services other knowledgeable sources, shall adopt rules defining the term "construction management" and specifying the nature of bidding requirements under construction management services in order to assist school boards in complying with the public bidding requirements of this section.

(e) Application of this section. Application of this section. Any contract entered into or purchase made in violation of the provisions of this section shall be null and void; provided, however, that:

(1) the provisions of this section shall not apply to contracts for the purchase of books or other materials of instruction;

(2) a school board may name in the specifications and invitations for bids under this section, the particular make, kind, or brand of article or articles to be purchased or contracted for;

(3) nothing in this section shall apply to emergency repairs;

(4) nothing in this section shall be construed to prohibit a school board from awarding a school nutrition contract after using any method of bidding or requests for proposals permitted under federal law for award of the contract;

(5) nothing in this section shall prevent school districts or supervisory unions from entering into agreements with other school districts or supervisory unions to conduct joint bidding procedures otherwise consistent with this section;

(6) nothing in this section shall require a school board to invite or advertise for bids if it elects to purchase goods, materials or supplies through the commissioner of buildings and general services, pursuant to chapter 49 of Title 29; and

(7) nothing in this section shall require a school board or supervisory union board to invite or advertise for bids if it is renewing a contract entered into pursuant to subsection (a) of this section provided that annual costs will not increase more than the most recent New England Economic Project cumulative price index, as of November 15, for state and local government purchases of goods and services, the total amount of the contract does not exceed an increase of 30 percent more than the total amount of the original contract, and the contract for the renewal period allows termination by the board following an annual review of performance.

(f) Exceptions. The state board shall by rule adopt standards governing the authority of the commissioner to grant individual exceptions to the provisions of this section. The rules, at minimum, shall require the school board seeking the exception to demonstrate to the commissioner that the board is unable to comply with the bidding procedure through no fault of its own, and that the school board has proposed an alternative method of keeping costs down through a fair and public process.

(g) Violations. The state board may deny state aid for school construction and for debt service on a project which proceeds in violation of this section.

BIDDING: Best Practices & General Guidelines to Promote Fairness

Timelines:

Bids will be conducted with at least 3 days notice of the time and place of bid opening, and will normally be done between 10-21 days minimum dependent on product or service to be bid.

Notification:

Bids will be either publicly advertised or invited with a minimum of three bidders to be invited as prescribed by Statute. Notwithstanding, requests by vendors, in good standing, to be added to the bid list will strive to be honored. Failure to include every request will not render a bid disqualified.

General Principles of Public Bidding

Two fundamental bidding principles must be accomplished by the bid specifications. First, a fair comparison of bids is necessary; second, to achieve a fair comparison, the specifications must allow each bidder to submit a bid on the same basis.

1) Certainty Required for Uniform Bids

The specifications must be sufficiently detailed so that the kind, quality, and character of work and materials can be determined. Certainty in the bid specifications is necessary for uniform bids. A non-uniform response means that the specifications are flawed and/or the bidder providing the non-uniform response is non-responsive. If the specifications are deemed to **not** be flawed and are sufficiently detailed to afford effective measure of submitted bids, then a bidder who is not sufficiently responsive to the bid specification or comparable to the bid submittals of other bidders can be deemed a non-uniformed respondent and may have their bid rejected on that basis.

2) Modifications of the Specifications - Addendum

It is the practice of the LNSU to encourage questions and clarifications of the bid specifications by bidders. Ambiguity is the source of conflict and dispute. An ambiguity, once identified, by any party will be immediately clarified by an Addendum issued to all participants in the bid process. Failure to raise a question concerning the interpretation of contract requirements may constitute a waiver of a claim of ambiguity or omission. Failure to clarify ambiguities by addendum will result in bidders submitting proposals based upon their definition of the scope of the work. The district is effectively evaluating non-responsive bids and as such, the district places itself in a position to arbitrarily and capriciously award a contract. As a consequence, this may be cause to set aside the bid award.

Types of Specifications

Dependent on the needs of the district, three types of specifications are possible in developing bids: prescriptive, performance or proprietary.

1) Prescriptive Specifications

A prescriptive (descriptive) specification prescribes (cook book fashion) the exact materials or procedures of service.

2) Performance Specifications

A performance specification establishes a design criteria for the results expected. This allows the contractor the ability to choose whatever system or construction procedure is most attractive to the contractor, yet still fulfills the design criteria.

3) Proprietary Specifications

A proprietary specification designates a particular product or system.

Bid Submittals

Sealed Bids

LNSU requires that the bids be "sealed" to eliminate the possibility of fraud or favoritism in the expenditure of public funds.

Faxed & Electronically Submitted Bids

LNSU usually does NOT allow facsimile or electronic bids since they cannot be sealed by the bidder. Federal Acquisition Regulations were amended to specifically allow faxed bids at the federal level in many situations and as such, the consideration of electronically submitted bids is undertaken when circumstances are considered appropriately and provided adherence to regulation can be reasonably assured. To provide consistency, the Business Manager for LNSU is responsible for the application of appropriateness in the decision process to accept bids in this manner and may consult legal opinion.

Timeliness of Bids

It is the duty of the bidder to submit the bid within the time frame established by the notice to bid and the bid documents and deliver it to the appropriate place. It is within the discretion of the district to accept a late bid. However, it is the practice of LNSU to not accept late bids unless it is found that the bid was late due to the fault of the LNSU or member district such as miss-location of a properly delivered bid.

Withdrawal of Bids

Contractors or suppliers may withdraw a bid prior to opening. Although a bid submittal may constitute an irrevocable offer, it is the practice of LNSU that prior to the time and date designated for receipt of Bids, a Bid submitted may be modified or withdrawn by notice, in writing and by signature of the bidder. Notice will be sealed and the envelope time=stamped by the LNSU office on or before the date and time set for receipt of Bids.

Public Opening and Reading of the Bids

An employee or officer of the LNSU or member district shall open the bids and publicly announce the contents of the bids. A summary of the bid results will be prepared and made available by request. Documentation of the bids shall state the time, date, place and parties present at bid opening where the sealed bids are received and publicly opened and read.

Modification after the Bids Are Opened

A Bid may not be modified, withdrawn or canceled by the Bidder during the time period following the time and date designated for the receipt of Bid. A competitive bid which contains a material variance is an unresponsive bid and may not be corrected after the bids are opened in order to make it responsive

Awarding the Bid - Criteria

One of the Three, Lowest Acceptable, Responsive, and Conforming Bids meeting Specification is acceptable,

Materiality - A two-pronged test determines whether a bid noncompliance constitutes a material irregularity. First, whether the effect of a waiver would be to deprive the district of its assurance that the contract will be entered into, performed and guaranteed according to its specified requirements; and second, whether it is of such a nature that its waiver would adversely affect competitive bidding by placing a bidder in a position of advantage over other bidders or by otherwise undermining the necessary common standard of competition.

A school district, when confronted with a material deviation in the bid submittal has two choices either: award to the next lowest responsible bidder; or reject all bids and re-advertise.

Alternate Bids

The district shall have the right to accept Alternates in any order or combination, unless otherwise specifically provided in the bidding Documents, and to determine the low Bidder on the basis of the sum of the Base Bid and Alternates accepted.

Unbalanced Bids

An unbalanced bid is a bidding technique often used where unit prices, alternatives or multiple projects are included within the same bid package. Bids may be rejected which do not contain an adequate or reasonable price for each and every item named in the schedule of quantities.

Post-Bid Pre-Award Negotiations

Once the bidding process produces a decision on any of the three lowest responsible bidders, there is no supervening public interest or policy consideration which precludes negotiating and modifying a post-bid change in quantity or non-condition concession from the low bidder in the absence of favoritism, improvidence, fraud or corruption. Districts have authority to negotiate variations in a bid with the chosen one of the three lowest responsible bidders.

Acceptance of the Bid

Contract Formation

A contract exists when the school board awards the contract and notifies the contractor of the action. Execution of the agreement is a formality. Since the essential terms of the agreement of the parties has been finalized, the execution of a written contract is not intended as a condition precedent to a contract unless specified or if: (1) it is the type of business arrangement that must be reduced to writing; (2) the amount of money involved is substantial; (3) whether significant provisions were not previously discussed or agreed upon; and (4) whether the parties negotiations show that a writing was anticipated.

Rejecting the Bid

The District has the discretion "to reject any and all bids".

Constitutionally impermissible basis for rejecting bids based upon factors such as race, sex, religion, sexual orientation or national origin cannot be the basis of rejecting a bid.

Bid Mistakes

Four elements which must be plead and proven before a contract will be rescinded for mistake by one of the parties. "First, the mistake must relate to a material feature of the contract; second, it must have occurred despite the exercise of reasonable care; third, the other party must be placed in "*status quo*" and fourth, the mistake is of such grave consequence that enforcement of the contract would be unconscionable.

The business manager, if questioning a bid which is patently in error, must request verification of the bid submittal from the bidder. Under federal law, the business manager must notify the bidder in writing that they suspect there is a mistake in the bid *and* the disparity between the bid and the anticipated estimate.

1) Material Feature of the Contract

A mistake in the order of magnitude of equal to or greater than 10% of the total value of the bid is considered as a material mistake.

2) Reasonable Care

If there is neglect in the preparation of the Bid, the bidder must demonstrate it exercised reasonable care in the preparation of the bid. The bidder must establish that a check or verification procedure was in place and utilized when the bid was prepared and yet, there was still error. There are times when there can be an excusable neglect in the preparation of bid submittals. Time has been recognized as a critical factor excusing neglect. The last minute receipt of a bid or addendum mistakenly entered on the tally sheet and then onto the bid submittal form resulted in bid relief and conversely where the mistake is due to clerical or arithmetic error, there is means for appropriate relief.

3) Maintaining the "*Status Quo*"

The ability of the District to award the contract to the next lowest bidder is sufficient to establish maintenance of the "*status quo*." Early discovery of the mistake and the ability of the district to

enter into a contract with the next lowest bidder is sufficient to fulfill the requirement of maintaining the *status quo*.

4) The District's Knowledge of the Mistake

Where the district has reason to suspect the mistake due to the disparity in the bids or the disparity in the bid as compared to the reasonable estimate, or where the district has specific knowledge of the mistake, relief is generally granted

Circumstances not Warranting Bid Forgiveness

Unilateral Mistakes

A unilateral mistake is not grounds for bid relief. However, the district will allow relief for a mistake of fact, *i.e.*, clerical errors, such as arithmetical computations, transpositions, a misplaced decimal point, typographical errors or errors that result from transferring figures from a take-off sheet to the bid form. Relief may be given if the bid mistake arose out of misleading specifications.

Bid mistake is a common reason for the low bidder to withdraw its bid or refuse to enter into a contract. In some instances, it is permissible to allow a bidder to reform its bid and perform the contract where the mistake was not due to negligence or without such negligence as would preclude relief.

Errors in Business Judgment

Relief is not given for a poor business decision.

The District's Response to a Claim of Bid Mistake

Upon notification by a bidder that a bid mistake has occurred, the district must immediately demand submittal of the original bid preparation documentation which demonstrates the error, coupled with a detailed explanation of the error. Promptly thereafter, a meeting should be held for the bidder to explain and demonstrate by the documentation how the error occurred. Only then should the district decide whether to allow the bidder to withdraw the bid because of mistake.

Challenges to the Award

Access to Information (*Freedom of Information Act*) The public announcement of the bid submittal upon opening is not the limit of access to the bid materials. FOIA is a valuable competitive tool in ascertaining the bid submittals of competitors. There are two exemptions under FOIA which impact on access to the bid documents. Submittals which include trade secrets and commercial or financial information which is proprietary are not subject to disclosure. However, the confidentiality of this information can be waived. Therefore, where bid submittals include trade secrets and commercial or financial information which is proprietary, the bidder should so indicate on the bid documents. Another exemption from disclosure are proposals or bids which, if disclosed, would frustrate procurement or give an advantage to any person proposing to enter into a contract. An example is information prepared by the public body, *e.g.*, a bid estimate. This information is exempt until an award or final selection is made

All procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, open and free competition.

Grants

All Grant procurements and other procurements of \$3,000 or more but less than \$15,000 requires the solicitation of quotes with documentation from at least three sources. Procurements \$15,000 or more require a formal bid process.

Sole Provider:

A sole source procurement is a procurement without competition and must meet one of the following criteria:

1. The item is available from only one source;
2. Public exigency or emergency will not permit a delay resulting from a competitive procurement; or
3. After solicitation from a number of sources, competition is determined to be inadequate.
4. The grantee must maintain justification, as listed in *Federal Grant Financial Guidelines*, for all non-competitive procurements.
5. The grantee must request approval from the Commissioner of Education for a non-competitive procurement over \$15,000 prior to incurring the expense

Subcontracts

Subcontracts are normally not allowed unless specified in the bid document. However, if allowed by the district, they must be in writing, receive prior approval before they are executed by the parties, adhere to the terms and conditions of the interagency agreement shall apply to and bind the parties of the subcontract and all contracts shall include the basic provisions of any interagency agreement.

Subcontracts in Grants shall include:

Contractor's full name and address

Agency name;

Description of services to be rendered;

Contract terms

Maximum or estimated amount to be paid and payment rates; and

Signature of contractor or authorized representative.

Subcontracts shall also include the provisions in Appendix F located in the *Federal Grant Financial Guidelines*:

SAMPLE DOCUMENTS

- Quotation Sheet
- General Conditions Sheet
- Summary Sheet
- Sample Board Memo to Document Rationale
- Grant Documentations Procedures

Lamoille North Supervisory Union
Quotation Form

QUOTES FOR SOLICITATION (Insert Topic of Quote)
(Insert School District)
(Insert School Official Name Conducting Quote)
(Insert Date)

Information	Company A	Company B	Company C	Company D
Address City Zip Code Contact Name: Position Phone Number Quote Valid ___ Days				
(description)	(price quoted)	(price quoted)	(price quoted)	(price quoted)
(description)	(price quoted)	(price quoted)	(price quoted)	(price quoted)
(description)	(price quoted)	(price quoted)	(price quoted)	(price quoted)

Three Clients/Customers to be used as references:

Business Name: _____

Name and Phone Number of Contact: _____

Business Name: _____

Name and Phone Number of Contact: _____

Business Name: _____

Name and Phone Number of Contact: _____

09/03/09

LAMOILLE NORTH SUPERVISORY UNION

GENERAL CONDITIONS FOR ALL BIDS/PROPOSALS

The District reserves the right to reject any or all bids/proposals submitted.

Two copies of this bid/proposal are enclosed for your convenience. One copy of all required forms must be submitted in a SEALED envelope which is properly identified in accordance with the stated information.

The District reserves the right to return any merchandise that does not comply with the conditions and specifications.

The District reserves the right to increase or decrease quantities shown on the bid.

The District reserves the right to cancel purchase orders if the delivery of completion of service is not performed in accordance with the bidding document and/or if the approved budget does not appropriate funds for the purchase or service.

Bids/proposals will be awarded to the lowest responsible bidder complying with these conditions and specifications. In determining the successful bidder, the District reserves the right to consider overall quality of the item and service qualifications of the bidder.

The District reserves the right to vary from specifications as deemed to be in the best interest of the District.

All bids/proposals submitted must be valid for a period of sixty (60) days after the bid opening prior to award of the bid.

Except for delivery of goods, all prices are F.O.B. (their respective district). Exact delivery point will be determined and provided to the successful bidder at time of order.

All of the provisions in the Vermont Statute Title 16 §559, Public bids/proposals, are incorporated in this contract by reference.

The successful bidder will be notified after the bid opening and subsequent approval by the District at its regular business meeting.

The signature below implies that all conditions and specifications have been read in full; the bidder understands same and is willing to comply with each.

Name of Firm

Address of Firm

Signature of Authorized Person

Federal Employer I.D. Number

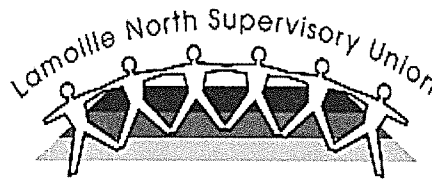
Fuel Oil Bid Opening
June 13, 2008
1:00 PM
LNSU OFFICE

Description
 Date
 Time
 Place

SUPPLIER	FIXED PRICE PER GALLON		Mark-Up per Gallon (Add on Cost to Rack Price)		
	TANK WAGON	Split Load	in cents	Transport	
	Full Drop	Split Load	TANK WAGON	Full Drop	Split Load
S.B. Collins Inc.					
County Oil Delivery Inc.					
Rod & Son Heating Oils, Inc.					
Jack F. Corse Inc.					

Opened By: Marilyn Frederick
 Witnessed: Sheila Jourdan

Other:



MEMORANDUM

To: Board of School Directors
From: Marilyn R. Frederick, Business Manager
Date: July 5, 2009
Re: Wood Chips 2010

Wood Chips:

In order to make an informed decision surrounding wood chips, we investigated the potential energy BTU content of the wood chips that were bid. Information from the Biomass Energy Resource Center in Montpelier, Vermont as well as conversation with Paul Frederick (no relation) from the Forestry Department in Vermont suggest the following to consider in making a determination in award of any wood chip bid.

- 1) Hardwood vs. Softwood: There is surprisingly little BTU difference between hardwoods and softwoods. Quality hardwoods range from a low of 8580 Btu's/Dry Lb. to 8920 while softwoods range from 8,400 to 8,900. Hardwood vs. Softwood comparison alone would not be a significant factor in cost comparisons between the two vendors.
- 2) Moisture Content: There is a significant difference in gross heating value from a dry basis assuming 8,500 Btu's/lb, versus various moisture contents as low as 3,400 Btu's . With every 5% increase in moisture content, there is a 400 Btu drop in efficiency. On average, the Biomass study in the Northeast would indicate that a figure content of 5,100 BTU's with a 40% moisture content is a good overall assumption to use on product received in the Northeast. Certainly, there is no assurance that one company would have appreciably higher or lower moisture content from another without continuous monitoring, however certain practices may create an environment that allows the probability of drying to be higher in one case versus another. These practices might include: storage, process timing, screening and delivery weight.
- 3) Storage & Process Timing: Lathrop processes, and then screens and stores their chip inside. Limlaw stores their logs in length and processes as needed.
- 4) Screening: Lathrop screens their chip, removing oversize and undersized to get a more consistent chip with a more consistent surface area that may allow greater evaporation or drying speed. It screens out bark and dirt. Bark does have a higher BTU rate, dirt has no

BTU rate. Air Quality burn studies are reported to be better with screening. Limlaw does not screen.

- 5) Delivery Weight: Lathrop weighs their delivery providing a consistent delivery tonnage. Limlaw does not weigh its load. It provides tonnage by average volume load size.

Overall, the operation of the system itself should not be a problem based on the two suppliers in question. Our new system is not the type of system that had operation difficulties with the chip jacks that were on the older systems. In this past school year, Johnson had used Limlaw at \$60.00 per ton and Lamoille Union had used Lathrop at \$58.00 per ton. The chart below shows what the bid is from both companies for FY10.

Lamoille Union

Wood Chip Supplier	Total Price-Wood Chips 1200 tons of	Per Ton	Total Price -Wood Chips delivered in amount of 22 tons	Per Ton	Comments
A. Johnson Lumber	No bid				Supply fully committed to other customers
Cersosimo Lumber	No bid				
Fortin Transport	No bid				
Iven Maxwell	No bid				
Green Mt. Chipping Inc.	No bid				
Claire Lathrop Band Mill Inc.				\$58.00	Per ton price only submitted
Limlaw Chipping & Land Clearing	\$66,000.00	\$55.00	\$1,210.00	\$55.00	

The Board must consider a variety of factors in making the decision on which firm to use. The cost per ton is lower with Limlaw. However, other considerations such as the amount of time that a chip is exposed to allow for drying, storage from the elements, air quality aspects and weighted delivery would argue a strong case for awarding the bid to Lathrop for the 2010 school year.

The administration, after considering all the parameters around the efficiency of Wood Chips, is recommending that we award the bid for Wood Chips to Lathrop for the 2010 school year.

Section 8.1 Grant Documentation Procedures

Detailed documentation of expenses is a critical element of accounting for any charges made to a grant. If there is no way to account for the costs being allowable, it could result in repayment of funds for all of the grant – LNSU wide, not just an individual school.

All grant purchases need to start with a requisition on the accounting software.

All invoices charged to grants need to contain enough information to trace the expense back to the original grant application:

- **Salaries** – documentation should include semi-annual certifications or personal activity reports and evidence that payments reflect work.
- **Contracts – items to include in NOTE section of requisition/PO:**
 - 1) Evidence that value was achieved.
 - 2) The rationale for vendor selection.
 - 3) Strategy # if number has been assigned.

Item(s) to attach to requisition/PO:

The actual contract.

Before final payment is made there should be a sign off that the contract work was performed as stated.

- **Stipends** – if paying for work beyond the regular contract, documentation should include a contract or MOU that states work expectations and payment provisions.
- **Training, Professional Development, and associated expenditures – items to be attached to requisition/PO include:**
 - 1) Agenda/brochure that identifies the content and dates of training.
 - 2) Certificates of attendance. A certificate of attendance form can be found on the LNSU website that staff can take to the conference/workshop.

Need to include in requisition/PO description: who is attending and the dates of training.

Need to include in the NOTES section of the requisition: How the training relates to the purpose of the grant. A strategy # if number has been assigned.
- **Travel reimbursement** – documentation must include miles traveled, destination, and purpose of travel **sufficient to demonstrate it supported the purpose of the grant.** Rooms & Meals tax is reimbursable, Sales tax is not. Proper reimbursement form must be completed to receive a check from Accounts Payable.

Supplies, Materials, and Book purchases –

Need to include in requisition/PO description: A complete description that establishes the relationship of the expenditure to the grant. What is the purpose of the purchase and how does it relate to the grant activities.

Need to include in the NOTES section of the requisition: Grant strategy # if one has been provided.

- **Equipment purchased with grant funds MUST** be tagged and inventoried ref: Edgar §74.34.

Need to include in requisition/PO description:

An indentifiable description of the equipment being purchased.

Need to include in the NOTES section of the requisition:

1) Evidence that value was achieved.

2) The rationale for selection of the vendor.

3) How is equipment being used in accordance with purpose of grant.

items to be attached to requisition/PO include:

At least 3 quotes should be received before selecting a vendor.

- Invoices should be very specific as to what service was rendered. Receipts must be originals, itemized, and dated.
- When charging expenditures to a grant, ensure the type of expenditure agrees with the types of expenditures approved in the grant's budget.
- Actual expenditures must be compared with budgeted amounts for each grant or sub-grant. If the expenditure was not approved in the grant budget, it could be disallowed.
- Only expenditures relating to "Scope of Work" can be charged to the grant. There is a "Scope of Work" document in each grant awarded. These are filed at the Central Office with a copy forwarded to the school that is receiving the sub-grant.
- Approval needs to be obtained from the VT DOE in writing to accept expenditures that do not fall within the "Scope of Work"
- Purchases CANNOT be made prior to approval from the granting agency/VT D.O.E.
- Purchases CANNOT be made using school's petty cash accounts.
- Approval on grant invoices require two signatures – 1) Initiator 2) Must be at the Federally recognized LEA level (LNSU) ref: 34CFR§80.36(a)