

Livetra Paul  
Director

Olivia Willis  
Internal Auditor

Dana Earnest  
Executive Assistant

Rajeswari Gidda  
Account Clerk



Office of Internal Auditing  
Bloxham Building  
725 S. Calhoun Street  
Tallahassee, Florida 32305  
(850)561-8922

## Technical Assistance Advisement 2020-001

### Purchase Orders – District & Internal Accounts

Question	Response
1. What is a purchase order (PO)?	A purchase order is a contract between a school/site and a vendor for the purchase of supplies or services.
2. When are POs required?	<ul style="list-style-type: none"><li>• A <b>District PO</b> is required when items are to be purchased using district funds and a purchasing card or selected direct payments options initiated by the District Finance Department are not being utilized to acquire the supplies or services.</li><li>• An <b>Internal Accounts PO</b> is required if the purchase is for a single item that cost more than \$100 or a total purchase of multiple items with a total invoice purchase in excess of \$500.</li></ul>
3. What are blanket POs and when are they allowed?	<p>Generally, District POs are processed for a single-use purchase of supplies or services. Upon verification of receipt of the supplies or services, payment is processed and the PO is closed.</p> <p><b>Blanket Purchase Orders</b> support the need to make multiple purchases during a specified time period from a single vendor. However, they should only be used when the items to be purchased are repetitive in nature. Some common examples of instances when a blanket PO would be appropriate are:</p> <ol style="list-style-type: none"><li>1. Routine office supplies from Office Depot</li><li>2. Routine maintenance cleaning supplies from Osceola</li><li>3. Legal ad purchases from the Tallahassee Democrat</li><li>4. Copier leases from Konica Minolta</li><li>5. Speech pathology services from Southeastern Therapy Services</li></ol> <p>Total expenditures when using a blanket PO cannot exceed \$4,000 per month or \$48,000 per year, per vendor. Blanket POs</p>

are subject to the same expenditure threshold approvals as the single-use PO.

#### 4. What steps are required to generate a PO?

All LCS purchase orders are generated using the appropriate module in Skyward Accounting Software. District POs are processed using the purchasing module and Internal Accounts POs are processed using the School Based Activity Accounting (SBAA) module. The steps required to generate a PO are as follows:

1. The school/cost center bookkeeper or other authorized staff creates a purchase requisition utilizing the appropriate Skyward module – Purchasing or SBAA.
2. The purchase requisition is electronically routed through all levels of approval (i.e. Principal/cost center approver/ District level admin/ finance/purchasing)
3. The PO is created by the District Purchasing Department (Internal accounts PO less than \$1,500 are generated at the school site after site administrator approval).

A fully executed purchase order is required prior to initiating any purchase or obligation of funds on behalf of the District.

#### 4. What are the approval levels for POs?

All **District Purchase Requisitions** require approval by the following:

1. Site Administrator
2. District Finance Department
3. District Purchasing Department

Approval trees established in Skyward Accounting Software are used to route the purchase requisition through the electronic approval process. The routing of each purchase requisition and the number of additional approvals required beyond those noted above is based on the anticipated expenditure amount.

Purchase requisitions greater than or equal to \$1000 require more stringent review and approval. These requisitions require an additional electronic approval using the District's electronic Expenditure Request Form (ERF) process before the purchase order is generated.

**Internal Accounts Purchase Requisitions** less than \$1,500 require approval by the site administrator. Internal accounts purchase requisitions greater than or equal to \$1500, require approval by the site administrator and the Purchasing Director.

In the same manner as District purchase requisitions, internal Accounts purchase requisitions are processed via Skyward Accounting Software and are routed electronically through the approval process. Those internal purchase requisitions greater than or equal to \$1,500 must be processed using the internal accounts ERF process in the Skyward SBAA module.

#### **Relevant Governing Authorities:**

- LCS Procedure 6320A – Purchasing Procedures
- LCS Policy 6320.01 – Contract Approval Authority Related to Purchasing
- LCS Procedure 6320.01 – Professional/Technical Service Agreement (PTSA)
- LCS Procedure 6320.02 – Contract Review and Approval Process
- LCS Policy 6540 – Consultants Agreements
- LCS Purchasing Department Policy and Procedure Manual
- LCS Internal Accounts Procedure Manual

#### ***Office of Internal Auditing Technical Assistance Advisement 2020-01:***

The Leon County School Board's Office of Internal Auditing in response to frequently asked questions from district management, school management, teachers, parents and other interested parties, issued this Technical Assistance Advisement. Responses are based on guidance provided in the aforementioned governing authorities. Questions regarding responses provided can be directed to the Office of Internal Auditing at [internalauditors@leonschools.net](mailto:internalauditors@leonschools.net).