



Board Agenda Item #	II A: Action Item
Date:	March 29, 2021
To:	Magnolia Board of Directors
From:	Alfredo Rubalcava, CEO & Superintendent
Staff Lead:	Serdar Orazov, Chief Financial Officer
RE:	Approval of Updates to Fiscal Policies

Proposed Board Motion

I move that the board approve the proposed updates to the fiscal policies and procedures manual of Magnolia Public Schools regarding policy PUR102-General Purchasing.

Background

As part of our ongoing efforts to improve the efficiency and effectiveness of our fiscal operations and to adopt the best practices in the industry the staff is proposing following revisions in Magnolia Public School fiscal policies and procedures.

PUR102 - GENERAL PURCHASING

Currently, any purchase regardless of the dollar amount and/or the expense type requires a Purchase Order(PO) before the order can be placed. The POs are initiated at the school site, approved by the principal, reviewed and approved by AP, reviewed and approved by the Financial Analyst, approved by Chief Operations Office (if more than \$5,000), approved by Chief Financial Officer (if more than \$10,000) and approved by Chief Executive Officer (if more than \$25,000). In order to increase the operational efficiency and avoid delays in the procurement process we are proposing following revisions.

- Establish a threshold for Purchase Orders (\$1,000) and exclude any purchase below \$1,000 from Purchase Order requirement.
- Exclude following transactions from the Purchase Order system - Compensation related expenses (salaries and benefits), building leases and debt service payments, other leased equipment, utilities, contracted services, insurance, legal expenses.

Budget Implications

N/A

Exhibits (attachments):

N/A