

ORIGINAL

Asset Protection Policies

7. Make any purchase in excess of \$25,000 without obtaining a minimum of (3) bids unless specifically waived by the Executive Director. Exceptions may be granted in the case of required curriculum that is only available through one vendor. Generally, the term of any contractual relationships shall not exceed one (1) year, at which time it will be re-bid.
8. Make any purchase in excess of \$25,000 without Board approval unless it is specifically included in the current budget.

AND

Management Policies

Checks in Excess of \$10,000 – Payments in excess of \$10,000 must be authorized by President of Board of Directors or assigned board member. Typically, this means that two signatures are required on checks in excess of \$10,000 as well as approval by Board President or assigned board member. If STEM makes payments in excess of \$10,000 by some other means besides a check, then the President still must authorize. Pre-approved continuous purchases that exceed \$10,000 (e.g.UHC, Xcel Energy) will have pre-approved documentation by the Board President or assigned board member and kept in the current year audit file.

PROPOSED:

Asset Protection Policies

7. Make any purchase in excess of \$25,000 without obtaining a minimum of (3) bids unless specifically waived by the Executive Director. ~~Exceptions~~ in the best interest of the School. Such a waiver is to be reported, including adequate reasoning, at the next Finance Committee. However, Finance Committee reporting and concurrence of the necessity of said waiver should be obtained by the Executive Director, unless timing of such would create an operational challenge or not be in the best interest of the School. For example, exceptions may be granted in the case of required curriculum that is only available through one vendor, or if the underlying work needs to be done in a timely manner in order to avoid disruption to the ongoing operations of the School. Generally, the ~~term~~ terms of any contractual relationships shall not exceed one (1) year, at which time it ~~will~~ may be re-bid. The Finance Committee has the ability to waive the necessity to rebid ongoing contractual relationships, should the existing

relationship be adequately performing and pricing remains reasonable based on the most recent bidding process.

8. Make any purchase in excess of \$25,000 without Board approval unless it is specifically included in the current budget and has been previously reviewed by the Finance Committee. The Finance Committee is to review all budgeted purchases in excess of \$25,000 as part of the annual budgeting process and report back to the Board as needed.

*To clarify regarding both points 7 & 8 above, a purchase in excess of \$25,000 also includes any contracts in which the actual or anticipated expense(s) over the proceeding 12 months would exceed the \$25,000 threshold.

Management Policies

Checks in Excess of \$10,000 – Payments in excess of \$10,000 ~~must~~ **are required to be authorized** ~~approved~~ **by** ~~President of the Board of Directors~~ **Treasurer**, or assigned board member. ~~Typically, this means that two signatures are required on checks in excess of \$10,000 as well as approval by Board President or assigned board member., within 60 days of issuance.~~ If STEM makes payments in excess of \$10,000 by some other means besides a check, then the ~~President~~ **Treasurer** still must ~~authorize~~ **provide approval within 60 days**. Pre-approved continuous purchases that exceed \$10,000 (e.g. UHC, Xcel Energy) will have pre-approved documentation by the Board ~~President~~ **Treasurer** or an assigned board member and kept in the current year audit file.