

## **PURCHASING PROCEDURES**

The purchasing function shall be centralized under the direction of the Chief Financial Officer. A specialist (buyer) with expertise in pertinent State Statutes, market conditions, ethical conduct, effective and practical purchasing practices, and supplies and materials used by schools shall be employed.

The centralized purchasing function is intended to facilitate competitive pricing, accommodate economy of scale in purchasing, result in clear and uniform specifications, establish standards of quality, insure selection of qualified vendors and contractors, guarantee fair and ethical treatment thereof, provide uniform input in support of the accounting system, and serve as a source of information to principals for budget development.

**Cross References:** Purchasing Procedures, 672-Rule  
Insurance Requirements, 672-Exhibit  
Relations with Local Government Agencies, 882

**Legal References:** Wisconsin State Statutes 120.12(24), 120.13(5), (33) and 120.44

**Adoption Date:** November 26, 1990

**Amended Date:** June 27, 2016

## **PURCHASING PROCEDURES**

### **Procedures**

A minimum of three telephonic or written quotations should be obtained for the purchase of an item or contracted service costing up to \$10,000 when practical and prudent. Formal bidding procedures shall be utilized for items or services exceeding \$10,000.

Bid bonds and performance bonds may be required at the discretion of the Chief Financial Officer or as required by law.

Providers of contracted services shall furnish certificates of insurance for Worker's Compensation insurance and adequate property and casualty insurance appropriate for minimal or large exposures. (See attached specifications, 672-Exhibit)

Warehousing of supplies and materials shall be limited to those purchased in large quantities for economy of scale, with large volume of consumption with a total inventory turnover within one year, or which promote efficiency for maintenance personnel.

Contracts for services such as legal, banking, insurance, pupil transportation, food service auditing, and cleaning may be let for terms not to exceed three (3) years, and may be renewed or extended upon review by the Board of Education.

All lease/purchase agreements for items of equipment which exceed three (3) years in duration must have Board approval.

Purchases with funds from student activity accounts are not required to be made through the buyer but are encouraged. Such purchases should be approved in advance by a majority of the student membership of the organization or activity, faculty advisor, and/or principal. Principals and faculty advisors are responsible for ethical conduct with vendors, solvency of the respective organization/activity, and safeguarding of student activity funds. Student activity funds are not to be expended for goods or services which do not directly benefit the membership of the respective organization unless documented by the minutes of a formal meeting of the membership.

Donations from booster clubs and PTA's are to be expended according to written instructions of the respective booster club.

**Adoption Date: November 26, 1990**

**Amended Date: June 27, 2016**

**INSURANCE REQUIREMENTS  
FOR APPLETON AREA SCHOOL DISTRICT**

**“Minimal Exposure Jobs”**

It is hereby agreed and understood that the insurance required by the Appleton Area School District is primary coverage and that any insurance or self-insurance maintained by the Appleton Area School District, its officers, board members, agents, employees or authorized volunteers will not contribute to a loss.

**I. General Liability Coverage**

A. Limits and Form of Coverage

1. Commercial General Liability

- (a) \$2,000,000 general aggregate
- (b) \$1,000,000 products – completed operations aggregate
- (c) \$1,000,000 personal injury and advertising injury
- (d) \$1,000,000 each occurrence limit
- (e) Coverage must be an occurrence form

B. Appleton Area School District shall be named as additional insured.

**NOTE: Appleton Area School District requires 30-day written notice of cancellation, non-renewal, or material change in the insurance coverage.**

C. A copy of the Certificate of Insurance must be on file with the School District. An updated certificate must be sent each year upon policy renewal.

D. Must include Premises and Operations Liability.

E. Must include Broad Form Property Damage including Completed Operations

F. Requirements from Contractors:

- 1. Must include Independent Contractors Coverage (Owners & Contractors protective)
- 2. If used in the course of work, coverage for Owned, Hired, or Non-Owned Snowmobile Liability.
- 3. If used in the course of work, coverage for Owned, Hired, or Non-Owned Watercraft Liability.
- 4. Must include coverage for any liability or claim that may be incurred under U. S. Longshoremen’s and Harbor Worker’s Act, Admiralty (Jones) Act, and Federal Employee Liability Act, when applicable.
- 5. Must include Explosion, Collapse and Underground Coverage
- 6. Must include Broad Form Blanket Contractual
- 7. Must include Personal Injury (Group A, B, C) and delete Employment exclusion
- 8. Must include product and completed Operations Coverage for 2 years after final payment.

## **II. Umbrella Coverage for Construction Contractors:**

### A. For Construction Contractors:

1. Limits: \$5,000,000 each occurrence / \$5,000,000 aggregate
2. \$10,000 self-insured maximum retention
3. Appleton Area School District shall be named as additional insured.
4. Coverage must be an occurrence form
5. A copy of the Certificate of Insurance must be on file with the Business Office. An updated certificate must be sent each year upon policy renewal.
6. Must cover over all legal and assumed liability for personal injury, property damage (direct or consequential), and advertising liability, anywhere in the world. Also, must cover over at least the General Liability, Comprehensive Automobile Liability, and Employers' Liability.
7. Must include Explosion, Collapse and Underground Coverage
8. Must include Broad Form Blanket Contractual
9. Must include personal Injury (Group A, B, C) and delete Employment exclusion
10. Must include product and completed Operations Coverage for 2 years after final payment
11. General aggregate must apply separately to each project/location

**NOTE: Appleton Area School District requires 30-day written notice of cancellation, non-renewal, or material change in the insurance coverage.**

### B. For all other vendors:

1. Limits: \$2,000,000 each occurrence / \$2,000,000 aggregate
2. \$10,000 self-insured maximum retention
3. Appleton Area School District shall be named as additional insured.
4. Coverage must be an occurrence form.
5. A copy of the Certificate of Insurance must be on file with the Business Office. An updated certificate must be sent each year upon policy renewal.
6. Must cover over all legal and assumed liability for personal injury, property damage (direct or consequential), and advertising liability, anywhere in the world. Also, must cover over at least the General Liability, Comprehensive Automobile Liability, and Employers' Liability.

**NOTE: Appleton Area School District requires 30-day written notice of cancellation, non-renewal, or material change in the insurance coverage.**

## **III. Comprehensive Automobile Coverage**

- A. Limits: \$1,000,000 combined single limit for Bodily Injury and Property Damage each accident.  
OR  
Limits: \$100,000 each person / \$300,000 each accident for Bodily Injury and at least \$10,000 for Property Damage – only if personal automobile.

- B. Must cover any auto including Owned, Non-Owned and Hired automobiles.
- C. Appleton Area School District shall be named as additional insured.
- D. A copy of the Certificate of Insurance must be on file with the Business office. An updated certificate must be sent each year upon policy renewal.

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#### **IV. Workers Compensation and Employers Liability**

- A. Must carry coverage for Statutory Workers Compensation and Employers Liability limit of: \$100,000 each Accident / \$500,000 Disease Policy Limit / \$100,000 Disease/Each Employee
- B. Must include coverage for occupational disease, sickness, and death
- C. Must include Broad Form All States Endorsement/other states endorsement
- D. A copy of the Certificate of Insurance must be on file with the Business Office. An updated certificate must be sent each year upon policy renewal.
- E. Appleton Area School District shall be named as additional insured.

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#### **V. Aircraft Liability (including Helicopter) – Owned, Non-owned, or Hired**

- A. If this exposure shall exist, the limits must be at least \$8,000,000 combined single limit for bodily injury (including passenger liability) and property damage.
- B. Appleton Area School District shall be named as additional insured.
- C. Any liability exclusions relating to slung cargo must be deleted.
- D. A copy of the Certificate of Insurance must be on file with the Business Office. An updated certificate must be sent each year upon policy renewal.

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#### **VI. Builder's Risk/Installation Floater**

- A. Appleton Area School District will not assume responsibility for loss, including loss of use, for damage to property, materials, tools, equipment, and items of a similar nature which are being either used in the work being performed by the contractor or are to be installed or erected by the contractor, unless otherwise agreed to by both parties.

If coverage is desired for this exposure, the contractor may, at his own cost, procure insurance to cover same or the Appleton Area School District may choose to procure this coverage.

If the Appleton Area School District purchases the coverage, the contractor will assume the Appleton Area School District's deductible per loss.

B. If coverage is purchased by the contractor:

1. Appleton Area School District shall be named as additional insured
2. A copy of the certificate of insurance shall be on file with the school district.
3. An updated certificate shall be sent each year upon policy renewal

**NOTE: Appleton Area School District requires 30-day written notice of cancellation, non-renewal, or material change in the insurance coverage.**

**INSURANCE REQUIREMENTS  
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