

Steps Your District Should Take Now to Comply with New Procurement Regulations

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As school district officials know, laws and regulations are ever changing. Every new legislative session brings with it new requirements. Having a way to communicate these changes to your employees is critical to ensuring compliance with any new laws and regulations and protecting the district and its employees from violations.

The release of the USFR Compliance Questionnaire last fall brought with it a new question. "The District provided training and guidance related to restrictions on soliciting, accepting, or agreeing to accept any personal gift or benefit with a value of \$300 or more." This question is in response to a new procurement rule A.R.S. §15-213(N), which is effective for all procurements July 1, 2020 and thereafter.

A.R.S. §15-213(N) states: A person who supervises or participates in contracts, purchases, payments, claims or other financial transactions, or a person who supervises or participates in the planning, recommending, selecting or contracting for materials, services, goods, construction, or construction services of a school district or school purchasing cooperative is guilty of a class 6 felony if the person solicits, accepts or agrees to accept any personal gift or benefit with a value of \$300 or more from a person or vendor that has secured or has taken steps to secure a contract, purchase, payment, claim or financial transaction with the school district or school purchasing cooperative. Soliciting, accepting or agreeing to accept any personal gift or benefit with a value of less than \$300 is a class 1 misdemeanor. A gift or benefit does not include an item of nominal value such as a greeting card, t-shirt, mug or pen.

In order to ensure compliance with the USFR Compliance Questionnaire and state law, districts should:

- Develop a training which relays all pertinent information of the new requirement
- Identify the relevant employees who need to receive the training
- Provide the training and retain documentation that demonstrates when the training was given and who it was given to
- Provide the documentation to your district's external auditors

While the steps above are in reference to this new procurement requirement, similar steps can be used for any new law or regulation.

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