

Chapter 1: Purchasing Overview

In this chapter, you will find:

- ✓ Purpose and goals of purchasing standards
- ✓ Purchasing ethics to assist in decision making

Purpose and Goals

The overall purpose of the District's purchasing program is to provide procedures and guidelines which will assist in obtaining the best value while procuring goods and services through utilizing best practices to ensure compliance with board policy, state laws and federal regulations.

This manual is intended to provide guidance to district employees at the campus and department levels which will promote consistency in procurement practices throughout the District.

One of the goals established in the development of this manual is to provide practical guidelines and easy to understand instructions in a manner which will allow all district staff to implement best practices at each campus and department.

Purchasing Ethics

The following code of ethics was developed for the Purchasing Department staff. However, the standards and ideals are applicable to all district employees involved in the purchasing process.

CODE OF ETHICS

1. Avoid the intent and appearance of unethical or compromising practice in relationships, actions and communications.
2. Demonstrate loyalty to the District by diligently following the lawful instructions, procedures and policies using reasonable care while exercising only the authority which has been delegated to you.
3. Refrain from any private business or professional activity that would create a conflict between personal interest and the interests of the District.
4. Refrain from soliciting or accepting money, loans, credits, discounts, gifts, entertainment, favors or services from present or potential vendors.
5. Handle confidential or proprietary information with due care and proper consideration of ethical and legal ramifications and government regulations.
6. Promote positive supplier relationships through courtesy and impartiality.
7. Know and obey the letter and the spirit of laws governing the purchasing function and remain alert to the legal ramifications of all purchasing decisions.
8. Ensure that all segments of society have the opportunity to participate in governmental contracts.
9. Enhance the stature of the purchasing profession by improving technical knowledge and adhering to the highest ethical standards.

Chapter 2: Purchasing Procedures

In this chapter, you will find procedures for purchasing:

- ✓ Goods
- ✓ Educational Consulting Services
- ✓ Construction-Related Professional Services
- ✓ Other Professional Services

Purchasing Goods

Once you have determined that a need exists for a particular item, the following steps should be followed prior to taking possession of any goods:

1. Determine if the item is available from the [District Warehouse Catalog](#). If so, submit a warehouse requisition.
2. Identify prospective vendors from the [Approved Vendor List \(AVL\)](#). If you cannot identify prospective vendors due to the type of item which is required, see the frequently asked questions in chapter 6 of this manual for guidance.
3. If the item is only available through a sole source provider which is not listed on the AVL, see chapter 3 for instructions on how to proceed.
4. Obtain pricing from the approved vendor(s). Remind the vendor of the contract arrangements identified on the AVL in order to obtain the best pricing available. Confirm shipping charges if applicable.

- a. **Up to \$999 Requisition Total** – No further quoting is required.
 - b. **\$1,000-\$4,999 Requisition Total** – It is recommended that you obtain at least 3 quotes which will be maintained in the campus/department files. These quotes are not to be attached to the requisition.
 - c. **\$5,000-\$19,999 Requisition Total** – It is required that you obtain at least 3 quotes which will be maintained in the campus/department files. These quotes are not to be attached to the requisition, however they must be made available for up to 24 months after submittal to satisfy any auditing requirements.
 - d. **\$20,000-\$29,999 Requisition Total** – It is required that you obtain at least 3 written quotes which must be submitted as an attachment to the requisition.
 - e. **30,000 & up Requisition Total** – Call the Purchasing Department for assistance in processing.
5. Submit requisition with any required supporting documentation to Accounts Payable for budget code approval. Additional approvals may be required prior to submittal to Accounts Payable by departments such as Technology, Federal Programs, Career & Technology or Special Education.
 - a. If submitted documents reflect an appropriate budget code and funds are available, the requisition will be forwarded to Purchasing.
 - b. If an error is identified, Accounts Payable staff will communicate with you to resolve the issue.
 6. Once the requisition has been received in the Purchasing Department, it will be reviewed for compliance with the requirements set forth in this manual as well as any other legal/ethical considerations.

- a. If all criteria are met, the requisition will be entered into Finance Plus, the District's financial management software, and converted to a purchase order.
 - b. If an error is identified, Purchasing Department staff will communicate with you to resolve the issue.
7. Your purchase order will be printed and transmitted to the vendor or processed as requested on the requisition.

Purchasing Educational Consulting Services

In order to secure consulting services in unlicensed areas such as professional development, musical instrument instruction, choreography instruction or other services which are not considered professional services as defined by state law (contact Purchasing with any questions), you must complete the following steps prior to receiving any services.

1. Complete and execute a Consultant Services Agreement. All applicable information should be completed. If an area of the agreement does not apply to your situation, indicate 'none', 'not applicable' or 'N/A'. This agreement must be executed by an authorized representative of the District. Campus principals are authorized to sign these types of agreements when they are of a short term and low cost in nature.
2. If you have not received services from the vendor in the past, they may need to complete an [Internal Revenue Service Form W-9](#).
3. Complete a requisition. Forward the requisition, the Consultant Agreement and the Internal Revenue Service Form W-9 (if applicable) to Accounts Payable.

- a. If submitted documents reflect an appropriate budget code and funds are available, the requisition will be forwarded to Purchasing.
 - b. If an error is identified, Accounts Payable staff will communicate with you to resolve the issue.
4. Once the requisition has been received in the Purchasing Department, it will be reviewed for compliance with the requirements set forth in this manual as well as any other legal/ethical considerations.
 - a. If all criteria are met, the requisition will be entered into Finance Plus, the District's financial management software, and converted to a purchase order.
 - b. If an error is identified, Purchasing Department staff will communicate with you to resolve the issue.
5. Your purchase order will be printed and transmitted to the vendor or processed as requested on the requisition.

Purchasing Construction-Related Professional Services

In order to secure professional services as related to construction which includes an architect, a land surveyor or a professional engineer, you must complete the following steps prior to receiving any services:

1. Contact the Purchasing Department in order for a formal Request for Qualifications (RFQ) to be issued which will provide a pool of potential professional service providers to evaluate and consider.
2. As potential consultants submit statements of qualification, they are reviewed and evaluated in order to determine whether a potential service provider is qualified to perform services for the District.
3. As a particular project is planned, evaluate qualified consultants to determine the most highly qualified service provider on the basis of demonstrated competence and qualifications. The evaluation criteria must be fair and objective with consistent application. In addition, the evaluation process must be documented in order to demonstrate that evaluations have been made. You should end up with a list of qualified service providers in rank order based upon qualifications. This documentation is subject to audit and must be presented if requested for a period not to exceed 5 years after project completion.
4. Begin negotiations with the most highly qualified vendor to arrive at terms agreeable to both parties. If negotiations are unsuccessful, attempt to negotiate an agreement with the next most highly qualified service provider. Continue this method until an agreement is reached.
5. At this point the dollar value for the service provider's fees must be considered;

- a. **Up to \$24,999 Contract Value** – Submit the following items to the Purchasing Department for review:
- Complete requisition.
 - Professional Services Contract executed by Victor Valdez, Director of Facilities Planning, Daniel Kershner, Executive Director of Operations, José Elizondo, Chief Financial Officer or Dr. Willis Mackey, Superintendent of Schools.
 - Memorandum identifying the reasoning in selecting the service provider as the most highly qualified, the project involved, the contract value and a listing of qualified service providers which were reviewed for the project.
- b. **\$25,000-\$49,999 Contract Value** – Submit the following items to the Purchasing Department for review:
- Complete requisition.
 - **Unexecuted** Professional Services Contract. This dollar value will require the signature of the Superintendent of Schools.
 - Memorandum identifying the reasoning in selecting the service provider as the most highly qualified, the project involved, the contract value and a listing of qualified service providers which were reviewed for the project.
- c. **\$50,000 and Up Contract Value** – Submit the following items to the Purchasing Department for review:
- Complete requisition.
 - **Unexecuted** Professional Services Contract. This dollar value will require the approval of the Board of Trustees.

- Memorandum identifying the reasoning in selecting the service provider as the most highly qualified, the project involved, the contract value and a listing of qualified service providers which were reviewed for the project. An evaluation sheet should be included as supporting documentation.
6. Once the requisition has been received in the Purchasing Department, it will be reviewed for compliance with the requirements set forth in this manual as well as any other legal/ethical considerations. If required, the Purchasing Department will initiate the approval process for the Board of Trustees.
 7. Upon completion of all approval requirements, a purchase order will be printed and processed as requested on the requisition.

Purchasing Other Professional Services

In order to secure other professional services which include a certified public accountant, a landscape architect, a physician (including a surgeon), an optometrist, a state certified or state licensed real estate appraiser or a registered nurse (this list is not all inclusive), you must complete the following steps prior to receiving any services:

1. Identify prospective vendors from the [Approved Vendor List](#). If you cannot identify prospective vendors due to the type of service which is required, contact the Purchasing Department for assistance.
2. Complete and execute a Consultant Services Agreement. All applicable information should be completed. If an area of the agreement does not apply to your situation, indicate 'none', 'not applicable' or 'N/A'. This agreement must be executed by an authorized representative of the District.

3. If you have not received services from the vendor in the past, they may need to complete an [Internal Revenue Service Form W-9](#).
4. Complete a requisition. Forward the requisition, the Consultant Agreement and the Internal Revenue Service Form W-9 (if applicable) to Accounts Payable.
 - a. If submitted documents reflect an appropriate budget code and funds are available, the requisition will be forwarded to Purchasing.
 - b. If an error is identified, Accounts Payable staff will communicate with you to resolve the issue.
5. Once the requisition has been received in the Purchasing Department, it will be reviewed for compliance with the requirements set forth in this manual as well as any other legal/ethical considerations.
 - a. If all criteria are met, the requisition will be entered into Finance Plus, the District's financial management software, and converted to a purchase order.
 - b. If an error is identified, Purchasing Department staff will communicate with you to resolve the issue.
6. Your purchase order will be printed and transmitted to the vendor or processed as requested on the requisition.

Chapter 3: Selected Purchasing Topics

In this chapter, you will find information on:

- ✓ Sole Source Purchases
- ✓ Open Purchase Orders
- ✓ Confirming Purchase Orders

Sole Source Purchases

It is quite common for certain items to be available from only one vendor. This is usually brought about due to a copyright, patent or some other situation that restricts the distribution or rights to a particular item.

In order for a requisition to be processed, a letter from the vendor must be attached to it. This letter should be on the company's letterhead and signed by an authorized individual. In addition, the letter should mention the specific items that the sole source exemption applies to.

Open Purchase Orders

Open purchase orders are not a frequently used option. An Open Purchase Order is generally issued for an amount to not exceed \$300. The most common vendors involved are retail oriented. HEB, Sam's Club and Target are examples.

They are used when the final dollar amount is uncertain. For example, if you need to purchase refreshments for a parent meeting, it would be an inefficient use of time to visit the store, determine the exact costs, return to your office to submit a

requisition and then purchase the items upon receipt of a detailed purchase order.

One exception to the maximum dollar amount is for Open Purchase Orders to Office Depot. The District is involved in a pilot program that allows you to request a purchase order for up to \$500 for this vendor. In order to use this option, orders are placed for specific items through Office Depot's business services division secure website once the open purchase order is issued. When orders are submitted to Office Depot's website, notification for review is sent to the Purchasing Department for review/authorization before items are shipped.

Confirming Purchase Orders

A confirming purchase order is a purchase order that is issued after goods or services have been received.

Taking possession of goods or services without a duly executed purchase order is a violation of Judson ISD Board Policy. When an individual violates this policy, they may be assuming responsibility for payment for the goods and/or services.

In order to process a purchase order under these circumstances, a memo must be written by the person who has violated Board Policy explaining what the circumstances were and what steps have been taken to make sure that the circumstances will be avoided in the future. This memo must be endorsed by the principal or director responsible for the funds utilized. In addition, the memo must accompany the requisition when it is submitted to the Purchasing Department.

In the event that an additional instance occurs within the same fiscal year, the memo must also be endorsed by the Superintendent's cabinet member responsible for the particular campus or department.

Any infractions of Board Policy may lead to additional disciplinary action up to and including termination of employment.