



# Judson ISD Purchasing Manual



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# 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 when procuring goods and services and utilizing best practices to ensure compliance with board policy, state laws and federal regulations. The purchasing program shall also promote and maintain fair, full and open competition for all vendors.

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 of this manual is to provide practical guidelines and easy to understand instructions which will allow all district staff to implement best practices at each campus and department.

## Purchasing Conduct

The following code of conduct was developed for the Purchasing Department staff. However, the standards and ideals are applicable to all district employees involved in the purchasing process. Violation of this Code of Conduct may result in disciplinary action up to and including termination.

## CODE OF CONDUCT

1. Avoid the intent and appearance of unethical or compromising practices 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 can 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

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**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 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's 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 that is required, contact the Purchasing Department for guidance.
3. If the item is only available through a sole source vendor that 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 to obtain the best pricing available. Confirm shipping charges if applicable.
  - a. **Up to \$10,000 Requisition Total** – A single quote that appears reasonable is satisfactory. If you feel it is necessary, you are always welcome to solicit additional quotes.
  - b. **\$10,000-\$49,999.99 Requisition Total** – It is required that you obtain at least 3 written quotes which must be submitted as an attachment to the requisition. In addition, a quote summary form must be completed and appear as a cover sheet to the quotations. If 3 quotations are not possible, the Director of Purchasing will determine if additional competition is precluded or limited and consider non-competitive proposals as listed below.

- c. **\$50,000 & up Requisition Total** – Contact the Purchasing department for assistance. The Director of Purchasing will have the authority to determine what legal methodologies should be employed to obtain the best value for the district.
5. Enter requisition with any required supporting documentation into the district's Skyward system.

### **EDGAR Purchasing Requirements – Micro-Purchases**

As required under EDGAR, the micro-purchase threshold of \$10,000 is an aggregate amount. The District may expend no more than \$10,000 on micro-purchases throughout the fiscal year. The threshold amount applies to the sum of all the federal grants received by the District.

### **Purchasing Educational Consulting Services**

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 a Consultant Contract as instructed in Chapter 8 of this manual.
2. If the vendor does not exist in purchase requisition system, the vendor will need to complete a W-9 Form. See Chapter 5 of this manual for instructions.
3. Enter a requisition in the purchase requisition system with the Consultant Contract attached as indicated in Chapter 7.

### **Purchasing Construction-Related Professional Services**

To secure professional services as related to construction which may include an architect, a land surveyor, or a professional engineer, you must first contact the Facilities Planning Department for guidance.

## Purchasing Other Professional Services

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 that is required, contact the Purchasing Department for assistance.
2. Complete and execute a Consultant Services Agreement as indicated in Chapter 8.
3. If the vendor does not exist in purchase requisition system, the vendor may need to complete a W-9 Form. See Chapter 5 of this manual for instructions.
4. Enter a requisition in the purchase requisition system with the Consultant Contract attached as indicated in Chapter 7.

# 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 can happen that certain items are 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 sell a particular item.

For a requisition to be processed, the vendor must be identified on the Approved Vendor List. If the vendor is not listed, the vendor should complete the Sole Source Affidavit. The completed affidavit must be submitted as an attachment to the requisition in the purchase requisition system. All sole source purchases will be accepted or rejected at the sole discretion of the purchasing department.

## Open Purchase Orders

Open purchase orders may be used as an option. 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 purchase requisition, and then purchase the items upon receipt of a detailed purchase order. The most common vendors involved are retail oriented. HEB and Costco are examples.

## 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.

To process a purchase order under these circumstances, a memo must be written by the person who has violated Board Policy and should include an explanation of what the circumstances were and what steps have been taken to make sure the circumstances will be avoided in the future. The memo must be signed by the principal or director responsible for the funds utilized. The memo must accompany the requisition when it is submitted to the Purchasing Department.

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

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

## Chapter 4: Approved Vendor List

In this chapter, you will find information on:

- ✓ How To Use the Approved Vendor List
- ✓ How Vendors Get Added to the Approved Vendor List

### How to Use the Approved Vendor List

The Approved Vendor List (AVL) is made up of vendors that have either been awarded a contract issued by Judson ISD, a Co-Op or a partnering purchasing entity. Using vendors listed on the AVL is the best way to help the district to stay compliant with purchasing laws and policies. In addition, it is the easiest way to purchase goods and services because pricing has already been negotiated on the district's behalf.

A brief overview of each type of information presented in the AVL is shown below.

**Search for Approved Vendors** – This field provides an opportunity for you to search the entire AVL by entering any sequence of letters or words. It is recommended you begin your search with a couple of letters or one word. You can narrow your search by adding additional letters or words.

**Bid Reference** – The bid reference is required to be provided to process a purchase requisition in a timely manner. The first half of the reference indicates the awarding entity while the second half indicates a specific contract number.

**Category** – This column indicates the name of the contract and will hopefully provide you with easy access to the information you are seeking.

**Discount** – In the case of catalog discount contracts, this column provides information regarding the amount of the discount.

**Vendor Code** – The vendor code is the identification number assigned to each individual vendor in the district's purchase requisition system. In the event a vendor code has not been created, see Chapter 5 of this manual for guidance.

**Contact Info** – This field provides contact information for the vendor's representative assigned to the district's account. You may also click on 'More Detail' to locate additional contract information such as the contract expiration date, website URL or other miscellaneous information.

## How Vendors Get Added to the Approved Vendor List

Judson ISD regularly issues bids/proposals for goods and services, and we encourage vendors to watch the Current Bids/Proposals webpage for upcoming opportunities. More information regarding bid opportunities can be found at [www.publicpurchase.com](http://www.publicpurchase.com).

The district also partners with other purchasing entities such as, but not limited to, ESC Region 20, TASB's BuyBoard, TCPN, Houston-Galveston Area Council (H-GAC), US Communities, TIPS, CTPA, SAISD and NEISD.

Judson ISD is also eligible to procure goods and services through State of Texas Contracting Programs such as Texas State Term Contracting, Texas Multiple Award Schedules (TXMAS), and Department of Information Resources (DIR).

Awards through any of these methods does not automatically place a company on the Judson ISD approved vendor list. Actual placement is at the discretion of the Director of Purchasing based on the needs and the best interests of the district.

## Chapter 5: Vendor Management

In this chapter, you will find information on:

- ✓ Creating New Vendor Codes in the purchase requisition system
- ✓ Conflict of Interest Reporting Requirements

### Creating New Vendor Codes

When reviewing the Approved Vendor List (AVL), you may occasionally identify a vendor that has not had a vendor code created or there may be other circumstances that require a new vendor code. To get a vendor code created, you must obtain a W-9 from the vendor and upload it through Eduphoria Formspace. Once in Formspace, click on the 'Submit New Form' button to get started. It's located in the lower left corner of the screen. Select "Purchasing - New Vendor Number Request". Fill out the necessary fields with the vendor's information, attach their W-9, and submit the form. The form must be approved by Purchasing and Accounting. Notification will be provided at each approval step. Once the vendor code has been created you will receive a notice from Eduphoria.

### Conflict of Interest Reporting Requirements

Judson Independent School District is required to post all Conflict-of-Interest Forms on its website. A disclosure form must be filed when a vendor is doing business with or seeking to do business with the District;

1. Has an employment or business relationship with an officer of the district or a family member of the officer,
2. Has given an officer of the district, or a family member of the officer, one or more gifts with the aggregate value specified in §176.003, excluding any gift described in the same section.

Statements must be filed within 7 business days after the vendor becomes aware that a conflict of interest exists. Vendors are reminded that this form is only required to be submitted if an actual conflict exists. District personnel are not able to provide legal advice to vendors regarding this or any other legal matter.

Failure to properly disclose a conflict of interest may result in disciplinary action up to and including termination.

## Chapter 6: Purchasing Pitfalls

In this chapter, you will find information on:

- ✓ Purchasing Pitfalls
- ✓ Frequently Asked Questions – Purchasing
- ✓ Frequently Asked Questions – Warehouse

### Purchasing Pitfalls

Some of the most common pitfalls that are experienced involve the following:

**Rush or Confirming Purchase Orders** – Allowing sufficient time to prepare and process a requisition is paramount to a successful purchase. It must be noted that acquiring goods or services without a properly issued purchase order is a violation of board policy (CH LOCAL).

**Component, Separate or Sequential Purchases** – This is the act of dividing purchases into multiple requisitions to avoid normal purchasing/bidding procedures. This is a violation of board policy and state law (CH LEGAL and Texas Education Code Chapter 44).

## Chapter 7: Purchase Requisitions

In this chapter, you will find information on:

- ✓ Purchase Requisition Entry
- ✓ Purchase Requisition Approval

### Purchase Requisition Entry

A purchase requisition must be entered into the Skyward system and approved prior to any purchase. A written or verbal approval to purchase an item or service is not allowed without an approved purchase order.

### Purchase Requisition Approval

All purchase requisitions will be approved based on an established approval process within the purchase requisition system. Purchases being made with a particular budget can only be approved by the person that is responsible for managing that budget. All final approvals will be made by the purchasing department.

# Chapter 8: Contracts

In this chapter, you will find information on:

- ✓ Contract Management
- ✓ Contracting Basics
- ✓ General Contract Approval
- ✓ Consulting Services Contract Approval

## Contract Management

Contract management involves all aspects of contracts from the review and approval process, the receiving of goods or services, vendor evaluation, vendor payment and contract close out. This section is focused on what makes up a contract along with the approval process for all contracts obligating the district.

## Contracting Basics

A contract is an agreement between two or more parties for the delivery of goods or services for consideration.

A contract can be as simple as a purchase order or may be a complicated document that requires extensive legal review. ALL contracts must be reviewed by the purchasing department and can only be signed by the Superintendent, the Deputy Superintendent of Business Operations & Innovation or the Director of Purchasing.

## Contract Approval - Educational Consultant

The instructions and forms for processing Educational Consultant Contracts are located within Eduphoria.

- It is preferred that we use the district's contract for these services. If the vendor requires their contract be used, purchasing and possibly legal review might be warranted.
- The contract e-form is first approved by the budget manager of the requestor. Once this step is completed, Purchasing electronically forwards the e-form to the respective senior staff member for approval. Once this approval is received, Purchasing will first obtain the signature of the vendor. Purchasing will then sign the agreement and attach the executed agreement and the e-form submitted by the requestor.
- When completing a contract, no fields should be left blank. If the item doesn't apply, then indicate that it is non-applicable (N/A).
- The requestor is responsible for ensuring the requisition is entered to pay for the requested services prior to submitting the contract e-form. **No services may be received until a properly authorized purchase order is issued.**

## Contract Approval – Construction Consultant

This section applies to engineering, architects, or other professional services. The requirements for approval differ greatly from other types of contracts. The following describes the various requirements based on the value of the contract.

- The vendor must have responded to the most recent Request for Qualifications issued by the district.
- If the value of the contract for the professional services is:
  - \$0-\$24,999 – Enter a requisition with the executed contract attached along with a selection justification memo. The contract may be



- signed by the Superintendent of Schools, the Deputy Superintendent of Business Operations & Innovation or the Director of Purchasing.
- \$25,000 - \$49,999– Submit unexecuted contract, requisition, and selection justification memo. The contract may be signed by the Superintendent of Schools, the Deputy Superintendent of Business Operations & Innovation or the Director of Purchasing.
  - \$50,000 & Up – Submit unexecuted contract, requisition, and selection justification memo. The contract must be approved by the Board of Trustees and signed by the Superintendent of Schools, the Deputy Superintendent of Business Operations & Innovation, or the Director of Purchasing.
- **No services may be received until a properly authorized purchase order is issued.**

### Contract Approval – Other Contracts

The Superintendent of Schools, the Deputy Superintendent of Business Operations & Innovation, or the Director of Purchasing are the only ones authorized to sign these contracts. The executed contract must be attached to the requisition. However, value limitations apply and consultation with Purchasing should be made on high dollar contracts.

**No services may be received until a properly authorized purchase order is issued.**

## Chapter 9: Warehouse Operations

In this chapter, you will find information on:

- ✓ Warehouse Requisition Entry
- ✓ Surplus Property Availability

- ✓ Surplus Property Disposal
- ✓ Package & Property Transfers

## Warehouse Requisition Entry

Warehouse orders may be requested through the Skyward system.

## Package & Property Transfers

Package transfers are utilized to transfer boxes or packages from one location in the District to another. Many times, an administrative department may order items for each campus and then require assistance in distribution. If possible, administrative departments should consider the impact of having items shipped directly to each campus. To process a package transfer, complete a Package Transfer Form and submit it for processing. Transfers are generally completed during routine deliveries to each location within the district. The forms are available through Eduphoria Formspace.

Property Transfers are utilized to transfer materials from campus or department sites to the Warehouse for re-purposing or disposal. To process a property transfer, complete a Property Transfer Form and submit it for processing. Property transfers are typically completed as time is available or as can be coordinated with other support departments such as Maintenance. The forms are available through Eduphoria! Formspace.

## Surplus Property Availability

When property is transferred to the Warehouse for re-purposing or disposal, the items are made available to campus and department sites at no charge. To determine what items are available, contact the Warehouse Supervisor. If reusable items are identified, the items will be scheduled for delivery to your location.

## Surplus Property Disposal

When the Warehouse develops a large quantity of surplus property, it is disposed of in accordance with Board Policy with consideration for the best interests of the district.

As a reminder, all district property is required to be reviewed by Purchasing and/or Warehouse staff to determine the proper disposal method. Campus and department administrators do not have the authority to give district property away without authorization.

# Chapter 10: Legal Considerations

In this chapter, you will find information on:

- ✓ Legal References – Board Policy
- ✓ Legal References – State
- ✓ Legal References – Federal

## Legal References – Board Policy

BBFB (LEGAL) Ethics – Prohibited Practices

CH (LEGAL) Purchasing and Acquisition

CH (LOCAL) Purchasing and Acquisition

CHH (LEGAL) Purchasing and Acquisition – Financing Personal Property Purchases

CHG (LEGAL) Purchasing and Acquisition – Real Property and Improvements

CK (LOCAL) Safety Program/Risk Management

CR (LEGAL) Insurance and Annuities Management

CV (LEGAL) Facilities Construction

CV (LOCAL) Facilities Construction

DBD (LEGAL) Employment Requirements and Restrictions – Conflict of Interest  
DBD (LOCAL) Employment Requirements and Restrictions – Conflict of Interest

## Legal References – Federal

Office of Management and Budget (OMB) Circular A-21 Educational Institutions  
Office of Management and Budget (OMB) Circular A-87 State and Local Governments

## Legal References – State

Texas Education Code Chapter 44 – Fiscal Management – Subchapter B  
Texas Education Code Chapter 45 – School District Funds – Subchapter G  
Texas Business and Commerce Code  
Texas Local Government Code Chapter 171 – Regulation of Conflicts of Interest of Officers of Municipalities, Counties and Certain Other Local Governments  
Texas Local Government Code Chapter 176 – Disclosure of Certain Relationships with Local Government Officials: Providing Access to Certain Information  
Texas Local Government Code Chapter 271 – Subchapter B – Purchasing and Contracting Authority of Municipalities, Counties and Certain Other Local Governments  
Texas Local Government Code Chapter 271 – Subchapter D – State Cooperation in Local Purchasing Programs  
Texas Local Government Code Chapter 271 – Subchapter Z – Miscellaneous Provisions  
Texas Government Code Chapter 552 – Public Information  
Texas Government Code Chapter 791 – Interlocal Cooperation Contracts  
Texas Government Code Chapter 2054 – Information Resources  
Texas Government Code Chapter 2157 – Purchase of Automated Information Systems  
Texas Government Code Chapter 2251 – Payment for Goods and Services  
Texas Government Code Chapter 2252 – Contracts with Governmental Entities  
Texas Government Code Chapter 2254 – Professional and Consulting Services

Texas Government Code Chapter 2266 – Contracting and Delivery Procedures for Construction Projects

Texas Health and Safety Code Chapter 361 – Solid Waste Disposal

Texas Health and Safety Code Chapter 435 – Dairy Products

Texas Agriculture Code Chapter 150 – Imported Meat

## Purchasing Procedures At-A-Glance

<i>Purchase Amount</i>	<i>Required Documentation</i>	<i>Additional Forms</i>	<i>RFP/RFQ</i>	<i>Board Approval</i>	<i>Advertising</i>
<b>Less than \$10,000</b> <b>(All Funding Sources)</b>	1 QUOTE	NOT REQUIRED	NOT REQUIRED	NOT REQUIRED	NOT REQUIRED
<b>\$10,000 - \$49,999</b> <b>(All Funding Sources)</b>	3 QUOTES	QUOTATION SUMMARY FORM	NOT REQUIRED	NOT REQUIRED	NOT REQUIRED
<b>Over \$50,000 through CO-OP</b>	1 QUOTE (3 PREFERRED)	QUOTATION SUMMARY FORM	NOT REQUIRED	BOARD AGENDA ITEM REQUIRED	NOT REQUIRED
<b>Over \$50,000 NOT through CO-OP</b>	COMPETITIVE PROCUREMENT (TEC 44.031)	SCORE CARD	REQUIRED	BOARD AGENDA ITEM REQUIRED	REQUIRED  Two (2) consecutive weeks
<b>SOLE SOURCE over \$50,000</b>	1 QUOTE	SOLE SOURCE AFFIDAVIT	NOT REQUIRED	BOARD AGENDA ITEM REQUIRED  (Below \$50,000 – no agenda item)	NOT REQUIRED

<p><b>FEDERAL FUND PURCHASE OVER \$50,000</b></p>	<p>COMPETITIVE PROCUREMENT (TEC 44.031)</p>	<p>SCORE CARD</p>	<p>REQUIRED</p>	<p>BOARD AGENDA ITEM REQUIRED</p>	<p>REQUIRED  Two (2) consecutive weeks</p>
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1. Is the vendor on the approved vendor list (AVL) for the district? If not, reach out to the Purchasing Department to get more info on adding vendors to the AVL.
2. What is the total for the expense? See above for specific steps required for different spending limits. **Component, Separate or Sequential Purchases – This is the act of dividing purchases into multiple requisitions to avoid normal purchasing/bidding procedures. This is a violation of board policy and state law (CH LEGAL and Texas Education Code Chapter 44).**
3. Once you have completed the required purchasing procedures outlined above, you can create a PO in Skyward and attach all documentation to the PO.
4. When you receive the approved PO, then you use that to purchase the products/services.
5. After products are received or services are rendered, mark them received in Skyward and submit invoice to accounts payable.

**Purchase order initiators, such as campus-based or department-based staff, are strictly prohibited from ordering products or services from vendors without an approved Judson ISD purchase order number.** Such orders, if any, shall be the financial responsibility of the initiator. Furthermore, this action will be in violation of the district’s School Board Policy CH Local.

Print Name \_\_\_\_\_ Title \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_

*If you have any questions regarding the purchasing procedures, please contact the Director of Purchasing.*