



Purchasing Manual

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INTRODUCTION

The purchasing procedures and guidelines presented in this manual have been developed in accordance with Texas state statutes and White Settlement Independent School District policies (WSISD). As a public institution, we are required to follow these regulations in the conduct of our day-to-day business.

The Business Department is committed to serving the District with the timely and cost effective procurement of goods and services. This is accomplished through product knowledge, competitive bidding, negotiation of special pricing agreements and contracts, and monitoring vendor performance. All of these serve to maximize the District's purchasing power.

Purpose

The purpose of this manual is to provide guidelines and procedures for staff involved in the procurement process throughout the District. The purchasing procedures contained in the document are intended to comply with all applicable laws, policies, and procedures. In the event of conflict, the appropriate law or policy shall prevail.

This manual should be used as a guide by all employees, when requisitioning, purchasing, receiving, or approving payment for goods and services. Included in this manual are statements of purchasing policies and objectives, responsibilities of various individuals and departments, and procedures for the performance of some of the major purchasing functions.

Goals

- To provide quality products, services, and material to the District, at the best value, in accordance with relevant statutes and policies.
- To foster good vendor relations and a strong competitive environment.

Objectives

- To assist in the prudent use of District resources through efficient use of competitive bidding and proposals and purchase order process.
- To promote and apply ethical business practices.
- To educate and train District personnel.
- To improve processes and implement the best purchasing practices.

Statutes, Regulations, And Board Policy

There are several agencies and documents which regulate purchasing practices in education. These include:

- The Texas Education Code, Purchasing Contracts (Primarily sections 44.031 through 44.047).
 - <http://www.statutes.legis.state.tx.us/Docs/ED/htm/ED.44.htm#44.031>
- The Texas Education Agency (TEA) Financial Accountability System Resource Guide Purchasing Module.

- <https://tea.texas.gov/finance-and-grants/financial-accountability/financial-accountability-system-resource-guide>
- White Settlement Independent School District's Board Policy (Sections CH...).
 - <https://pol.tasb.org/Policy/Code/1114?filter=CH&filter=CH>

PURCHASING AUTHORITY

Under the Texas Education Code § 44.0312 (a), the board of trustees of the District may, as appropriate, delegate its authority under this subchapter regarding an action authorized or required by this subchapter to be taken by a school District to a designated person, representative, or committee.

- The following persons have been delegated authority to act as agents for WSISD in carrying out the purchasing activities of the District:
 - Assistant Superintendent of Finance and Operations
 - Director of Business
 - Purchasing Coordinator
- Budget owners have the authority to initiate purchase requisitions within their authorized budget.
- Every employee involved in procuring goods or services for the District is responsible for earnestly working to attain the District's procurement goals and objectives.
- Principals share purchasing authority with the Business Office.

The Business Office shall supervise the purchase of all materials, supplies, equipment, and services for the District.

The Business Office shall develop appropriate procedures to assure:

- Purchases are made in accordance with appropriate statutes, regulations, and Board policy.
- The existence of a list of approved vendors who have a record of good products, services, and prices.
- Effective advertising for the procurement of products and services and for the sale of used, obsolete, and surplus materials, supplies, and equipment.
- The existence of current specification files and expertise in developing meaningful product and service specifications.

Under Board policy *CH (Local) Responsibility for Debts*, the Board shall assume responsibility for debts incurred in the name of the District so long as those debts are for purchases made in accordance with adopted Board policy and current administrative procedures. The Board shall not be responsible for debts incurred by persons or organizations not directly under Board control; **persons making unauthorized purchases shall assume full responsibility for all such debts.**

PURCHASING ETHICS

Public purchasing and the expenditure of public funds require that ethical standards be incorporated into every aspect of the District's purchasing functions. Purchasing personnel and school District employees face the difficult task of developing good vendor relations and encouraging vendor competition while avoiding even the appearance of favoritism or other ethical misconduct. In an effort to get the job done successfully and on time, one may be tempted to circumvent policies, procedures, and laws, or make their own liberal "legal" interpretations of existing policies. Such activity, although well intentioned, will cause ethical problems.

In addition to the information provided in this section, please read the following Board Policy:

- *Board policy DH (Legal/Local), Employee Standards of Conduct.* This policy resides on the District's web site.

The Texas Education Agency (TEA), *Financial Accountability System Resource Guide – General Ethical Standards and other documents*, prescribes common standards of ethics governing the conduct of employees involved in the purchasing function, which are incorporated in the procedures prescribed below.

Sequential Purchases – District employees shall not make purchases, over a period, of items that in normal purchasing practices would be made in one purchase.

Component Purchases – District employees shall not make purchases of the component parts of an item that in normal purchasing practices would be made in one purchase.

Separate Purchases – District employees shall not make purchases separately in order to circumvent board approval of items that in normal purchasing practices would be made in one purchase.

Conflict of Interest – [Local Government Code Chapter 176](#) provides information regarding conflict of interest statements to be filed by vendors and certain school district employees. [HB 1491](#) passed by the 80th Legislature made modifications to the requirements for conflict of interest statements. Refer to the [Texas Ethics Commission website](#) for additional information and sample forms.

Gifts - A district employee who exercises discretion in connection with contracts, purchases, payments, claims, or other financial decisions or transactions shall not solicit, accept, or agree to accept any benefit from a person the employee knows is interested in or likely to become interested in any such transactions of the District. *Penal Code 1.07(41)(A), (E), 36.08(d)*

Financial Interest - District employees shall not participate directly or indirectly in procurement when the employee or the employee's family member has a financial interest pertaining to the procurement.

Personal Use - District employees shall not make any commitment to acquire goods or services in the name of the District for personal use or ownership.

Equal Consideration - District employees shall grant all suppliers equal consideration insofar as state or federal laws and District policy permit. This is especially important when evaluating bids and proposals.

Relatives - No District employee with purchasing authority may authorize the purchase of anything from any person or from any firm that is controlled, owned, or operated by that employee or from a relative within the second degree by blood or marriage of the employee.

Texas Education Code 44.032

(b) An officer, employee, or agent of a school district commits an offense if the person with criminal negligence makes or authorizes separate, sequential, or component purchases to avoid the requirements of Section 44.031(a) or (b). An offense under this subsection is a Class B misdemeanor and is an offense involving moral turpitude.

(c) An officer, employee, or agent of a school district commits an offense if the person with criminal negligence violates Section 44.031(a) or (b) other than by conduct described by Subsection (b). An offense under this subsection is a Class B misdemeanor and is an offense involving moral turpitude.

(d) An officer or employee of a school district commits an offense if the officer or employee knowingly violates Section 44.031, other than by conduct described by Subsection (b) or (c). An offense under this subsection is a Class C misdemeanor.

(e) The final conviction of a person other than a trustee of a school district for an offense under Subsection (b) or (c) results in the immediate removal from office or employment of that person. A trustee who is convicted of an offense under this section is considered to have committed official misconduct for purposes of Chapter 87, Local Government Code, and is subject to removal as provided by that chapter and Section 24, Article V, Texas Constitution. For four years after the date of the final conviction, the removed person is ineligible to be a candidate for or to be appointed or elected to a public office in this state, is ineligible to be employed by or act as an agent for the state or a political subdivision of the state, and is ineligible to receive any compensation through a contract with the state or a political subdivision of the state. This subsection does not prohibit the payment of retirement benefits to the removed person or the payment of workers' compensation benefits to the removed person for an injury that occurred before the commission of the offense for which the person was removed. This subsection does not make a person ineligible for an office for which the federal or state constitution prescribes exclusive eligibility requirements.

(f) A court may enjoin performance of a contract made in violation of this subchapter. A county attorney, a district attorney, a criminal district attorney, a citizen of the county in which the school district is located, or any interested party may bring an action for an injunction. A party who prevails in an action brought under this subsection is entitled to reasonable attorney's fees as approved by the court.

Employees involved in the purchasing process are exposed to more than ordinary temptations because they are involved with the expenditure of large amounts of public money. Strict adherence to the above standards are critical to the protection of the employee's and the District's reputation.

CONTROL ENVIRONMENT

Texas Education Agency guidance states that “A district needs a strong control environment in which to perform the purchasing function”. Three activities govern a strong and successful control environment:

1. A comprehensive purchasing manual.
2. Monitoring purchasing activities by all employees involved with the procurement of goods and services.
3. Training personnel on purchasing procedures.

The purchasing *manual* is a primary tool for establishing a strong control environment and must be adhered to by employees of the District. The purchasing manual provides written procedures designed to detect and prevent the circumvention of statutes, regulations, and board policy applicable to purchasing.

If a situation occurs which is not addressed in the purchasing manual, it should be brought to the attention of the Business Service Office to determine the proper course of action. If it is likely that this situation will reoccur, the proper procedures will be included in a revision to the purchasing manual.

In addition to the purchasing manual, the following activities enhance the control environment and require monitoring by those involved in procuring goods and services:

- ***Approval of purchase requisitions at the campus and departmental levels.*** The campus principal or department head should review for need and approve purchase requisitions before they are submitted to the business department for processing. If a purchase is grant funded, approval by the appropriate compliance officer is required (example: Director of Federal Programs).
- ***Approval of purchase orders.*** The purchasing coordinator and or other designated personnel will review requisitions for compliance before approving purchase orders for issuance to vendors.
- ***Supervision of purchasing process.*** Vigilance in the supervision of the entire purchasing function on a daily basis is essential.
- ***Segregation of duties among purchasing and accounting personnel.*** The Director of Business and Purchasing Coordinator, along with the Chief Finance Officer, and ultimately the Superintendent are responsible to ensure that duties among purchasing and accounting personnel are properly segregated (to the degree possible) to provide a checks-and-balances environment.
- ***Maintenance of purchasing files and records.*** The business department staff should be trained and supervised so that purchasing files and records are complete and maintained in an orderly fashion for the period required by law.
- ***Control over incoming merchandise.*** Receiving personnel (either centralized or decentralized) should be trained and monitored to ensure that the proper procedures are followed with incoming merchandise (i.e., the counting and inspection of merchandise received, and the completion of receiving reports).
- ***Verification of invoices with purchase orders and on-line receiving information.*** Although receiving personnel are responsible for the initial verification, accounts payable personnel verify

that the invoice, the purchase order, and the on-line receiving information match before processing the invoice for payment.

- **Verification of delivery.** All campuses and/or departments are responsible for ensuring that the deliveries are in agreement with its original purchase order.
- **Internal review of the purchasing processes.** An internal review of the purchasing activities should be performed periodically. This review is usually conducted by the District's business Office and ensures that purchasing policies and procedures are being followed by district personnel.
- **Training of district personnel.** Formal training is conducted at least annually normally at the beginning of the school year. However, training and communication should be ongoing throughout the school year through revisions to the purchasing manual and emails/newsletters.

Risk Management

There are numerous risks factors associated with the procurement of goods and services. A few examples would include:

- Violating statutes and regulations governing appropriate procurement methods.
- Failing to comply with Board policies.
- Initiating purchases without Board approval or an approved purchase order.
- Abusing purchasing authority and committing fraud.

Responsibilities

In order to maintain a strong control environment for the procurement function, the following responsibilities and actions shall be taken in order to minimize risk.

Assistant Superintendent of Finance and Operations

- Shall establish and maintain a reliable and financially accountable control environment for procuring goods and services.

Business Director

- Shall assign responsibilities and establish procedures within the Business Office for monitoring procurements to comply with the statutory requirements and Board policies.
- Shall continually monitor the District's procurement activities, assess risks, and improve the procurement control activities.
- Evaluate and make recommendations to improve the effectiveness of the control environment and to reduce risk.

Purchasing Coordinator

- Shall be the only authorized personnel to make purchase commitments and issue purchase orders. Because schools and departments must contact vendors to obtain information to prepare purchase requisitions, it must be communicated and explained to the vendor that the request for information does not represent a commitment to purchase.

Assigned Budget Owners

- Shall plan purchases for each budget year to maximize opportunities to use competitive procurement options.
- Shall coordinate purchases with the Business Office for competitive procurement if no approved vendor exists for the particular purchase.
- Shall follow the requirements detailed in the *White Settlement ISD Purchasing Levels and Requirements* table.
- Shall only initiate and approve purchase requisitions that are within their approved budget and ensure proper account coding.

All employees

- Shall strictly adhere to the Board policy and this manual to control procurement activities.

PROCUREMENT

The procurement method for all purchases shall comply with federal and state purchasing laws as well as local Board Policy, CH Legal and CH Local. The procurement method used shall be based on the dollar amount of the purchase and/or the type of funds (federal, local, grant, etc.) being used for the purchase.

The Purchasing Coordinator and/or the Business Director shall be responsible for ensuring that the appropriate procurement method is utilized for each purchase. In the event of a conflict between guidance documents, the most restrictive federal regulations, state laws, local policies, and/or procedures will be followed.

Centralized Purchasing Function

From a supply and demand perspective, the business office seeks to complete the competitive procurement process prior to the District's need. However, the District does not have designated personnel, or warehouse facilities to enable centralized purchasing.

Decentralized Decision Making

WSISD operates under a decentralized procurement system. From a purchasing perspective this means that schools and departments (the end-users) determine *what* they need and *when* they need it. The individual school or department determines how to best meet the needs of the students they serve. However, the final commitment of District funds can only be authorized by the appropriate Business Office personnel.

White Settlement ISD Purchasing Levels and Requirements

Purchase Commitment Amount	Support Required	Additional Forms	RFP/RFQ	Board Approval	Advertising
Purchasing with State and Local Funds					
For Purchases Less Than \$5,000	1 Quote	Not Required	Not Required	Not Required	Not Required
For Purchases \$5,000 to \$24,999	3 Quotes	3 Quotes Form	Not Required	Not Required	Not Required
For Purchases \$25,000 to \$49,999	3 Quotes or Co-op/Catalog Purchase: 1 Quote	3 Quotes Form or Co-op Contract No.	Not Required	Board Agenda Item Required	Not Required
For Purchases over \$50,000	Competitive Procurement (Education Code 44.031)	Bid or Proposal Tabulation Form	Required	Board Agenda Item Required	Required Two (2) Consecutive Weeks
Sole Source Purchase \$50,000 and over (Below \$50,000 No Agenda Item)	1 Quote	Sole Source Affidavit	Not Required	Board Agenda Item Required	Not Required
Purchase Commitment Amount	Support Required	Additional Forms	RFP/RFQ	Board Approval	Advertising
Purchasing with Federal Grant Funds					
For Purchases \$0 to \$24,999	3 Quotes (Co-op/Catalog Purchases too)	3 Quotes Form (and the actual quotes)	Not Required	Not Required	Not Required

For Purchases \$25,000 to \$49,999	3 Quotes (Co-op/Catalog Purchases too)	3 Quotes Form (and the actual quotes)	Not Required	Board Agenda Item Required	Not Required
For Purchases over \$50,000 (Small Purchases/ Fed Funds) Competitive Procurement/ Texas	Competitive Procurement (Education Code 44.031)	Bid or Proposal Tabulation Form	Required	Board Agenda Item Required	Required Two (2) Consecutive Weeks
For Purchases Over \$150,000 Single Acquisition Threshold/Fed	Competitive Procurement (Sealed Bids or Competitive Proposals)	Score Card	Required	Board Agenda Item Required	Required Two (2) Consecutive Weeks
Sole Source Purchase \$ 50,000 and over (Below \$50,000 No Agenda Item)	1 Quote	TEA Approval and Sole Source Affidavit	Not Required	Board Agenda Item Required	Not Required

Quotes

Quotes shall be listed on the WSISD 3 Quotes Form with all supporting documentation attached. A paper quote from a vendor is only valid if it has the printed name and signature of the person submitting the quote, the printed name and signature of the WSISD employee receiving the quote, and it is dated. A paper quote is not valid if it is missing any of these requirements. All emailed quotes shall be printed and must include the email header information (i.e., email addresses, dates, times, etc.). If a quote is emailed as an attachment, both the email and the attachment must be printed. Verbal quotes shall not be accepted and may not be listed on the 3 Quotes Form.

The best practice is to request quotes from more than three vendors whenever possible. This will be helpful if a vendor declines or does not respond to the request for a quote. If a vendor declines a request for a quote, and three quotes have not been received, an email or a signed letter from the vendor, stating that they are not going to send a quote, may be used as documentation for one of the three quotes. If there are multiple documented attempts to reach a vendor for quotes (i.e., emails) and the vendor does not respond to the request for a quote, the emails may be printed and used as documentation for one of the three quotes.

When applicable, the 3 Quote Form, and all supporting documentation, shall be attached to a requisition before it is submitted for approval. Requisitions submitted without appropriate documentation will be denied.

Purchases over \$25,000

Any purchase order or contract that exceeds \$25,000 shall require Board approval before a transaction may take place.

Purchases over \$50,000

Except as provided by this subchapter, all school district contracts, except contracts for the purchase of produce or vehicle fuel, valued at \$50,000 or more in the aggregate for each 12-month period shall be made by the method, of the following methods, that provides the best value for the district.

- (1) competitive bidding;
- (2) competitive sealed proposals;
- (3) a request for proposals, for services other than construction services;
- (4) an interlocal contract;
- (5) a design/build contract;
- (6) a contract to construct, rehabilitate, alter, or repair facilities that involves using a construction manager;
- (7) a job order contract for the minor construction, repair, rehabilitation, or alteration of a facility;
- (8) the reverse auction procedure as defined by Section 2155.062(d), Government Code; or
- (9) the formation of a political subdivision corporation under Section 304.001, Local Government Code.

Competitive Bidding

Competitive bidding is a formal process consisting of procedures that may also be referred to as competitive sealed bidding, or more simply as bids.

The request for bids contains the purchase description or specifications covering the item(s), the terms and conditions for the bid contract, the time and place for opening bids and other provisions, as necessary. The advertisement for bids; and description in the request for bids of item(s), and specific terms and conditions must be done in a manner that accomplishes the primary purposes of competitive bidding - stimulate competition and obtain the best value for the goods/item(s) needed.

Purpose and Intent for Competitive Bidding

The purpose and intent of competitive bidding is to help public schools secure the best materials at the best value by stimulating competition. If a district advertises purchasing needs relating to large expenditures, purchasing in large quantities will normally result in greater cost savings (in the aggregate) or lower costs per unit/item.

Tie Bids

If the District receives two or more bids from responsible bidders that are identical, in nature and amount, as the lowest and best bids, it shall select only one bidder from the identical item(s).

If only one of the bidders submitting identical bids is a resident of the District, that bidder shall be selected. If two or more such bidders are residents of the District, one shall be selected by the casting of lots. In all other cases, one of the identical bids shall be selected by the casting of lots.

The Board shall prescribe the manner of casting of lots and shall be present when the lots are cast. All qualified bidders or their representatives may be present at the casting of lots.

Competitive Sealed Proposals (CSP)

The use of Request for Competitive Sealed Proposals is normally used when competitive bidding is either not practicable or not advantageous to the district. Basically, competitive sealed proposals allow for negotiations in addition to the basic bidding process. Terms and conditions are identical as those for competitive bidding except any reference to bids should be changed or interpreted as offers or offerors. Additionally, anything addressing the finality of the offer needs to be disregarded because proposals are negotiable.

Request for Proposals (RFP)

Proposal procedures provide for full competition among proposals. The procedures allow for negotiation with the proposer or proposers to obtain the best services at the best value. During the evaluation process prior to award of a contract, the negotiation process allows modification and alteration of both the content of the proposals and price. The following note further explains the primary difference between bids and proposals. *(Note: The competitive bidding process requires that bids be evaluated and awards be made solely upon bid specifications, terms and conditions contained in the request for bids document, and according to the bid prices offered by vendors and pertinent factors that may affect contract performance; no substantive changes are permitted to the bid terms, conditions and specifications).*

Professional and nonprofessional service contracts involving federal funds are required to be let on a competitive basis, under 34 CFR Section 80.36 (Code of Federal Regulations). Competitive procurement procedures, Section 44.031(a) (2)-(8), TEC, are for certain procurement situations as an alternative to competitive bidding procedures. Chapter 2254, Government Code, prohibits competitive bidding for certain types of professional services, including engineering, architectural, accounting and certain other services; and requires a two-step procedure, as defined in Chapter 2254, Government Code, for the procurement of architectural and engineering services. Competitive proposal procedures are recommended, where other procurement procedures are not required according to state or federal rules, laws or regulations, to stimulate competitive prices for services.

In connection with certain professional service contracts, specifically architectural or engineering, Chapter 2254, Government Code, requires a two-step negotiation process. The two-step process only

allows negotiation of price after an initial selection based upon demonstrated competence and qualifications of the person/firm.

Components of the Request for Proposals

Notice	Identical to Competitive Bidding.
Statement of Work	This includes a description of the service (and associated goods if any) to be performed.
Proposal Clauses	Can be identical to the competitive bids, but may be subject to negotiations.

Advertisement

Under Texas Education Code 44.033 (b), notice of the time by when and place where the bids or proposals, or the responses to a request for qualifications, will be received and opened shall be published in the county in which the district’s central administrative office is located, once a week for at least two weeks before the deadline for receiving bids, proposals, or responses to a request for qualifications. The two week advertisement requirement is a minimum requirement, additional time may be necessary based on the complexity of the bid/proposal. In addition to the newspaper, WSISD utilizes the District’s internet homepage to advertise all bid/proposal opportunities and to increase its competitive environment. Our website address is <https://www.wsisd.com/apps/pages/purchasing>.

Negotiation

Negotiation is the most difficult part of the Request for Proposal process, and the most difficult to control. From the beginning of the process through contract award, it must be made clear to vendors and using departments/campuses that designated person(s) may do the negotiation for the district.

Negotiation is subject to the same guidelines as any purchasing action: impartiality and equal opportunity to compete.

Evaluation/Contract Award Criteria

Under Texas Education Code 44.031 (b), except as provided by this subchapter, in determining to whom to award a contract, the district shall consider:

- (1) the purchase price;
- (2) the reputation of the vendor and of the vendor's goods or services;
- (3) the quality of the vendor's goods or services;
- (4) the extent to which the goods or services meet the district's needs;
- (5) the vendor's past relationship with the district;
- (6) the impact on the ability of the district to comply with laws and rules relating to historically underutilized businesses;
- (7) the total long-term cost to the district to acquire the vendor's goods or services;
- (8) for a contract for goods and services, other than goods and services related to telecommunications and information services, building construction and maintenance, or

instructional materials, whether the vendor or the vendor's ultimate parent company or majority owner:

- a. has its principal place of business in this state; or
 - b. employs at least 500 persons in this state; and
- (9) any other relevant factor specifically listed in the request for bids or proposals.

Out-of-State Bidders

The Board shall not award a contract for general construction, improvements, services, or public works projects or for purchase of supplies, materials, or equipment to a bidder whose principle place of business is not in the state, unless the nonresident underbids the lowest bid submitted by a responsible resident bidder by an amount that is not less than the amount by which a resident bidder would be required to underbid a nonresident bidder to obtain a comparable contract in the state in which the nonresident's principal place of business is located. *Gov't Code 2252.001, 2252.002*

This requirement shall not apply to a contract involving federal funds. The District shall rely on information published by the comptroller in evaluating the bids of a nonresident bidder. *Gov't Code 2252.003, 2252.004*

Exceptions to Competitive Bidding - Texas Education Code 44.031 (a) and (b)

Professional and Consulting Services

Under Texas Education Code 44.031 (f), this section (**Competitive Bidding**) **does not apply to a contract for professional services rendered, including services of an architect, attorney, or fiscal agent.** A school district may, at its option, contract for professional services rendered by a financial consultant or a technology consultant in the manner provided by Section 2254.003, Government Code, in lieu of the methods provided by this section. ***NOTE: federally funded professional service contracts must be let on a competitive basis.***

Competitive bids shall not be solicited for professional services of any licensed or registered:

- accounting - CPA
- architect,
- attorney
- fiscal agent
- interior design
- landscape architect,
- land surveyor,
- physician,
- optometrist,
- professional engineer,
- professional nursing.

- Professional engineering
- Real estate appraising
- Technology consultant

Contracts for these professional services shall be made on the basis of demonstrated competence and qualifications to perform the services and for a fair and reasonable price. *Government Code 2254.002, 2254.003(a).*

Emergency Purchases

Under Texas Education Code 44.031 text of subsec. (h) as amended by Acts 1999, 76th Leg., ch. 922, if school equipment, a school facility, or a portion of a school facility is destroyed, severely damaged, or experiences a major unforeseen operational or structural failure, and the board of trustees determines that the delay posed by the contract methods required by this section would prevent or substantially impair the conduct of classes or other essential school activities, then contracts for the replacement or repair of the equipment, school facility, or portion of the school facility may be made by a method other than the methods required by this section.

Under Texas Education Code 44.031 text of subsec. (h) as amended by Acts 1999, 76th Leg., ch. 1225, If school equipment or a part of a school facility or personal property is destroyed or severely damaged or, as a result of an unforeseen catastrophe or emergency, undergoes major operational or structural failure, and the board of trustees determines that the delay posed by the methods provided for in this section would prevent or substantially impair the conduct of classes or other essential school activities, then contracts for the replacement or repair of the equipment or the part of the school facility may be made by methods other than those required by this section.

According to White Settlement ISD Local Policy CH (Local), the Board delegates the authority to make emergency purchases where school equipment or facilities are destroyed, severely damaged, or experience a major unforeseen operational or structural failure, to the Superintendent, deputy superintendent, or division chief; any such emergency purchase shall be subsequently reported to the Board.

Sole Source Purchases

Under Texas Education Code 44.031 (j), without complying with Subsection (a), a school district may purchase an item that is available from **only one source** (commonly called sole source or single source). Included in the definition of sole source items are the following:

1. An item for which competition is precluded because of the existence of a patent, copyright, secret process, or monopoly;
2. A film, manuscript, or book;
3. A utility service, including electricity, gas, or water, and
4. A captive replacement part or component for equipment.

Note: Sole source does not apply to mainframe data-processing equipment and peripheral attachments with a single item purchase price in excess of \$15,000.

Additionally, sole source purchases that exceed \$25,000 require Board approval prior to the transaction taking place.

Cooperative/Interlocal Agreement Purchases

A centralized purchasing function can also be performed on a regional level through a cooperative/interlocal agreement among districts or the regional education service center. Cost savings through a regional centralized purchasing function are achieved through both discounted prices and administrative cost savings to individual districts. If the district participates in a cooperative purchasing program, it satisfies any law requiring it to seek competitive bids. *Local Government code 791.001, 791.011, 791.025 (b)-(f); Atty Gen. Op. JC-37 (1999)*

The most common cooperative/interlocal agreements utilized by our district are as follows. Additionally each of these cooperatives maintains websites to awarded contract and vendors that we can purchase from.

Texas Association of School Boards (TASB BuyBoard)

The Texas Local Government Purchasing Cooperative was created to increase the purchasing power of government entities throughout Texas and to simplify their purchasing by using a customized electronic purchasing system, called the BuyBoard. Each product and service on the BuyBoard has been competitively bid and awarded based on Texas Statutes, thereby satisfying the requirements under Texas Education Code 44.031 (a); (b). The website is www.buyboard.com

The Cooperative Purchasing Network (TCPN)

The Cooperative Purchasing Network (TCPN) is the Region IV Education Service Center cooperative purchasing program. Enabling statutes for TCPN can be found in the Government Code, Title 7. Intergovernmental Relations, Chapter 791 Interlocal Cooperation Contracts, Subchapter B, General Interlocal Contracting Authority, Subchapter C, Specific Interlocal Contracting Authority.

TCPN is available for use by all public and private schools, colleges, universities, cities, counties, and other government entities in the State of Texas. Participation in TCPN is not required of government entities. However, participation by government entities can provide the legally required competition for contracts for commonly purchased items thereby saving the individual entity the cost of going through the competitive process. Vendors with TCPN awarded contracts have agreed to provide the best pricing, terms and conditions available to similar customers. The website is www.tcpn.org.

Texas Smart Buy Membership Program

Texas Smart Buy Membership Program is a State of Texas Cooperative (Co-op) purchasing program. This co-op serves local government and state funded assistance organizations. As a service to the Comptroller's office, the state purchasing cooperative promotes best value procurements through state contract using at the local level. The program empowers state funded local buyers such as cities, counties, and school districts with access to the same best value and competitively bid statewide contracts as the state agencies. With a massive marketplace and billions of dollars in purchasing power, Texas offers

abundant opportunities for vendors of a wide variety of goods and services, including minority- and women-owned businesses. The website is <https://comptroller.texas.gov/#skip-scroll>.

1. **DIR** – Department of Information Resources. The 79th Texas Legislature signaled a clear mandate for the state to restructure the roles and responsibilities for its investment in information and communications technology. DIR responded to this mandate in its [State Strategic Plan for Information Resources Management](#). In that document, DIR established five statewide goals:

- Reliable & Secure Services
- Mature IT Resources Management
- Cost-Effective & Collaborative Solutions
- Data Utility
- Mobile & Digital Services

DIR continues to ensure the effective and efficient use of public funds by promoting opportunity and economic prosperity for the state’s citizens through the successful application of statewide services and technologies that are beneficial, secure, accessible, and utilize a statewide shared infrastructure.

Educational Purchasing Cooperative of North Texas (EPCNT)

With a vision of cooperating together to improve their procurement power on like products and services, the Educational Purchasing Cooperative of North Texas (EPCNT) became a reality in 2002 through the coordinated efforts of North Texas public school districts. EPCNT is comprised of public school districts located in the Region X and XI Education Service Center areas. The website is www.epcnt.com.

Other Purchasing Cooperatives Approved by WSISD

1 Government Procurement Alliance (1GPA)
Choice Partners
Harris County Department of Education (HCDE) (CP Choice Partners)
Multi Regional Purchasing Cooperative (MRPC)
OMNIA Partners
Purchasing Cooperative of America (PCA) – Region 3 ESC
Prospering Pals (Child Nutrition)
Region 1 Purchasing Cooperative
Region 2 ESC Purchasing Cooperative
Region 3 ESC Purchasing Cooperative
Region 7 ESC Purchasing and Vendor Services
Region 19 ESC Allied State Cooperative
Region 20: PACE (Purchasing Cooperative of America)
Sourcewell
Tarrant County Co-op
The Interlocal Purchasing System (TIPS)
US Communities

The links to the websites for all the purchasing cooperatives is on the following website link:
<https://www.wsisd.com/apps/pages/purchasing/approved-vendors>.

Purchasing Methods Regarding Facilities Construction

Regarding construction of school facilities, see Board Policy CV, CVB for competitive sealed proposals; CVC for design/build contracts; CVD for construction manager-agent, CVE for contracts using a construction manager-at-risk; and CVF for job order contracts for minor repairs/alterations.

Model for the Competitive Procurement Process

The competitive procurement process is lengthy and adequate time must be allowed to complete the tasks identified below. For this reason, the business Office seeks to complete the competitive procurement process prior to a District need arising.

MODEL COMPETITIVE BIDDING/PROPOSAL PROCESS FOR PRODUCTS AND SERVICES		
Task	Description	Who's Responsible
Evaluate Purchasing Needs & Confirm Availability of Approved Budgeted Funds.	Establish the minimum acceptable requirements that the product/service must meet and ensure that funds are available to procure such products/services needed.	User department/campus
Prepare Bid/Proposal Specifications	<p>Prepare detailed written specifications to define the product/service the district is seeking/soliciting. Specifications must contain adequate technical descriptions to clearly identify the type of material, equipment, or services required. Descriptions must include quantitative data such as size, weight, or volume and qualitative data such as commercial grade, texture, finish, strength, chemical analysis, or composition where required. The specifications must also include;</p> <ul style="list-style-type: none"> • Detailed description of the item/service that specifies the minimum acceptable requirements the user department/campus will accept. Industry standards should be utilized whenever possible. • Evaluation/award criteria in addition to the required criteria mentioned above. 	User department/campus

MODEL COMPETITIVE BIDDING/PROPOSAL PROCESS FOR PRODUCTS AND SERVICES

Task	Description	Who's Responsible
	<ul style="list-style-type: none"> • Quantity required. • Required delivery date and/or period of performance for the contract. • Any relevant prints, diagrams, and/or samples of the item requested. • Suggested source(s) of supply. Vendor name, address, phone number, email, etc. <p>Specifications must be provided to the Business Office Buyer electronically (via email preferred) in Microsoft Word format.</p>	
Review Bid/Proposal Specifications	Review the item/service specifications to determine if competitive bids/proposals can be obtained and to ensure that Board policies and state laws are followed.	Purchasing Coordinator/ Director of Business/CFO
Advertise	Ensure bid/proposals are published once per week for at least two weeks before the deadline for receiving bids, proposals, or responses to a request for qualifications. Additionally, bids/proposals are published on the WSISD Purchasing Website @ www.WSISD.org .	Purchasing Coordinator
Pre-Bid/Proposal Conference	<p>Optional procedure as needed. This conference is used to allow vendors to meet with District personnel to clarify specification requirements or to conduct site visits.</p> <ul style="list-style-type: none"> • Document all attendees • Collection of all questions and answers and posting as an addendum is recommended. 	User department/campus and Business Office
Open Bid/Proposal	Bids/proposals will be opened at the date, time, and place specified in the request for bids or proposal.	Purchasing Coordinator

MODEL COMPETITIVE BIDDING/PROPOSAL PROCESS FOR PRODUCTS AND SERVICES		
Task	Description	Who's Responsible
Evaluate Bid/Proposal	Review bids/proposal responses and evaluate responses using established Vendor Award Criteria.	User department/campus and Purchasing Coordinator/Business Director/CFO
Prepare Written Recommendation	<p>Prepare a written recommendation containing the following information and forward to the Business Office.</p> <ol style="list-style-type: none"> 1. Description of supply, product, or service 2. Evaluation results (list criteria used to evaluate) 3. Name of recommended vendor 4. Justification for recommendation: <ol style="list-style-type: none"> a. If the best value bid is not recommended, list the reason(s) for rejection b. Explain how best value was determined (price, quality, delivery, etc.?) 5. Annual estimated cost/expenditures 6. Fund source: General Fund, Special Revenue (for example, IDEA-B) <p>Signature of appropriate approval authority for award recommendation.</p> <p>If all bids/proposals are rejected and a re-bid process will take place, the letter must contain:</p> <ol style="list-style-type: none"> 1. Description of supply, product or service. 2. Justification for recommendation to reject all bids, listing reasons for rejection of every bid. 3. Request to re-bid. 	User department/campus

MODEL COMPETITIVE BIDDING/PROPOSAL PROCESS FOR PRODUCTS AND SERVICES		
Task	Description	Who's Responsible
	4. Estimated cost/ expenditures. 5. Fund code, fund name, and budget owner. 6. Signature of appropriate approval authority for award recommendation.	
Appeal letters	Prepare appeal letters or emails for each unsuccessful best value bid listing the reason(s) their bid was not recommended. The bidder/proposer has five business days to appeal the District's decision.	Director of Business
Obtain Board of Trustees Approval	Board approval is required before the successful bidder/proposer is notified of the award. (Note: Board meetings are normally held on the third Tuesday of each month).	Director of Business
Award Bid/Proposal	Notify successful bidder(s)/proposer(s) via award letters or properly executed purchase order.	Purchasing Coordinator
Monitor Performance	Monitor the vendor's performance and ensure they comply with all specifications regarding the product to be delivered or service to be performed, including the condition of product upon delivery, and whether the service was performed or product was delivered within the stated delivery/performance period. Document performance when creating receiving records in Munis.	User department/campus

Rejected Bids

If a best value bidder is not awarded a particular item or bid/proposal, the vendor is notified. The notification states the reason the vendor was not awarded that particular item/bid/proposal (i.e., did not meet specifications, poor quality, past performance, etc.).

Right to Protest

Any party who believes they are aggrieved in connection with a procurement action may protest to the Assistant Superintendent of Finance and Operations or designee. The protest shall be submitted in writing within five business days after the facts or occurrence giving rise to the complaint.

In the event of a timely protest, the responsible office shall not proceed further with the procurement unless the Assistant Superintendent of Finance and Operations or designee makes a determination that the award of the contract is necessary to protect substantial interests of the District. The Assistant Superintendent of Finance and Operations or designee shall convene a hearing committee of at least three administrators to review the protest.

The Assistant Superintendent of Finance and Operations or designee shall promptly issue a determination relating to the protest. The determination shall:

1. State the reasons for the action taken, if any; and
2. Inform the protesting party of the right to appeal the determination to the Board in accordance with Board policy GF (LOCAL).

VENDOR RELATIONS

Every employee involved in procuring goods or services for the District is responsible for fostering good vendor relations. It must be understood that only authorized personnel are allowed make purchase commitments.

Approved Vendor List

An *Approved Vendor* is a vendor that has been awarded a Bid/Proposal through the WSISD competitive procurement process or through an Interlocal Agreement. These vendors may be viewed as a subset of the Skyward vendor list and also reside in the Skyward Financial Management System. Approved vendors are preferred because they have competed for business through the competitive procurement process and normally provide greater savings than a non-approved vendor.

A list of approved vendors can be obtained on the district's website. This information is updated regularly, so printed documents become outdated frequently. If a school or department is having difficulty finding a vendor from whom to purchase a good or service, the Purchasing Coordinator should be contacted prior to contacting a new vendor.

Skyward Vendor List

A *Skyward Vendor* is a vendor that is established in the Skyward Financial Management System. Many businesses used by the District in the past are already established in Skyward. However, not all vendors in the Skyward Financial Management System are *Approved Vendors*.

New Vendors

New vendors should be directed to the Purchasing Coordinator for information on becoming an approved vendor.

If a school or department is unable to locate an existing vendor for a particular purchase, they should contact the Purchasing Coordinator for assistance. As a last resort, a new vendor request may be submitted to the Assistant Superintendent of Finance and Operations for approval.

Vendors can register to receive bid/proposal information through the districts IonWave site. During the registration process, the vendor will select the commodity code(s) that match their product/service offering. IonWave will email vendors directly when a business opportunity (bids and proposals), matching their commodity code(s) is posted. It must be understood that simply because a vendor has registered in IonWave, does not mean that they are an approved vendor.

Vendor Performance

Factors to consider when dealing with vendors:

<ul style="list-style-type: none">• Timeliness of deliveries	<ul style="list-style-type: none">• Quality of products or services received
<ul style="list-style-type: none">• Service performance	<ul style="list-style-type: none">• Damaged goods
<ul style="list-style-type: none">• Completeness and accuracy of the order	<ul style="list-style-type: none">• Unserviceable merchandise

Whenever problems are encountered with a vendor, (i.e., a vendor fails to deliver certain items or delivery does not meet specifications) it is important to document the problem, noting the date and an accurate description of the problem. The vendor should be contacted directly to attempt to resolve the problem. If a vendor has repeated problems, or is unable to satisfactorily resolve a problem, this should be reported to the Purchasing Coordinator.

Visits from Vendors

Other than deliveries, solicitors, vendors, collectors, or salespersons should never make an unscheduled visit to a campus. Scheduled visits during school hours require the prior approval of the Superintendent or designee.

REQUISITION AND PURCHASE ORDER PROCESSING

Overview

The requisition and purchase order process can be viewed as having four distinct steps:

1. The requisition process
2. The purchase order process
3. Delivery and Receipt of goods or services
4. Invoice and Payment

The requisition and purchase order process begins when a need is determined by an end user and is not completed until payment is made for the goods and/or services.

Requisition Process

A requisition is an internal document by which a campus or department of the district requests the purchasing department to initiate a purchase order. It is a request generated electronically through Skyward for the purchase of supplies, services, equipment, etc. A requisition is an un-approved request for a purchase. No purchasing commitment shall be made without an approved purchase order.

NOTE: All end users must keep in mind the following purchasing prime directives:

- **Purchase commitments shall be made by an approved purchase order.**
- **Persons making unauthorized purchases shall assume full responsibility for all such debts.**

Once a requisition is submitted in Skyward it must then be approved by the appropriate budget owner, which is normally a principal or a department head. Requisitions which require expenditures from a Special Revenue Fund must also be approved by the program administrator (i.e. Federal Programs, etc.).

Requisition Format

Requisitions have several levels of approval prior to a purchase order being issued. Requisitions should include all information necessary to clearly outline all details of the requested expenditure. The minimum information required on a requisition is as follows:

- Vendor name and address (should be from the district's approved vendor list).
- Ship To destination
- Complete and accurate description per line item
- The correct Account Code per line item
- The correct Commodity Code per line item
- Discounts, if any
- Shipping/freight costs, if applicable
- Bid/Proposal number, if applicable
- Board approval date, if applicable
- Any special instructions

Requisitions will also be reviewed for the following prior to a purchase order being issued.

- Compliance with competitive procurement requirements
- Proper account coding
- Adequate descriptions per line item

Requisition Status

The following requisition statuses are utilized by Skyward:

- WIP - Work in Progress

- APP –Approved Requisition (Purchase Order)
- HIS – purchase order has been received and updated
- REQ – Requisition awaiting higher approval
- DEN – Requisition has been denied

E Commerce (Online ordering system)

White Settlement implemented this online ordering system through Skyward to introduce ordering accuracy for vendors that primarily provide catalog purchases. Once created, the order is passed electronically directly into Skyward and creates your requisition for you without having to key in descriptions, quantities, unit of measures, etc. The order will be finalized once a PO is issued.

Vendor Selection

An **approved vendor** is a vendor that has been awarded a Bid/Proposal and normally provides greater savings to the District because of the competitive procurement process. Lists of approved vendors by bid/commodity may be found on the Districts Purchasing Website. Users are encouraged to seek additional discounts from approved vendors during the requisition process; this is especially important when making purchases in large quantities.

A **Skyward vendor** is a vendor that is established in the Skyward Financial Management System. End users are encouraged to select vendors that offer discounts and savings for the District during the requisition process. If the goods or services are unavailable from a Skyward vendor, then the end user must find the goods or services elsewhere and/or complete a new vendor request.

Account Codes

It is the end user’s responsibility to ensure that each line item of a requisition is properly coded with the correct account codes for the description of the item being purchased. A requisition that contains the incorrect account code will be rejected and not processed until the end user corrects the account code. A comment will be entered on the requisition whenever an incorrect account code is identified. Look under the rejection notes to read comments added.

Contact the Business Office for an account code flip chart.

Shipping Destination

It is important to make sure that the Ship To and Attention To fields have the correct information before submitting a requisition. Goods should be shipped directly to the campus/department ordering them. Special arrangements should be made through the Operations Department if assistance is needed with a delivery.

Purchase Orders

After a requisition is reviewed and receives final approval, a Purchase Order is generated. The purchase order is used in the accounts payable process as it documents that an order has been issued, received, and accepted by the user and payment may be made to the vendor. A purchase order, once approved, is a

binding commitment for the District to remit payment to the vendor after the item(s) and/or service(s) are received. Once items are shipped and/or services performed, the vendor must submit a properly executed invoice to the Accounts Payable Department (either by mail or email wsisdinvoices@wsisd.net) to receive payment.

Purchase Order Status

The following purchase order statuses are utilized by our Munis Financial System:

- WIP – Work in progress requisition
- REQ – Requisition waiting approval
- DEN – Denied requisition
- BAT – Batch purchase order
- OPN – Open purchase order
- HIS – Purchase order has been received and updated

Purchase Order Procedures

Purchases shall be made by means of a purchase order. Only the Business Office shall release a purchase order to a vendor. If vendors are contacted by the end user in the initial phase of a requisition, they should be advised by the end user that delivery of goods or services should not be initiated until the vendor has received an approved purchase order from the business office.

Purchase orders are issued daily based on information submitted on requisitions. If a purchase order is needed immediately, contact the purchasing coordinator.

A purchase order cannot be modified by the vendor or by schools or departments after it has been issued. If it becomes necessary to change the purchase order for any reason, the school or department must first advise the business office. If an agreement to a price increase or modification of terms is reached, the business office has the responsibility to adjust the encumbrance on the purchase order and notify all involved parties of the changes.

Once a purchase order is issued, the same purchase order number cannot be used for reorders. End users are not allowed to receive shopping cards from vendors for returned merchandise. If the vendor insists on giving a shopping card, the card must be taken to the purchasing coordinator ASAP.

Purchase Order Closure

In the event it is necessary to cancel a Purchase Order, the school or department must advise the Purchasing Coordinator. The Purchasing Coordinator will close the purchase order and liquidate the funds encumbered. The school or department placing the order must also notify the vendor of the cancellation of the purchase order.

End User's Responsibilities

- Shall ensure that the purchasing process (through the use of an approved purchase order) always precedes the payment process (invoice).
- Shall only initiate and approve requisitions within approved budget authority and ensure proper account coding per line item.
- Shall use approved vendors to procure goods and services. Note: The requirement to use approved vendors applies to purchases made with a District's credit card as well as purchases made with purchase orders.
- If necessary, confirm with the purchasing department that an approved vendor is available for the goods or services needed.
- If a vendor must be contacted to obtain information to prepare a requisition, shall explain to the vendor that the request for information does not represent a commitment to purchase.
- Shall provide for initiating, authorizing, and adequately funding the procurement through a properly approved purchase order.
- Shall monitor the requisition status.
- Shall not release the requisition number or use a draft copy of the requisition to make purchases from a vendor.
- Shall monitor the vendor's performance to ensure proper delivery of the goods or services ordered.
 - If the goods or services are not delivered as ordered, the end user shall take action necessary to protect the District's interest, up to and including sending a written Stop Payment Order to the Accounts Payables department.
 - Problems with the vendor's unsatisfactory performance shall be reported to the Purchasing Coordinator.
- Shall not make any commitments to acquire goods or services in the name of the District for personal use or ownership.
- Shall not make or authorize separate, sequential, or component purchases in order to avoid requirements under the Texas Education Code, Section 44.031, or Board approval.
- Shall coordinate purchases valued at \$10,000 or more with the Purchasing Department in order to select the method of procurement that will provide the best value to the District.
- Shall process all requests for procurement that cost \$25,000 or more through the Business Office for Board approval.
- Shall follow the policies and procedures contained in Board Policy CH (LEGAL) for emergency purchases.
- Shall be responsible for complying with statutory requirements, Board policies, and the Purchasing Manual procedures when purchasing goods or services for the District.
- Shall not make changes to purchase orders after it has been sent to the vendor without prior approval from the Purchasing Department.
- Shall ensure that items ordered match the purchase order.
- Shall record the receipt of goods or services in Skyward in a timely manner.

Business Office Responsibilities

- Shall not purchase anything from any person or from any firm that is controlled, owned, or operated by that employee or from a relative within the second degree by blood or marriage of the employee.
- Shall supervise the purchase of all materials, supplies, equipment, and services for the District according to the guidelines established on the Education Code 44.031.
- Shall not approve a requisition after the event has taken place (i.e., after-the-fact) without approval from the Superintendent or designee.
- Shall review/process requisitions in a timely manner for completeness and ensure that purchases are compliant.
- Shall verify compliance with statutes, regulations, and Board policy applicable to purchasing.
- Shall verify the correctness of account coding.
- Shall have discretion to direct purchases through interlocal agreements or cooperatives in order to save time and money.
- Shall work with the end users to resolve delays in requisition processing in a timely manner.
- Shall send the vendors approved purchase orders and verify its receipt.
- Shall be the only personnel authorized to contact vendors to make purchase commitments and issue purchase orders.

DELIVERY AND RECEIPT

Delivery and receipt of goods/services is the goal of the requisition and purchase order process. Carefully checking deliveries and ensuring that the end user(s) who ordered the goods/services actually obtained them is a critical part of the purchasing process. WSISD utilizes decentralized receiving to ensure end users receive goods/services. The school/department should assign the receiving responsibility to an individual trained in receiving procedures. Procedures regarding the receipt of goods should be in place at each school/department; this includes specific procedures for receiving goods during summer and winter breaks.

Monitoring the delivery and receipt of purchase orders is the end user's responsibility. This ensures that the district actually receives what it purchases.

Receiving Records

It is imperative that after physical delivery of goods and services, that the corresponding line items are received in Skyward for the particular purchase order the delivery pertains to. This receiving record communicates to Accounts Payables how much to pay and that those goods and services have been received in a satisfactory manner. School districts are required to issue payment for services within 30-days of the receipt of goods or services. Without timely receiving, the payment process is delayed, jeopardizing future business relations with our vendors.

Physical Receiving Procedures

- Locate the packing slip. The packing slip contains the information of the items shipped from the vendor. The packing slip should list the following information:
 - Date of shipment from the vendor
 - WSISD Purchase Order Number
 - Quantities and descriptions of items shipped
- If the individual performing the receiving cannot locate the packing slip, he/she must **immediately** contact the vendor and request a copy.
- Compare the packing slip with the requisition/purchase order and verify that the shipment is intended for your school/department. If it is, continue the receiving procedures. If you are certain that the shipment is not intended for your school/department, refuse the shipment or aid in determining the proper destination.
- Ensure that the items on the packing slip match the items on the requisition/purchase order; accept the items that were ordered and contact the vendor for instructions for handling any incorrect items.
- Compare the number of containers delivered to the number on the carrier's packing slip. Record any discrepancy on the carrier's shipping documents.
- Examine the outside of the containers for damage:
 - **Minor Visible Damage** - Record any damage to the shipping containers on the carrier's shipping document and ensure that it is signed by the delivery person before the shipment is accepted. Recording minor damages to containers provides added documentation if there is concealed damage.
 - **Severe Visible Damage** – Deliveries with severe visible damage should not be accepted.

Inspection Procedures

Inspect the shipment for concealed damage. Concealed damage is damage that was not evident at the time of delivery. If damage is discovered after unpacking the shipment, notify both the carrier and the vendor, in writing whenever possible.

After the shipment is unpacked, check the following against the Purchase Order:

- Compare the quantity received with the quantity ordered.
- Check for:
 - Over-shipments: An over-shipment is a shipment that contains more of an item than you ordered. Contact the vendor to resolve the issue.
 - Under-shipments: Only pay for the actual items received.
- Compare the brand name and model number received with the brand name and model number on the Purchase Order.
- Compare the shipment with the physical descriptions on the Purchase Order.
- Compare the packaging, labeling, marking, etc. with those on the Purchase Order.
- Make certain that "used" items are reflected as such on the Purchase Order.
- Retain copies of all shipping documentation until any discrepancies are resolved.

Resolving Discrepancies

If the school or department determines there is damaged merchandise or a discrepancy exists, they should notify the vendor immediately and attempt to resolve the discrepancy. All correspondence between the school/department and vendor must be noted on the packing slip. If the discrepancy is discovered during or after inspection or unpacking, the vendor should be contacted in a timely manner. It is the end user's responsibility to contact the vendor and attempt to resolve deficiencies.

Notify the vendor of all discrepancies in writing and follow up all telephone notifications in writing. Written notification must include instructions on what action the vendor should take and the deadline for that action. Give the vendor the opportunity to make the shipment good.

Be sure to keep detailed records (dates, times, names, and phone numbers) and contact the Purchasing Coordinator for assistance if satisfactory results are not obtained in a timely manner. Send copies of all documentation to the Purchasing Coordinator for record keeping, follow-up, and vendor performance evaluation.

After the physical receiving function has been performed (shipment and packing slip are correct), electronic receiving must be performed in the Skyward system as approval of payment after the invoice is received by Accounts Payable.

BOARD OF TRUSTEES APPROVAL

In accordance with Board Policy CH (Local), any purchase order or contract not supported by a purchase order that exceeds \$25,000 shall require Board approval before a transaction may take place.

Categories for Board Approval

- Competitive Procurements (i.e. Bid or Proposal)
- Sole Source Procurements
- Interlocal Agreement Purchases
- Emergency Procurements

Procedures for Board Approval Requests

Requests for Board approval shall be submitted to the Business Director by 12:00pm the Tuesday before the Board meeting. Cut-off dates are very important when submitting items to be approved by the Board. Board meetings normally occur on the third Tuesday of each month. However, during the months of winter and summer break, dates may be changed or cancelled. These changes are posted on the WSISD website.

GLOSSARY OF PURCHASING TERMS

Acknowledgement: A form used by a vendor to advise a purchaser that an order has been received, and usually implying acceptance.

Act of God: A contingency or occurrence that cannot be avoided by human power; a cause of damage which is irresistible (e.g., hurricane, flood, lightening) and not attributable to negligence.

Advertising: A form of public notice of an intended purchase. See "Legal Notice."

Agency: (1) An administrative division of a government. (2) A relationship between two parties by which one, the agent, is authorized to perform or transact certain business for the other, the principal; also, the office of the agent.

All-or-None Bid: A bid submitted for a number of different items, services, etc., in which the bidder states he will not accept a partial award, but will accept only an award for all the items, services, etc., included in the Invitation for Bids. Such bids are acceptable only if provided for in the Invitation, or if the bidder quoted an individual price for each of the items, services, etc., as listed and is the low bidder on each item.

Alternate Bid: A bid submitted in knowing variance from the specifications, terms, conditions, or provisions of the solicitation. Such a bid is acceptable only when the variance is deemed to be immaterial.

Approved Vendor: An "approved vendor" is a vendor that has been awarded a Bid/Proposal through the FWISD competitive procurement process or through an Interlocal Agreement.

Assigned Budget Owners: Managers who are assigned ownership of a Board approved budget and who are authorized to procure goods or services in accordance with the approved budget. An ownership code is assigned as the last three digits of the account code.

Award: The acceptance of a bid or proposal.

Back Order: That portion of an order which a vendor does not deliver at the scheduled time and has re-entered for shipment at a later date.

Best Interests of the District: The rationale granting the District discretion in taking action most advantageous to the district when it is impossible to delineate adequately a specific response by law or regulation.

Bid: The executed document submitted by a Bidder in response to an Invitation for Bids, or a multi-step bidding procedure.

Bid Bond: An insurance agreement in which a third party agrees to be liable to pay a certain amount of money in the event that a specific bidder, if the bid is accepted, fails to accept the bid award as bid.

Bid Deposit: A sum of money or check deposited with and as instructed by the prospective purchaser to guarantee the bidder (depositor) will, if selected, accept the bid award in accordance with the bid. If the bidder does not accept the bid award, he forfeits the amount of the deposit.

Bid Opening: The formal process through which bids are opened and the contents revealed for the first time to the district, other bidders and usually, to the public.

Bid Sample: A sample required of a bidder for examination, comparison, testing, and evaluation by the prospective purchaser.

Bid Security: A guarantee, in the form of a bond or deposit, that the bidder, if awarded a bid, will accept the bid award as bid, otherwise the bidder (in the case of a deposit) or his/her guarantor (in the case of a bond) will be liable for the amount of the bond or deposit.

Bidder: Any person submitting a competitive bid in response to a solicitation.

Bidders List: A mailing list maintained by the purchasing department setting out the names and addresses of suppliers of various goods and services from whom bids, proposals, and quotations can be solicited (also called the vendor mailing list).

Bill: A list of charges or costs presented by a vendor to a purchaser, usually enumerating the items furnished, their unit and total costs, and a statement of the terms of sale: an invoice.

Blanket Purchase Order: A blanket purchase order is issued to an approved vendor authorizing purchases from that vendor over a period of time. An arrangement under which a purchaser contracts with an approved vendor to provide the purchaser's requirements for an item or a service, on an as-required and often over-the-counter basis. Properly prepared, such an arrangement sets a limit on the period of time it is valid and the maximum amount of money which may be spent at one time or within a specified period.

Bona Fide: In good faith.

Brand Name: A name which serves to identify a product of a particular manufacturer. A trade name.

Brand Name or Equal Specification: A specification that cites brand names, model numbers, or other identifications as representing quality and performance called for, and inviting bids on comparable items or products of any manufacturer.

Bulk Purchasing: Purchasing in large quantities to seek a lower price per unit; volume purchasing.

Budgeted Purchases: Purchases that assigned budget owners are authorized to make within approved budget limits.

Calendar Day: Every day shown on the calendar, Saturdays, Sundays, and holidays included.

Cash Discount: A discount from the purchase price allowed by the seller to the purchaser when payment is made within a designated period.

Cash on Delivery (COD): Payment due and payable upon delivery of goods.

Catalog: A listing of item identifications arranged systematically.

Centralized Purchasing: A system of purchasing in which authority, responsibility, and control of activities is concentrated in one administrative unit.

Change Order: A written order directing the contractor to make changes which the Changes clause of the contract authorizes the District to order without consent of the contractor.

Code of Ethics: Written guidelines within which judgments and considerations of professional ethics and behavior should be made for all public officials and employees of a district.

Collusion: A secret agreement or cooperation between two or more persons to accomplish a fraudulent, deceitful, or unlawful purpose.

Combination Specifications: Contain elements of both design and performance specifications. Some features of each are included to allow a vendor to use ingenuity to meet the performance needs of the government and also to require certain necessary design characteristics. This is probably the most common type of specification.

Commodity: An article of trade, a movable article of value, something that is bought or sold; any movable or tangible thing that is produced or used as the subject of barter or sale.

Competition: The process by which two or more vendors vie to secure the business of a purchaser by offering the most favorable terms as to price, quality, delivery and/or service.

Competitive Bidding: The submissions of prices by individuals or firms competing for a contract, privilege, or right to supply merchandise or services.

Competitive Negotiation: A method for contracting for goods and services, whereby proposals are solicited from qualified suppliers, following submission of which changes in proposals and prices are allowed, and the offer deemed by the awarding authority to be most advantageous in terms of criteria as designated in the Request for Proposals is accepted; a negotiated procurement.

Competitive Sealed Proposals: A term used for competitive negotiation as a source selection.

Component Purchases: Purchases of the component parts of an item that in normal purchasing practices would be made in one purchase.

Confirming Order: A de facto purchase order issued to a vendor listing goods or services procured verbally and/or outside established purchasing procedures. Since a confirming order precludes competition it may be illegal under certain laws/ordinances.

Conflict of Interest: A situation where the personal interests of a contractor, public official or employee are, or appear to be, at odds with the best interests of the district.

Contingency: A possible future event or condition arising from presently known or unknown causes, the outcome of which is indeterminate at the present time.

Cooperative Purchasing: (1) The combining of requirements of two or more political entities to obtain the advantages of volume purchases, reduction in administrative expenses, or other public benefits. (2) Procurement conducted by, or on behalf of, more than one Public Procurement Unit, or by a Public Procurement Unit with an External Procurement Activity.

Delivery Schedule: The required or agreed time, or rate, of delivery of goods or services.

Delivery Terms: Conditions in a contract relating to freight charges, place of delivery, time of delivery, or method of transportation.

Descriptive Literature: Information, such as illustrations, charts, drawings, and technical data which show the characteristics or construction of a particular product or explains its operations, furnished by a bidder as part of the bid to describe the items he offers. The term refers only to information required to evaluate a product, and need not include other information such as that relates to the qualifications of a bidder or operating or maintaining equipment.

Design-Build: The district and the design/build contractor enter into a specific contract wherein the contractor undertakes the responsibility to provide for the design and construction of the project in conformance with basic requirements which have been set forth by the district. The contract may be lump sum, cost plus a fee or guaranteed maximum, lease or lease-purchase. The contract is generally entered into after project definition but before substantial design work has been done.

Design Specifications: A type or manner of writing a purchase description characterized by detail as to how the product is to be manufactured or work is to be performed; generic specification. Appropriate for a unique product or custom work.

Designee: A duly authorized representative of a person holding a superior position.

Discount: An allowance or deduction from a normal or list price extended by a seller to a buyer to make the net price more competitive.

Emergency Purchases: Two types of emergency purchases are made in districts. One type results from an eminent threat to the health, safety, or welfare of students. Such purchases must comply with state law and may be made only after a formal board action declaring an emergency and authorizing the purchase. The second type of emergency purchase usually is defined by local policy to provide for the acquisition of goods or services to meet an immediate need such as purchases to repair damage to a facility which may imperil students or the security of the facility.

End User: Staff member from a school or department who initiates the request for purchase (requisition).

Equipment: Personal property of a durable nature which retains its identity throughout its useful life.

Evaluation Committee: A committee which advises and assists the purchasing office in evaluation and award, usually employed in high tech and purchase of services transactions.

Evaluation of Bid: The process of examining a bid after opening to determine the bidder's responsibility, responsiveness to requirements, and to ascertain other characteristics of the bid that relate to determination of the successful bidder.

Fiscal Year: A period of 12 consecutive months selected as a basis for annual financial reporting, planning, or budgeting.

F.O.B.: "Free on Board" specifies when the title for shipped merchandise transfers to the district. F.O.B. is often followed by the text that specifies which party is responsible for freight charges and damages or losses while in transit.

F.O.B. Destination: Under these terms, the risk of loss of goods does not pass to the district until the goods are delivered and the district has accepted the shipment. If the shipment is refused or never reaches its destination, the vendor is responsible for re-shipping new goods at their expense. It is recommended that all orders be placed as F.O.B. Destination.

F.O.B. Origin: Under these terms, the risk of loss passes to the district when the carrier picks up the shipment from the vendor. The district is responsible for the merchandise at that point. If the merchandise is damaged or lost in shipment, the district owes the vendor full payment regardless. If there are damages or shortages, the district is responsible for filing any needed freight claims to attempt to recover the damages. If goods must be replaced, a new order must be placed with the vendor. The district **does not recommend** using F.O.B. Origin.

Identical Bid: A bid that is the same in all respects with another bid.

Ineligible Bidder: A supplier or prospective supplier who, by reason of financial instability, unsatisfactory reputation, poor history of performance, or other deficiency, does not meet the qualifications for placement on the vendor mailing list (bidder's list) or for award; also non-responsible bidder.

Inspection: Critical examination and/or testing of items to determine whether they have been received in the proper quantity and condition and conform to the applicable specifications.

Invitation for Bids (IFB): (1) The solicitation document used for competitive sealed bidding, the customary method used by state and local governments for the purchase of equipment, materials, supplies, and construction. (2) All documents, whether attached or incorporated by reference, utilized for soliciting bids.

Late Bid Proposal: A bid or proposal received at the place specified in the solicitation after the time designated for all bids or proposals to be received.

Legal Notice: Notice of a proposed purchase as required by law. Depending upon the legal requirement, notice may be satisfied by posting an announcement of the purchase in a public place, notification of the appropriate bidders from the vendor mailing list (bidder's list), formal advertisement in a newspaper or newspapers, or a combination of these methods.

Lease-Purchase Agreement: A lease contract containing a purchase option in which the lessee's periodic payments or parts thereof may be applied to serve both as the rental obligation and as installments for acquiring ownership of the property upon lessee exercising the purchase option; a conditional sales contract.

Life-Cycle Costing: A procurement technique which takes into account demonstrable and documented operating, maintenance, the cost of money, and other costs of ownership and usage, and resale or residual value in addition to acquisition price in making an award on low total cost.

Lowest (Responsive and) Responsible Bidder: Originally, the bidder submitting the lowest initial price and capable of performing the proposed services or provide the proposed goods. Under modern purchasing concepts, often construed as generally the same as the "lowest responsive and responsible bidder," or the bidder who submits the "lowest and best bid," or the "most advantageous bid, price, and other factors considered." For clarity and accuracy, the recommended provision for determining award is the "responsive and responsible bidder whose bid is most economical for the purpose intended, according to criteria set forth in the solicitation."

Multiple Awards: The award of bids/proposals to two or more bidders for the same or essentially similar items. Appropriate only in situations where a single award would be impossible or impractical and awards are limited to the least number of suppliers necessary for a workable contract.

Multi-Step Competitive Bidding: A competitive process calling for separate submissions of a technical proposal (which may be negotiated) as the first step or steps of the process followed by a call for non-negotiable competitive price bid as the final step.

Non-responsive Bid: A bid that does not conform to the essential requirements of the invitation for Bids; nonconforming bid; unresponsive bid.

Option to Renew: A bid/proposal clause that allows a party to elect to re-institute the bid/proposal for an additional term.

Performance Bond: A contract of guaranty executed subsequent to award by a successful bidder to protect the district from loss due to vendor's inability to complete the bid/proposal as agreed.

Performance Record: Record to indicate a supplier's ability to keep delivery promises and reliability, together with consistency of quality and performance of the products and services furnished.

Performance Specifications: Where the goods and/or services are described in terms of required performance. They may include such details as required power, strength of material, test methods and standards of acceptability and recommended practices.

Pre-Bid/Proposal Conference: A meeting scheduled in a solicitation for the purpose of providing clarification as needed. Substantive questions raised at a pre-bid conference are answered in writing and may modify the solicitation.

Procurement: The procedures for obtaining goods or services, including all activities from the planning steps and preparation and processing of a requisition, through receipt and acceptance of delivery and processing of a final invoice for payment. The acts of preparing specifications, evaluating bids or proposals, making awards, and administering contracts are involved; in some contexts property management is implied.

Professional Services: Often technical, and/or unique functions performed by independent contractors whose occupation is the rendering of such services. While not limited to licentiates, the services are considered "professional," and the contract may run to partnerships, firms, or corporations as well as individuals. Examples of professional services include medicine and the medical arts, architectural and engineering services, management and systems consultation, research, and the performing arts.

Proposal: The executed document submitted by an offeror in response to a Request for Proposal (and the basis for subsequent negotiation).

Proposal Evaluation Criteria: Factors, usually weighted, relating to management capability, technical capability, manner of meeting performance requirements, price and other importance considerations used to evaluate which proposer in a competitive negotiation has made the most advantageous offer.

Purchase Order: This document serves as a formal order for goods, materials and/or services from a vendor. A purchase order, once approved, is a binding commitment for a district to remit

payment to the vendor after the item(s) and an invoice are received by the district. Acceptance of a purchase order by the vendor constitutes a contract.

Quotation: A statement of price, terms of sale, and description of goods or services offered by a prospective seller to a prospective purchaser, usually for purchases below the amount requiring formal bidding; the stating of the current price of a commodity, or the price so stated.

Request for Information (RFI): The document used in informal, uncompetitive solicitation of information, data, comments, or reactions from possible suppliers preceding the issuance of a Request for Proposals or a multi-step bidding procedure.

Request for Proposal (RFP): (1) All documents, whether attached or incorporated by reference, utilized for soliciting (competitive) proposals. The RFP procedure permits negotiation of proposals and prices as distinguished from competitive bidding and an Invitation for Bids. (2) The solicitation document used in the competitive negotiation process. The procedure allows changes to be made after proposals are opened and contemplates that the nature of the proposals and/or prices offered will be negotiated prior to award.

Requisition: A requisition is an internal document by which a campus or department of the district requests the purchasing department to initiate a purchase order. It is a request generated electronically (through use of the automated system Munis) for the purchase of supplies, services, equipment, etc. A requisition is an un-approved purchase order. No purchasing commitment shall be made without an approved purchase order.

Responsible Bidder: A person who has the capability in all respects to perform in full the bid requirements, and the integrity and reliability which will assure good faith performance.

Responsive Bidder: (1) A person who has submitted a bid which conforms in all material respects to the Invitation for Bids. (2) One whose bid conforms in all material respects to the terms and conditions, the specifications and other requirements of the Invitation for Bids.

Sealed Bid: A bid which has been submitted in a sealed envelope to prevent its contents being revealed or known before the deadline for the submission of all bids: usually required by law or rule on major procurements, to enhance fair competition.

Separate Purchases: Purchases, made separately, of items that in normal purchasing practices would be made in one purchase.

Sequential Purchases: Purchases, over a period, of items that in normal purchasing practices would be made in one purchase.

Skyward Vendor: A “Skyward vendor” is a vendor that is established in the Skyward Financial Management System.

Sole Source Procurement: A purchase or award for a commodity or service to the only legally capable supplier, occasioned by the unique nature of the requirement, the supplier, or market conditions.

Special Revenue Fund: Proceeds of specific program grants that are legally restricted to expenditures for specified purposes.

Specification: A description of what the purchaser seeks to buy, and consequently, what bidder must be responsive to in order to be considered for award of a contract. A specification may be a description of the physical or functional characteristics, or the nature of, a supply of service. It may include a description of any requirements for inspecting, testing, or preparing a supply or service item for delivery. A purchase description.

Standardization (of Specifications): The process of examining characteristics and need for items of similar end usage and developing a single specification that will satisfy the need for most or all purchases for that purpose.

Supplies: Customarily, items that are consumed or expended in the course of being used, as distinguished from equipment and materials; but in some purchasing terminology, all items except construction and services.

Tabulation of Bids: A recording of bidders and abstract of their bids listing items offered, prices, deliveries, etc., in response to a specific solicitation, made for purposes of comparison and recordkeeping; an abstract.

Terms and Conditions: A general reference applied to the provisions under which bids must be submitted and which are applicable to most purchase orders.

Testing: Determination of the physical, chemical, or performance characteristics of items. Testing may be conducted in connection with developing specifications and standards, making comparative evaluations of products offered on bids, and ascertaining compliance with specifications before or after a bid/proposal award.

Title: The means whereby a person's ownership of property is established.

Uniform Commercial Code: Uniform statute law adopted by states for consistency and modernity in law governing commercial transactions.

Warranty: A representation of utility, condition, and durability made by a bidder for a product offered.