

# LACKLAND ISD

## PROCEDURES: VENDOR MANAGEMENT

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Goal: To ensure a systematic process of adding and renewing vendors on the finance database. The process is designed to meet local, state, and federal guidelines related to vendor relations and procurement by a school district.

### Vendor Application

- ❑ The requestor shall forward the Vendor Application Packet to the prospective vendor. An inactive vendor must complete a new Vendor Application Packet after a 1-year period of inactivity.
- ❑ The Vendor Application Packet shall include the following:
  - Vendor Application
  - Form W-9
  - Conflict of Interest Questionnaire
  - Felony Conviction Form
  - Criminal History Verification (if applicable)
  - Certificate of Insurance (with Lackland ISD as additional insured, if applicable)
  - Debarment Certification Form (if contracted with federal grant funds)
- ❑ The completed Vendor Application Packet should be forwarded by the requestor to the Accounting/Purchasing Specialist.

### Vendor Review and Approval

- ❑ The Accounting/Purchasing Specialist shall review the packet to ensure that all required items have been submitted and are properly executed, including the signature of an authorized individual.
- ❑ The Accounting/Purchasing Specialist shall review and verify the following requirements, as appropriate. Possible non-compliance with the requirements shall be forwarded to the Executive Director of Finance for a final determination regarding the vendor eligibility to contract with the District.

### Insurance Requirements:

- ❑ If the vendor will perform services on Lackland ISD Property, the vendor must provide the Certificate of Insurance (with Lackland ISD as additional insured) **prior** to the start of any work and only after a purchase order has been approved by the final approving authority. The Certificate of Insurance must include the following lines of coverage and limits and must be with a carrier with at least an "A" rating with A.M. Best.
  - Employer's Liability - \$500,000 Each Accident
  - Commercial General Liability - \$1,000,000 Combined Single Limit. \$500,000 Combined Single Limit Each Occurrence
  - Business Automobile Liability - \$1,000,000 Combined Single Limit Each Occurrence (Hired/non-owned coverage, too)

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- Workers Compensation – Certificate of insurance, certificate of authority to self-insure issued by the TDI, or a coverage agreement showing statutory workers compensation insurance coverage for the person's or entity's employees providing services on a project is required for the duration of the project.
- **Note: The Commercial General Liability and Business Automobile Liability limits may be adjusted dependent upon the size, scope and nature of contract.**

### Felony Conviction/Criminal History Verification:

- All vendors shall complete a Felony Conviction Form and disclose if the owner or operator has been convicted of a felony.
- Contractors who will have “continuing duties” [defined as providing the service on a regular, repeated basis] or “direct contact with students” [defined as providing substantial opportunity for verbal or physical interaction with students that is not supervised by a district employee] shall obtain criminal history record information and provide it to the District.

### Employer TIN-Matching:

- The Accounting/Purchasing Specialist shall verify the TIN of vendors through the IRS TIN-Matching online service. If any discrepancies are noted between the TIN-Matching online service and the vendor-completed Form W-9, the matter shall be referred to the Executive Director of Finance to make a determination regarding the vendor's eligibility to conduct business with the District.
- [IRS TIN-Matching Log-In](#)

### Bonding Requirements [Construction Only]:

- If a construction contract exceeds \$25,000, the Accounting/Purchasing Specialist shall verify that the bond [cashier's check or certified check in the amount of not less than 5% of the contract price] with the appropriate amount has been submitted to the District.

### Licensed or Registered Contractors:

- If the contractor is required to be licensed or registered with the State of Texas (such as plumbers, electricians, HVAC technicians), the Accounting/Purchasing Specialist shall verify that the contractor's license is “active” and that there are no sanctions against the contractor.
  - The Texas Department of Licensing and Regulation (TDLR) website shall be used to search for licensed contractors and to search for contractor violations.
  - TDLR Licensed Contractor search: <https://www.license.state.tx.us/licensesearch/>
- If the contractor is not required to be licensed by the State of Texas, the Accounting/Purchasing Specialist shall verify if the contractor is registered with the City of San Antonio (such as remodeling, painting, or other skilled trades).

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- ❑ The City of San Antonio Contract Search website shall be used to search for registered contractors. The District shall contract with a registered contractor is a preference.
- ❑ City of San Antonio Contractor Search: <http://sanantonio.gov/DSD/Online/Contractor.aspx>

### Debarred Vendor Verification:

- ❑ The Accounting/Purchasing Specialist shall verify that a vendor to be contracted with federal grant funds has completed a Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion for Covered Contracts and Grants Form.
- ❑ The Accounting/Purchasing Specialist shall verify that the vendor is not debarred from doing business with the State of Texas.
  - The Texas Comptroller of Public Accounts maintains a list of vendors debarred from doing business with the State of Texas, effective from the Date of Debarment for the length of time indicated.
  - [http://comptroller.texas.gov/procurement/prog/vendor\\_performance/debarred/](http://comptroller.texas.gov/procurement/prog/vendor_performance/debarred/)
- ❑ The Accounting/Purchasing Specialist shall verify that all new vendors are not debarred from receiving federal contracts [contracts funded with federal grant funds].
  - The [SAM.GOV website](#) shall be used to search for ineligible vendors.
  - The contractor name should be entered in the “search” field. Entities with “Exclusion” listed in purple are currently debarred, while those labeled “Entity” in green do not have exclusions.
- ❑ The Accounting/Purchasing Specialist shall refer any detection of a vendor’s debarment (state of federal) to the Executive Director of Finance to make a determination regarding the vendor’s eligibility to conduct business with the District.
  
- ❑ After the Accounting/Purchasing Specialist has verified that a Vendor Application Packet is complete, the packet shall be forwarded to the Accounting Manager and/or Executive Director of Finance for final review and approval.
- ❑ After the final approval, the vendor shall be added on the vendor database. NOTE: Vendors will be added to the vendor database only if a purchase requisition has been submitted by the requestor.

### **Vendor Database Management**

- ❑ The Accounting/Purchasing Specialist shall create a complete vendor record, including but not limited to the following:
  - ❑ Vendor legal name and DBA, if applicable
  - ❑ Mailing address
  - ❑ Remit address, if applicable
  - ❑ Tax Identification Number or Social Security Number
  - ❑ Date W-9, Felony Conviction, and CIQ forms were received from vendor
  - ❑ Company phone numbers: voice and fax
  - ❑ Company email

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- ❑ Prior to adding a new vendor, the Accounting/Purchasing Specialist shall verify if the vendor does not exist in the Vendor Database in an active or inactive status.
  - If the vendor does exist, and the vendor identification information is the identical, the inactive vendor may be reactivated.
- ❑ The Accounting/Purchasing Specialist shall make changes to the vendor database upon receipt from a vendor of a change in address, phone number, email, etc.
- ❑ The Accounting/Purchasing Specialist shall seek approval from the Executive Director of Finance prior to adding a new vendor, if the vendor notifies the district of a change of their company name, tax identification number, etc.
- ❑ Throughout the fiscal year, on at least a quarterly basis, the Accounting/Purchasing Specialist shall verify that the vendors paid with federal grant funds are not debarred from federal contracts.
- ❑ At the end of each calendar year, the Executive Director of Finance shall review Vendor activity to determine which vendors, if any, to inactivate.

### **Vendor Number Tracking**

- ❑ **The District shall use the auto numbering feature in the finance system. At no time, shall a vendor number be reused as this will create data quality issues for historical finance files.**