

Lake Worth ISD Purchasing Manual



Lake Worth ISD Mission:

Lake Worth ISD will engage, challenge and empower every student every day.

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SECTION 1

LWISD PURCHASING DEPARTMENT MISSION STATEMENT, GOALS AND OBJECTIVES

Mission Statement

The Lake Worth ISD Business Services department strives to be a model for sound fiscal responsibility. The Business Services department takes seriously the role of ensuring the long-term financial viability of the district and, in turn, the success of current and future students in our classrooms.

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 bids, proposals and purchase order processes.
- To promote and apply ethical business practices.
- To educate and train District personnel.
- To improve processes and implement the best purchasing practices.

SECTION 2

STATUTES, REGULATIONS, AND BOARD POLICY APPLICABLE TO PURCHASING

1. The Texas Education Code, Purchasing Contracts (Primarily sections 44.031 through 44.047). An electronic version of the Texas State Education Code can be obtained at the following website address:
<http://www.statutes.legis.state.tx.us/Docs/ED/htm/ED.44.htm#44.031>
2. The Texas Education Agency (TEA) Financial Accountability System Resource Guide Purchasing Module. The TEA Resource Guide can be accessed at the following website address:
http://www.tea.state.tx.us/index4.aspx?id=1222&menu_id=645&menu_id2=789
3. Lake Worth Independent School District's Board Policy (Sections CH...). The LWISD Board Policy can be accessed at the following website address:
<https://pol.tasb.org/Policy/Code/1106?filter=CH>

SECTION 3

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.

1. The following persons have been delegated authority to act as agents for LWISD in carrying out the purchasing activities of the District:
 - a. Assistant Superintendent of Finance & Operations
 - b. Business Manager
 - c. Purchasing Specialist
 - d. Department/Campus secretary/bookkeeper
 - e. Campus/Departmental staff with copy of final approved purchase order
2. Budget owners have the authority to initiate and approve purchase requisitions within their authorized budget.
3. 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 (See Section 1).

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

The Business Services department 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 (along with the expertise of the department in need).

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.**

SECTION 4

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 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. [Link: <https://pol.tasb.org/Policy/Code/1106?filter=DH>]

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. [HB1491](#) 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 pecuniary transactions shall not solicit, accept, or agree to accept

any benefit from a person the public servant 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 competitive 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

(a) In this section:

(1) "Component purchases" means purchases of the component parts of an item that in normal purchasing practices would be purchased in one purchase.

(2) "Separate purchases" means purchases, made separately, of items that in normal purchasing practices would be purchased in one purchase.

(3) "Sequential purchases" means purchases, made over a period, of items that in normal purchasing practices would be purchased in one purchase.

(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.

SECTION 5

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 department 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 Services department for processing. If a purchase is grant funded, approval by the appropriate compliance officer is required (example: State & Federal Programs Coordinator).
- ***Approval of purchase orders.*** The purchasing specialist 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 Business Manager and Purchasing Specialist, along with the Assistant Superintendent of Finance & Operations 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 Services 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 completion of the receiving process electronically [Skyward]).
- ***Verification of invoices with purchase orders and online receiving information.*** Although receiving personnel are responsible for the initial verification, accounts payable personnel verify that the invoice, the purchase order, and the online 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 Services department and ensures that purchasing policies and procedures are being followed by District personnel.
- ***Training of District personnel.*** Formal training is conducted at least annually generally at the beginning of the school year. However, training and communication should be ongoing throughout the school year through revisions to the purchasing manual, emails/newsletters and regular in-person training meetings.

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 & Operations

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

Business Manager

- Shall assign responsibilities and establish procedures within the Business Service Department for monitoring procurements in order 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.

Purchasing Specialist

- Shall be the authorized personnel to provide information to vendors about the District's current bids, to request necessary documentation from approved vendors in order to enter them into the purchasing system and to request clarifications on documentation provided as part of the purchase order.
- Shall be the authorized personnel to issue final approved 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 in order to maximize opportunities to use competitive procurement options.
- Shall coordinate purchases with the Business Service department for competitive procurement if no approved vendor exists for the particular purchase.
- Shall process all requests for procurements that costs or aggregate to a cost of \$25,000 or more through the Business Services department for Board approval (if

applicable).

- 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 policies and this manual to control procurement activities.

Assistant Superintendent of Finance & Operations/Business Manager/Purchasing Specialist

- Evaluate and make recommendations to improve the effectiveness of the control environment and to reduce risk.

SECTION 6

COMPETITIVE PROCUREMENT

Centralized Purchasing Function

From a supply and demand perspective, the purchasing department seeks to complete the competitive procurement process prior to the District's need. However, the District does not have a purchasing department or a warehouse to maintain inventory other than paper so centralized purchasing is not used.

Decentralized Decision Making

LWISD utilizes decentralized decision making to schools and departments. From a purchasing perspective this means the schools and departments (the end-users) determine *what* they need and *when* they need it. These subject matter experts determine how to best meet the needs of our students. However, the final commitment of District funds can only occur by the Business Services Department.

Purchases over \$25,000 (Board Approval Required)

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

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.

Exceptions to Competitive Bidding - Texas Education Code 44.031

(a) and (b)

1. 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:

- certified public accountant,
- architect,
- landscape architect,
- land surveyor,
- physician,
- optometrist,
- professional engineer,
- state-certified or state-licensed real estate appraiser,
- or registered nurse.
- *Attorney*
- *Fiscal agent*
- *Financial consultant*
- *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).*

2. 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 Lake Worth 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.

3. 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). All sole source purchases require the submission and approval of the Lake Worth ISD Sole Source Request form, and if applicable may require TEA approval of the sole source designation or must meet the exemption criteria below.

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 purchase order being released.

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, LWISD utilizes the World Wide Web to advertise all bid/proposal opportunities and to increase its competitive environment. Our website address is <http://www.lwisd.org/Page/3303>

Competitive Procurement

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.

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*

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

Texas Procurement and Support Services (TPASS)

Texas Procurement and Support Services (TPASS) awards and manages hundreds of statewide contracts on behalf of more than 200 state agencies and 1,800 cooperative purchasing members. 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 www.window.state.tx.us/procurement.

1. **TXMAS** – Texas multiple award schedule (TXMAS) contracts that have been developed from contracts that have been competitively awarded by the federal government or any other governmental entity of any state. As the responsible federal entity, the General Services Administration’s (GSA) Federal Supply Service awards Federal Supply Schedule contracts by competitive procurement procedures for more than 50 schedules that cover multiple commodities and services. The prices reflected on GSA schedule contracts are the most favored customer (MFC) prices and the maximum price allowable. TXMAS contracts take advantage of the MFC pricing and under certain circumstances, an agency or local government entity, may negotiate a lower price for the goods or services offered on a schedule contract. A “best value” purchase can be made by following the TXMAS purchasing procedures.
2. **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. To determine vendor eligibility under this option, staff should contact the LWISD Purchasing Specialist.

Other Purchasing Cooperatives Approved by LWISD

Choice Partners

EPIC6 – Education Service Center 6

Harris County Department of Education (HCDE)(CP Choice Partners)

Houston-Galveston Area Council (HGAC)

Multi-Regional Purchasing Coop. Region 10, 11, 12 &15 (Child Nutrition)

National IPA/OMNIA

Purchasing Association of Coop. Entities (PACE) Region 20 ESC

PCA (Purchasing Coop of America)

Region 7 - Education Service Center

Region 11 - Education Service Center

Region 19 – Allied State Cooperative

Sourcewell

Tarrant County Co-op

Texas Smart Buy

TexBuy

TIPS - The Interlocal Purchasing

System

U.S Communities/OMNIA

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 services department seeks to complete the competitive procurement process prior to a District need arising.

MODEL COMPETITIVE BIDDING/PROPOSAL PROCESS FOR PERSONAL PROPERTY AND SERVICES		
Task	Description	Whose 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. ● Quantity required. ● Required delivery date and/or period of performance for the 	User department/campus

MODEL COMPETITIVE BIDDING/PROPOSAL PROCESS FOR PERSONAL PROPERTY AND SERVICES		
Task	Description	Whose Responsible
	<p>contract.</p> <ul style="list-style-type: none"> ● 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 Services Department 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 Specialist/ Business Manager/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 FWISD Purchasing Website @ www.fwisd.org .	Purchasing Specialist
Pre-Bid/Proposal Conference	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. <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 Services Department
Open Bid/Proposal	Bids/proposals will be opened at the date, time, and place specified in the request for bids or proposal.	Purchasing Specialist

MODEL COMPETITIVE BIDDING/PROPOSAL PROCESS FOR PERSONAL PROPERTY AND SERVICES		
Task	Description	Whose Responsible
Evaluate Bid/Proposal	Review bids/proposal responses and evaluate responses using established Vendor Award Criteria.	User department/campus and Purchasing Specialist/Business Manager/CFO
Prepare Written Recommendation	<p>Prepare a written recommendation containing the following information and forward to the Business Department.</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</p>	User department/campus

MODEL COMPETITIVE BIDDING/PROPOSAL PROCESS FOR PERSONAL PROPERTY AND SERVICES

Task	Description	Whose Responsible
	<p>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. 4. Estimated cost/ expenditures. 5. Fund code, fund name, and budget owner. 6. Signature of appropriate approval authority for award recommendation. 	
Appeal letters	<p>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.</p>	Business Manager
Obtain Board of Trustees Approval	<p>Board approval is required before the successful bidder/proposer is notified of the award. (Note: Board meetings are normally held on the third Monday of each month).</p>	Chief Financial Officer
Award Bid/Proposal	<p>Notify successful bidder(s)/proposer(s) via award letters or properly executed purchase order.</p>	Purchasing Specialist

MODEL COMPETITIVE BIDDING/PROPOSAL PROCESS FOR PERSONAL PROPERTY AND SERVICES		
Task	Description	Whose Responsible
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 Skyward.	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 chief financial officer 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 chief financial officer or designee makes a determination that the award of the contract is necessary to protect substantial interests of the District. The chief financial officer or designee shall convene a hearing committee of at least three administrators to review the protest.

The chief financial officer 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).

SECTION 7

VENDOR RELATIONS

In centralized purchasing, the purchasing department is primarily responsible for vendor relations, contact, and communication. However, school campuses, departments, and staff must also communicate with vendors in order to obtain information necessary to properly prepare requisitions. Therefore, every employee involved in procuring goods or services for the District is responsible for fostering good vendor relations. It must be understood that contact and communication with vendors by school campuses, departments, and staff are not to represent a commitment to purchase; only authorized personnel as stated in Section 3 are authorized to make purchase commitments.

Approved Vendor List

An **“approved vendor”** is a vendor that has been awarded a Bid/Proposal through the LWISD competitive procurement process or through a Cooperative or Interlocal Agreement. These vendors may be viewed as a subset of the Skyward vendor list and may 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 “Skyward vendor”.**

Lists of “approved vendors” by bid/proposal number and commodity can be obtained at the **Districts website at [lwisd.com/departments/purchasing/approved vendors](http://lwisd.com/departments/purchasing/approved_vendors)**. This information is updated regularly, so printed documents become outdated frequently. **If unclear from whom to purchase a good or service, please contact the Purchasing Specialist prior to contacting a 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, all vendors in the Skyward Financial Management System are not necessarily approved for all purchases because of approved vendors and the competitive procurement process.**

Vendor Bid List (How to get added to next bid)

Vendors can email a form to receive bid/proposal information to the purchasing specialist at email hvillarreal@lwisd.org. The purpose of the form is to notify lwisd of prospective bidders. You can locate the form at lwisd.org/businessservices/documents,forms,&links. Bids and proposals are posted to the District’s website at <http://www.lwisd.org/Page/3303>.

Vendors are notified via email based on the commodities that their particular business

serves. It must be understood that simply because a vendor has completed and submitted a vendor bid list request form, does not mean that the vendor is an approved vendor. It simply means that the vendor is on the district’s mailing list to be notified of future business opportunities.

New Vendors

New vendors can start doing business with the district through the competitive procurement process after award of a bid or through a school/department submitting a **new vendor request form once they have verified the vendor is an approved vendor through one of the approved methods.** Vendors often contact schools and departments and offer goods and services. If a school or department is contacted by a vendor, it is prudent to ask the vendor for their LWISD Bid Number or how they meet the criteria of an “approved vendor”. If they have a LWISD Bid number, the vendor should be on the approved vendor list and should be in Skyward. If the vendor does not have a LWISD Bid Number and the school or department needs the vendor’s goods or services, an approved vendor should be sought first.

If a new vendor is necessary, the school or department must complete a new vendor submittal form, and submit to the Purchasing Specialist with required forms. The new vendor submittal form is on the District’s website, lwisd.org/departments/businessservices/documents,forms,links/NewVendorSubmittalForm (Internal Use Only).

Vendors are not allowed to submit themselves as new vendors.

Vendor Performance/Evaluation

Evaluation of vendor performance is an important aspect of centralized purchasing. Problems encountered by a particular school or department can be avoided by other District entities when these occurrences are communicated to the Purchasing Department. 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 simplest way to document a problem is by completing a vendor dispute form (ask accounts payable for the form) Here you can add the details of the performance for other Skyward users to see.

In addition to contacting the Purchasing Specialist and/or the Accounts Payable Specialist, the vendor should be contacted. Keep a record of all phone calls, including the dates and what was discussed and send a copy to the Purchasing Specialist and/or the Accounts Payable Specialist preferably by email.

If the problem is not resolved, coordinate with Purchasing and/or accounts payable to prepare written correspondence stating the problem, the corrective action required and the vendor's failure to correct the problem to be sent from the Purchasing Department.

If a significant problem continues, legal counsel will be obtained regarding the removal of the vendor from the vendor list and discontinuing business with the vendor.

Visits from Vendors

Solicitors, vendors, collectors, or salespersons shall not be permitted to confer with students or employees during school hours without the prior approval of the Superintendent or designee (if a designee is on file).

Under no circumstances shall such persons be permitted to interrupt classes or conduct personal business with employees.

Local managers of school facilities shall be responsible for compliance with this procedure within the confines of their facilities.

Vendors desiring to visit schools for educational purposes must:

1. File identification information with the Business Services Department.
2. Provide the Business Services Department with a completed IRS Form W-9. These forms can be obtained from the IRS website at www.irs.gov.
3. Obtain authorization from either Elementary or Secondary School Leadership and approval from Superintendent or approved designee.

SECTION 8

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. In this section the first two steps of the process will be discussed at length; delivery and receipt will be discussed in Section 9. Invoice and payment procedures are contained in the Accounts Payable Procedures.

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 the use of the automated system – 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.**

Requisitions are initiated by those having proper authority, as defined in Section 3. After a requisition is input 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 be approved by the program administrator/compliance officer (i.e. State & Federal Programs Coordinator, etc.).

Requisition Format

In order to avoid requisitions from being rejected by either someone in the approval chain or the purchasing department, requisitions should include all information necessary to clearly define the needs of the user department or campus. 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 - should be lwisd warehouse unless live items or fresh food
- Name and Phone Number or extension of the end user (es: classroom Teacher) on the attention line
- Required delivery date, if any
- Quantity needed
- Unit Price per line item
- Complete and accurate description per line item
- The correct Account Code per line item
- Discounts, if any
- Transportation costs (shipping/freight costs, if any)
- Bid/Proposal number, if known (i.e. Bid/RFP 09-125)
- Board approval date, if known (i.e. BOT 03/02/2019, item 5, page 3)
- Any special instructions (such as Check Request *Pre-Pay*)

Please understand that requisitions may have several approvers prior to them reaching final approval. The purchasing specialist reviews requisitions for the following prior to approval of a purchase order.

- Compliance with competitive procurement requirements -MUST ATTACH ADEQUATE # OF QUOTES REFER TO CHART
- 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

Specific Types of Requisitions

Requisitions for the following categories of items shall include specific information to clearly describe the required materials or services.

1. Open Purchase Orders (used on a limited basis)

a. General Supplies

- Open requisition order for general supplies must specify the following in the text or body of the requisition:
 - ✓ A detailed description of the types of items that will be purchased, such as office supplies, soft drinks, printing, snacks, etc. Using generic terms such as “supplies,” “materials,” or “services” is NOT considered an adequate description.
 - ✓ A date/time frame and name of event the purchase order is going to support.
 - ✓ The total amount not to be exceeded.

b. Maintenance

- ✓ List a minimum of three examples of what will be purchased
- ✓ A timeframe for the purchase order to cover
- ✓ The total amount not to be exceeded

2. Check Request (Pre-pays)

A (Check Request) Pre-Pay requisition is a requisition that will be immediately processed into a check. Check Request or Pre-Pays as they are called require that the end-user immediately create a receiving record before the purchase order has been processed. This enables the Accounts Payables department to process the check before the purchase order has been processed. Without the receiving record, a pre-pay check can not be processed.

3. Car Rentals

- ✓ Purchase orders are to be input by line item
- ✓ Use **bid item description** and **unit cost** for each line item.
- ✓ Specify:
 - vehicle size and rate (per day or week)
 - insurance rate per day or week (if applicable)
 - additional mileage per day or week (if applicable)
- ✓ State reason for vehicle rental, name of event, destination, and date(s) of rental

4. Charter Buses

- ✓ Purchase orders are to be input by line item.
- ✓ Use **bid item description** and **unit cost** for each line item
- ✓ Specify:
 - bus size (i.e. 33 passenger, 55 passenger)
 - rate: per mile, hour, or day
 - applicable quantity: miles, hours, or days
 - any other item from bid (if applicable)
- ✓ State reason for bus charter, name of event, destination, and date(s) of rental

5. Temporary Services

- ✓ Purchase orders are to be input by line item
- ✓ List job title in bid description and unit cost for each line item
- ✓ Specify rate (hourly, daily or weekly)
- ✓ State date of services

E Commerce (Online ordering system)

Lake Worth implemented this online ordering system to introduce ordering accuracy for vendors that primarily provide catalog purchases. Currently there are 6 vendors available to make online purchases; these orders once created are passed electronically directly into Skyward and creates your requisition for you without having to key in descriptions, quantities, unit of measures, etc.

Vendor Selection (also see Section 7)

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 (may or may not be an approved 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 good or service elsewhere and/or complete a new vendor request.

Budget (Object) Codes

It is the end user's responsibility to ensure that each line item of a requisition is properly coded with the correct budget (object) codes for the description of the item being purchased. A requisition that contains the incorrect budget object code will be rejected by the Purchasing Specialist and not processed until the end user corrects the budget code. A comment will be entered on the requisition whenever an incorrect budget (object) code is identified. Look under the rejection notes to read comments added by the purchasing specialist. **When correcting a budget object code, be sure to correct the budget code**

on first page of the purchase order entry as well as the budget code entry on each line item on the second or subsequent pages of the purchase order and have the purchase order re-approved.

For a list of budget codes, contact the Business Services Department or the campus/department secretary.

Shipping Destination

When a requisition is created, the **“ship to”** and **“attention”** fields are required to identify the delivery address and receiver’s name.

The district uses **centralized** receiving (refer to Section 9). Generally goods should be shipped to the lwisd warehouse. Special arrangements should be made through the District Operations Department if assistance is needed with a delivery.

Requisitions by Departments for School Campuses

Departments that request goods be delivered to school campuses must communicate the requisition and purchase order information to the school prior to delivery of goods. It should be noted on the requisition why delivery is requested to go the the school (not usual practice). It is recommended that the requisition be sent to the campus for approval. This will ensure that the Principal will be aware that a requisition is being ordered for their campus. To do this, the department will have to use the campus’ Dept/Location code when creating the requisition. Additionally, using the campus Dept/Location code will grant the campuses the ability to create the receiving record after the item(s) are delivered. If this recommendation is not used, email or fax the following information to the appropriate school:

- The department that processed the requisition
- The school that will receive delivery
- The vendor name
- The Purchase Order Number
- Estimated delivery date
- Instructions for receiving the goods in Skyward for payment purposes

Purchase Orders

After the requisition is reviewed and approved by the Purchasing Department, the requisition is then converted to a purchase order. Purchase orders are among the most commonly utilized methods for procuring goods and services. As its name indicates, 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 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 accounts.payable@lwisd.org) to receive payment.

A purchase order is an important accounting document as it contains information on the expenditure to be made and the account code to be charged. Once issued, the purchase order encumbers funds and serves as an expenditure control mechanism. The purchase order is also 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.

Purchase Order Status

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

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

Purchase Order Process

The purchase order is the written evidence of orders placed as a result of properly initiated and approved purchase requisitions. A purchase order is of a standard format to facilitate processing and contains the items indicated on the requisition.

As mentioned earlier, purchase orders start with a requisition which is prepared electronically. Requisitions originate with the end user and describe the item(s) to be purchased, the quantity, pricing, the account to be charged, a vendor, etc.

Purchase Order Procedures

Purchases shall be made by means of purchase orders that are properly drawn, duly authorized, and adequately funded. Only the purchasing department should release a purchase order to a vendor (M&O and CN could be an exception). **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 purchasing department.**

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

Purchase orders are not to be modified by the vendor or by schools or departments after it has been processed by the purchasing department. If it becomes necessary to change the purchase order, the school or department must first advise the purchasing department. Once an agreement to any price increases or modification of terms is reached, purchasing 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. **When merchandise has been returned or is damaged and a reorder of replacement merchandise is desired, a new purchase requisition must be submitted. 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 specialist ASAP.**

Material Preview Purchase Order

- Materials to be previewed must be ordered on a Purchase Order in the same manner as a normal purchase order.
- Review of the materials and/or a decision to purchase or not must be made within thirty (30) days or the agreed upon timeframe after receipt of merchandise.
- If the merchandise is returned within thirty (30) days or the agreed upon timeframe, close the purchase order through Accounts Payable.
- If the merchandise is to be kept, have the vendor send an invoice to Accounts Payable for the amount on the purchase order.

Purchase Order Closure

In the event it is necessary to cancel a Purchase Order, the school or department must advise the Accounts Payable Specialist. The Accounts Payable Specialist 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 ensure that any quotes have warehouse address and not the school or department address.
- 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 an email to the Accounts Payables department. Problems with vendor's unsatisfactory performance shall be directed to the purchasing department for appropriate action, which may include closing the purchase order (See Section 9,

resolving discrepancies)

- 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 Services Department 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 or verify the receipt of goods or services in Skyward.

Purchasing/Business Services Department 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. [See Board Policy CHD (LOCAL)] 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**) except in special circumstances/instances and not without written documentation.
- 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 correctness of budget object 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 (unless otherwise authorized).

SECTION 9

DELIVERY AND RECEIPT

Delivery and receipt of goods/services is the goal of the requisition and purchase order process discussed in Section 8. 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. LWISD utilizes centralized 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.

Online Receiving Records

It is imperative that after physical delivery of goods and services, that an online receiving record be created in the Skyward system for the particular purchase order the delivery pertains to. This online receiving record communicates to Accounts Payables how much to pay and that those goods and services have been received in a satisfactory manner. Without timely online receiving, the payment process is curtailed and jeopardizes future business relations with our vendors.

Non-tangible items must be received in at the campus/department level.

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

Physical Receiving Procedures

1. 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
 - LWISD Purchase Order Number
 - Quantities and descriptions of items shipped

If the individual performing the receiving cannot locate the packing slip, it is best practice for he/she to immediately contact the vendor and request a copy. LWISD has a warehouse person that searches by vendor in Skyward and prints a copy of the PO and uses that to compare items sent to items ordered if there is no packing slip.

2. All orders should be sent to the lwisd warehouse so the warehouse clerk can open the box and compare the packing slip with the requisition/purchase order and verify that the shipment is intended for that school/department. If it is, he/she will continue the receiving procedures (receiving items in Skyward) and includes printing and sending a copy of the PO with the order to the intended campus/department. When your campus/department receives the order from the warehouse you must sign for the delivery. if you are certain that the shipment is not intended for your school/department, refuse the shipment or aid in determining the proper destination.
3. Ensure that the items on the copy of the purchase order or packing slip match the items you receive; accept the items that were ordered and contact the vendor for instructions for handling the incorrect items. Campus/department must review the receiving record in Skyward to ensure it matches items received.
4. Warehouse Clerk will compare the number of containers delivered to the number on the carrier's packing slip. Record any discrepancy on the carrier's shipping documents.
5. 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 in the event that there is concealed damage.
 - **Severe Visible Damage** - The process for severely damaged containers differs depending on whether the order was shipped F.O.B. Origin or F.O.B. Destination. F.O.B stands for "**Free On Board**" and is a transportation term that indicates that the price for goods includes delivery at the vendor's expense to a specified point. The FOB term is used with an identified physical location to determine:
 1. the responsibility and basis for **payment of freight charges**, and
 2. the point at which **title (or ownership)** for the goods transfers from vendor to the District.

F.O.B. Destination

- The vendor retains title and control of goods until they are delivered and the contract of carriage has been completed.
- The vendor selects the carrier and is responsible for the risk during transportation.
- The vendor is responsible for filing claims for loss or damage.
 - For **F.O.B. Destination**, if the shipping containers are damaged enough that it is probable that the contents are also damaged, you may:
 1. Reject the entire shipment.

2. Accept the entire shipment.
3. Accept part of the shipment and reject the damaged part of the shipment.
 - If all or part of the shipment is accepted, contact the vendor to obtain replacement instructions for the damaged items. If the vendor abandons the merchandise (fails refuses to pick it up), contact the Purchasing Department to aid in resolving the problem. If the entire shipment is refused, record the reason for refusal on the carrier's shipping documents and notify the vendor that the shipment was refused and needs to be reshipped due to severe damage.

FOB Origin

- The end user/receiver assumes title and control of the goods the moment the carrier signs and picks up the goods from the vendor's location.
- The end user/receiver assumes risk during transportation.
- The end user/receiver is responsible for filing claims for loss or damage.
 - For **F.O.B. Origin**, if the shipping containers are damaged enough that it is probable that the contents are also damaged, accept the shipment and then record the damage on the carrier's freight bill. Contact the Purchasing Department to aid in resolving the problem.

The district discourages the use of F.O.B. Origin as a shipping method.

6. If possible, open the container(s) and compare the contents with the packing slip. If the contents do not match the packing slip, contact the vendor to attempt to resolve the discrepancy. If absolutely necessary, refuse the shipment.
7. Finally, an authorized person should accept delivery by signing and dating the packing slip.
8. If an invoice is included in the container, forward it to the Accounts Payable department immediately.

Inspection Procedures

Inspect the shipment for concealed damage. Concealed damage is damage that was not evident at the time of delivery. If damages are discovered after unpacking the shipment, notify both the carrier and the vendor in writing by email or facsimile.

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 all 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 possible. 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 Department for assistance if satisfactory results are not obtained in a timely manner.** Send copies of all documentation by email or fax to the Purchasing Department 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 and verified by the end user campus/department. Items received in serve as approval of payment after the invoice is received by Accounts Payable.

SECTION 10

BOARD OF EDUCATION APPROVAL

In accordance with Board Policy CH (Local), any purchase order or contract 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 (Also called Single Source)
- Interlocal Agreement Purchases
- Emergency Procurements

Procedures for Board Approval Requests

Requisitions for Board approval shall be submitted by 12:00pm the Monday before the Board meeting along with an email to the Chief Financial Officer noting the request.

Cut-off dates are very important when submitting items to the Board for approval. Board meetings normally occur on the third Monday of each month. However, during the months of winter and summer break, the date of the Board meeting can change.

SECTION 11

GLOSSARY OF 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 LWISD 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.

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.

Open Purchase Order: A open 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 Skyward) 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.