

PROCUREMENT PROCESS

OCTOBER 16, 2018



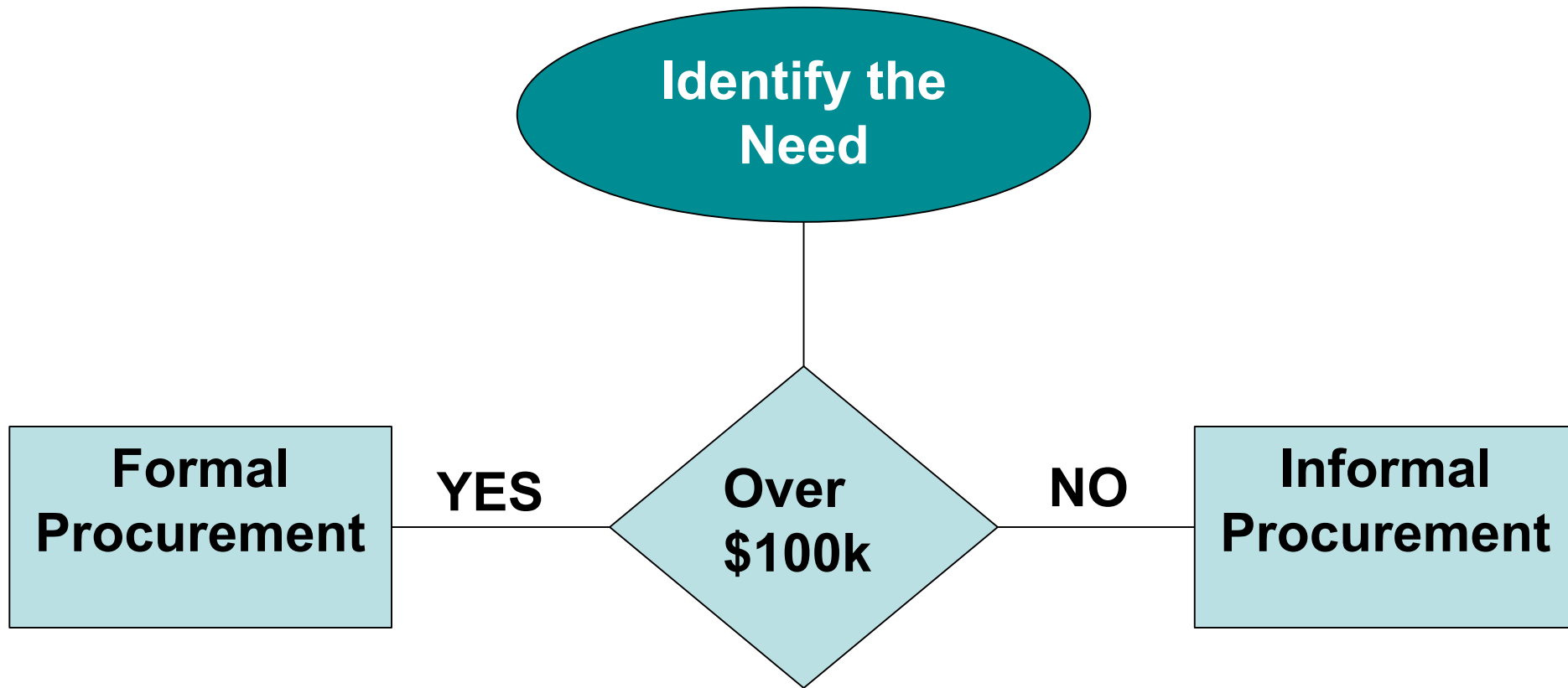
Agenda

- Decision Process
- Methods of Procurement
- Procurement Authority
- Checks and Balances

Identify the Need

- End User Identifies the Need
 - Commodity Needed
 - Funding Source
 - Estimated Costs
 - Timeline/Date Needed

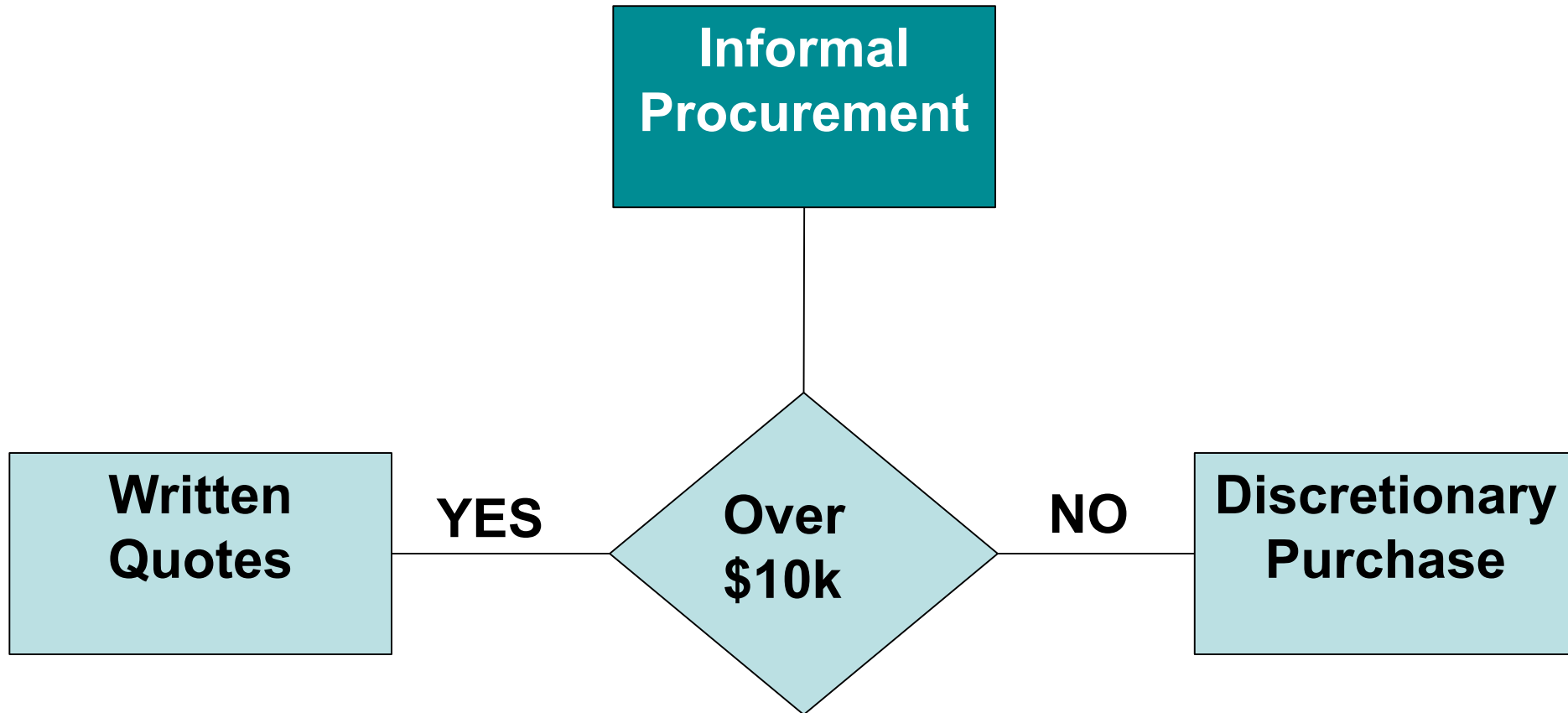
Identify the Need



Informal Procurement

- Based on Costs
 - Written Quotes
 - Discretionary Purchase
- Requisition by End User
- Finance Verifies Budget
- Purchasing Validates Procurement Method & Process

Informal Procurement



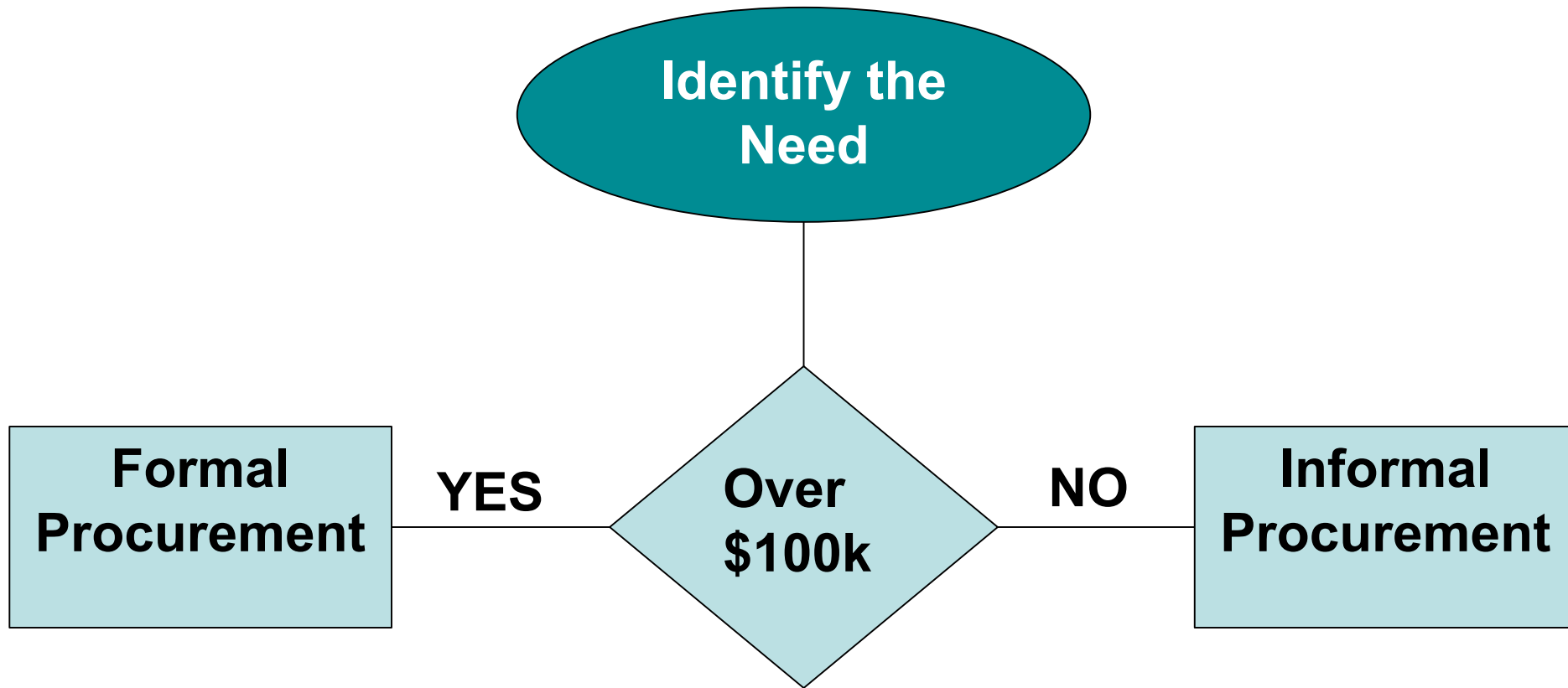
Discretionary Purchase <\$10K

- Requisition by End User
- Approved by Site/Department Leader
- Finance Verifies Budget
- Purchasing Validates Procurement Method & Process

Quotes >\$10K

- >\$10,000 and <\$100,000
- No Verbal, All Written (District Process)
- End User/Procurement Department – Obtain Valid Quotes
- Cost, Quality, Past Performances and Effectiveness are Evaluated
- Cost is Primary Driver

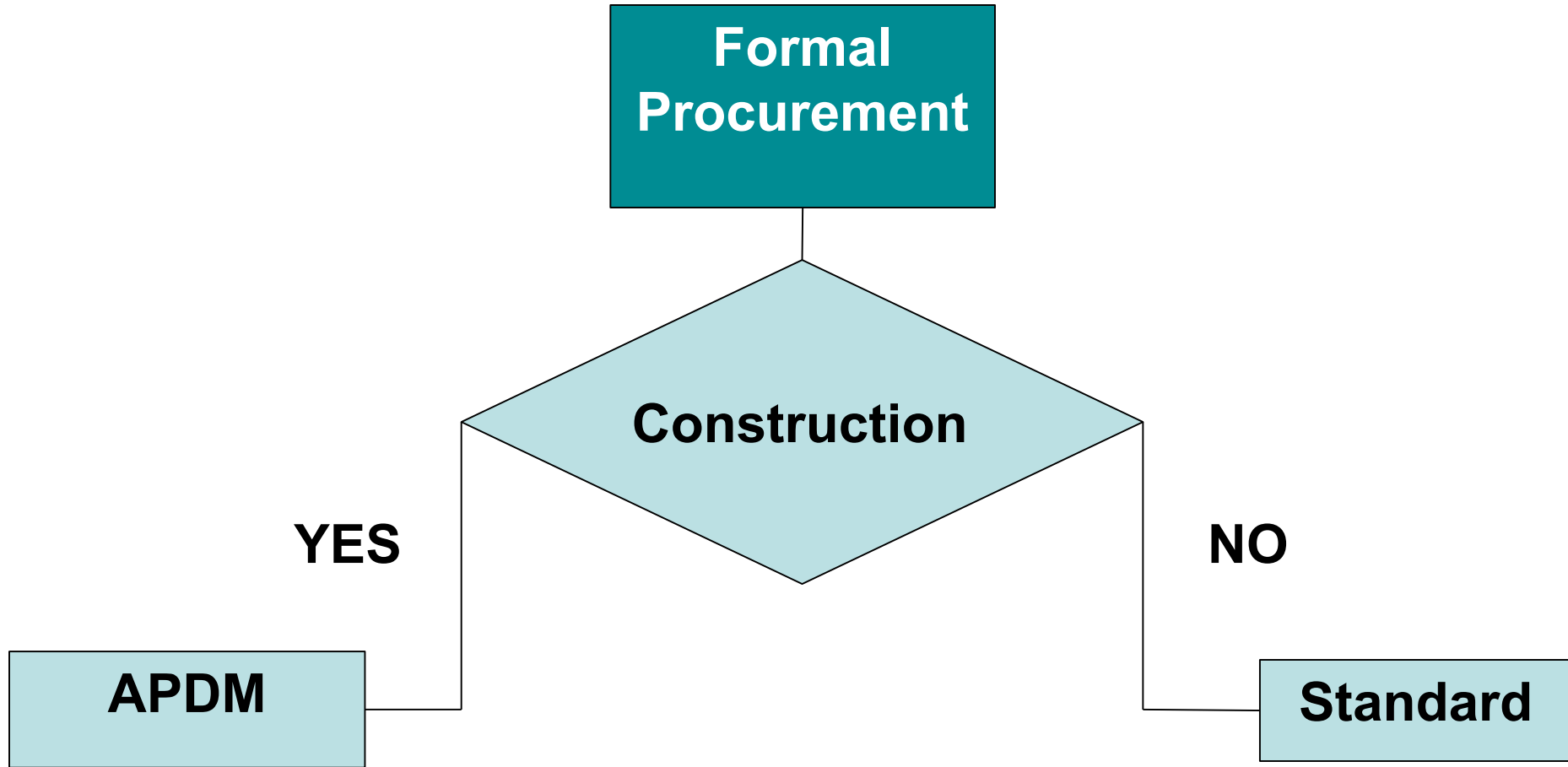
Identify the Need



Formal Procurement

- Governing Board Approval
- Timeline/Date Needed
- Available Funds
- Fund Source
- Scope of Work
- Type of Project – Construction?

Formal Procurement



Standard Procurement

- Cooperative Contract
 - Fast & Efficient
 - Competitive & Compliant
- Invitation For Bid (IFB)
 - Cost Effective – If Identical Product is Bid
- Request For Proposals (RFP)
 - Greatest Quality

Alternative Procurement Delivery Methods (APDM)

- Construction Manager At Risk (CMAR)
- Design – Build (Hard Bid)
- Job Order Contract <\$1,000,000

Change Orders & Contract Modifications

Amount >\$100,000 or five percent,
(whichever is greater)

Governing Board Approval Required

Administration will verify that change order is advantageous & the price is fair and reasonable

Checks & Balances

- End User Identifies Need
- Site/Department Leader Approve
- Finance Verifies Budget
- Procurement Validates Process
- Superintendent/Governing Board Approve/Award > \$100,000

Visions Requisition Approval



YES

NO

Approval

- ❖ Site Admin
- ❖ Accounting
- ❖ Purchasing

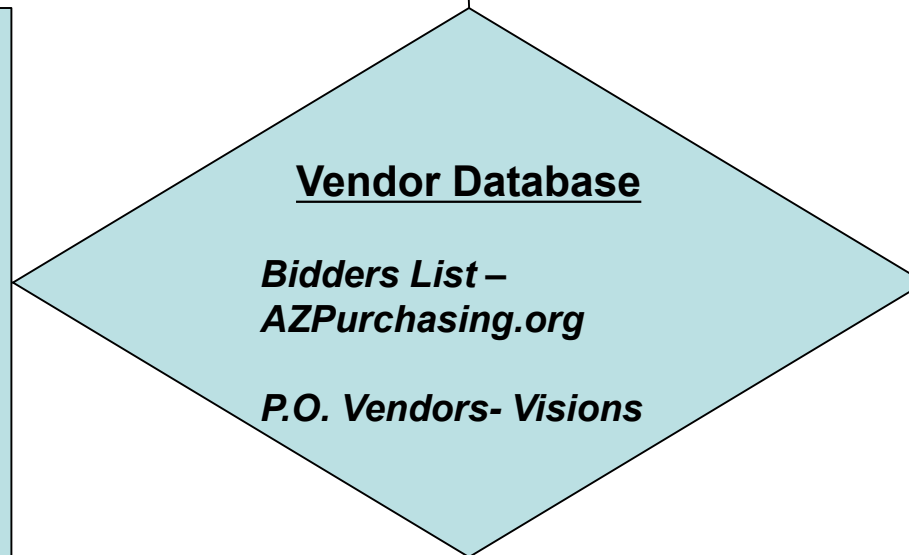
- PO Issued
- Vendor processes order
- Goods/Services Received

- Coding error
- Unauthorized purchase
- Requires additional procurement

Vendor Approval ~ Vetting Process



- Survey previous customers
- Contact references
- Vendor certification-Forms included as part of contract
- Debarment Status reports



- Research vendor qualifications
- Proper documentation required
- Maintain/update vendor profile

Finance & Accounting

- Process budget Approval
- Allocates budget
- Site Administrator/Department approves & verifies expenditures
- Accounting reviews & verifies budget capacity & coding (USFR chart of accounts)
- Purchasing approves & finalizes P.O.
- AP process invoice verification

Invoice Verification Process

- Matches receiving to invoice
- Documents/inputs in Visions system
- Verifies PO funds
- Requests PO change orders
- Submits to accounting for payment

Accounts Payable

- Process payment voucher
- Print warrants
- Generate check listing reports
- Requests PO change orders
- Submits to accounting for payment
- AZ warrants transfer & submit to County Treasurer

Questions?

