

Frequently Asked Questions – Purchasing

1. How do I find purchasing related information?

Purchasing related information can be found on the district's website homepage by selecting Departments, then Procurement and Auxiliary Services. Links on the left side of the main page will connect you to current Bid Tabulations as well as information regarding local policies and Purchasing forms.

2. How can you track a purchase order?

Skyward allows you to keep track of your purchase orders without having to print them out. Please use the filters that Skyward provides to create, track and close out all of your Purchase Orders. Always print a local copy of your submitted requisition to keep in your files until the completed purchase order is printed. By doing this, you will be able to use the requisition number to track progress through the Purchase Order Requisition Status page. If for some reason you are unable to locate your requisition, contact your purchasing buyer. This procedure will change when the new Financial System is in place.

3. If an approved source is more expensive than a non-approved source, do we have to use the approved source?

Not always. However, we do have to treat vendors fairly. You should not approach an unapproved vendor and ask if they can beat a certain price. The appropriate method is to ask each vendor for the best price they can give you and then submit those quotes along with the purchase order.

4. Can we buy from vendors at conventions?

If you are using a purchase order, and the purchase is less than \$10,000.00, you can. If you are going to use a pay request, you must follow the guidelines specific to use of a pay request.

5. Why are reimbursements for under \$50 only allowed to be used with approved vendors?

Because, according to Texas law, the purchase order is the prescribed manner of doing business. Use of the purchase order ensures that the funds have been set aside for that particular purchase and that all relevant legal guidelines and board policies have been met. When you use a reimbursement, there is no way to ensure that the funds have been set aside, or that legal guidelines and board policies have been met.

6. Why can't we use unapproved sources for catering?

Catering is a category of products for which the district spends in excess of \$50,000 per year. The legal threshold requiring a formal bid is \$50,000. In addition, board policy states that all purchases exceeding \$50,000 will require Board approval. Therefore, a bid process was carried out, and the vendors that responded were approved by the Board. While exceptions

are made we prefer to use approved vendors as they have taken the time to respond to our bid and agreed to do business with PISD according to our terms.

7. Why do we have to use approved vendors?

Texas law and Board policy require us to use approved vendors whenever possible. Approved vendors have provided all legally required paperwork and have agreed to do business in the manner required by the district's Board of Trustees. For example, you may need to make a \$120 office supply purchase. On the surface, this seems like an insignificant matter. However, Texas law requires school districts to conduct formal bids for all categories of products that exceed \$50,000 in *aggregate* in one school year. Last year, the district has spent approximately \$400,000 for office supplies. Frequent purchases made through unapproved vendors do not follow Board policy and is also illegal. The State of Texas can levy fines on the district and prosecute responsible persons for Texas purchasing law violations.

8. When approved vendors don't have the exact item we want, can we purchase it from an unapproved vendor?

If an approved vendor has a comparable item, then you must use the approved vendor. (For example, same item but different brand.) If you really need the item from the unapproved vendor, attach an explanation for selecting a non-approved source to your Requisition.

Executive Summary of Bid Laws and Contract Approval

All district purchases are governed by Subchapter B, Section 44.031 of the Texas Education Code. All administrators should be familiar with and adhere to this law and the following Board policies, and purchasing procedures. Any question about these should be addressed to the Purchasing Department. In instances where Board policy is more restrictive than state law, Board policy prevails.

What the law says....

All 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 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. A catalog purchase as provided by Government Code Chapter 2157, Subchapter B.*
- 5. An inter-local contract.*
- 6. The reverse auction procedure as defined by Government Code 2155.062(d).*
- 7. The formation of a political subdivision corporation under Local Government Code 304.001.*

Education Code Section 44.031 (a)

The Board may delegate its authority regarding an action authorized or required to be taken by the District by Education Code Chapter 44, Subchapter B, to a designated person, representative, or committee.

Education Code Section 44.0312

A governmental entity may not select a provider of professional services or a group or association of providers or award a contract for the services on the basis of competitive bids submitted for the contract or for the services, but shall make the selection and award: (1) on the basis of demonstrated competence and qualifications to perform the services; and (2) for a fair and reasonable price. The professional fees under the contract: (1) must be consistent with and not higher than the recommended practices and fees published by the applicable professional associations; and (2) may not exceed any maximum provided by law.

Government Code Section 2254.003

CONTRACT FOR PROFESSIONAL SERVICES OF ARCHITECT, ENGINEER, OR SURVEYOR. (a) In procuring architectural, engineering, or land surveying services, a governmental entity shall: (1) first select the most highly qualified provider of those services on the basis of demonstrated competence and qualifications; and (2) then attempt to negotiate with that provider a contract at a fair and reasonable price.

(b) If a satisfactory contract cannot be negotiated with the most highly qualified provider of architectural, engineering, or land surveying services, the entity shall: (1) formally end negotiations with that provider; (2) select the next most highly qualified provider; and (3) attempt to negotiate a contract with that provider at a fair and reasonable price. (c) The entity shall continue the process described in Subsection (b) to select and negotiate with providers until a contract is entered into.

Government Code Section 2254.004

The Board delegates to the Superintendent or designee the authority to determine the method of purchasing, in accordance with CH (LEGAL), and to make budgeted purchases. However, any purchase that costs or aggregates to a cost of \$50,000 or more shall require Board approval before a transaction may take place.

Board Policy

Pflugerville ISD

Executive Summary of Local Purchasing Procedures

To insure that the District is legally compliant and within the limitations set by Board policy, the following purchasing procedures are also enforced.

When the District seeks to purchase personal property of a value of at least \$1,000 but less than \$50,000, in the aggregate, for a 12-month period, the District must obtain at least 3 written quotes from a list of vendors maintained by the Purchasing Department.

District Purchasing Procedure

Deputy Superintendent signs all purchase orders of a value that are between \$5,000-\$24,999.

District Purchasing Procedure

Superintendent signs all purchase orders of value that are more than \$25,000.

District Purchasing Procedure

When the District seeks to purchase personal property of a value less than \$1,000, the most economical source will be sought.

District Purchasing Procedure

Levels of Review and Approval Required for Contracts and Purchase Orders

Amount of P.O. or Contract	Budget Manager	Purchasing Coordinator	Deputy Superintendent	Superintendent	Board of Trustees
\$0-\$4,999.99	✓	✓			
\$5,000 - \$24,999	✓	✓	✓		
\$25,000 - \$49,999	✓	✓		✓	
\$50,000 +	✓	✓		✓	✓

The amounts listed above represent the total dollar volume of purchases for a related class of items, in the aggregate, for a 12-month period (usually the fiscal year). It is in violation of State law to submit separate and sequential purchase orders to avoid the competitive bid process.

If additional unanticipated purchases are made requiring a higher level of approval, competitive bidding and/or Board approval (when applicable) will be secured as soon as possible.

Any employee of the district entering into a contract for goods or services must immediately forward the contract to the Purchasing Department for evaluation and approval. They will provide support and direction, and facilitate consultation with legal counsel if necessary. Except as noted below, all district contracts will be signed by the Superintendent or Deputy/Assistant Superintendent when acting as designee. All original district contracts are maintained by the Purchasing Department.

Principals, Directors, and Executive Directors may sign contracts or agreements with certain companies providing student services such as yearbooks, senior rings, graduation invitations or school photographs.