



Purchasing Manual

2024-2025

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SECTION 1.1

BISD PURCHASING DEPARTMENT MISSION STATEMENT, GOALS AND VISION

Mission Statement

The mission of the Purchasing Department is to procure furnishings, supplies, materials and services to support all campuses and administrative departments to provide an atmosphere for children to develop the desire to become life-long learners.

Goals

- To provide customer satisfaction through effective and cooperative relationships with our internal and external customers.
- To maximize savings and revenue generation potential.
- Provide education and training related to the policies, procedures, processes and regulations related to the acquisition of goods and services.
- Promote a positive, efficient and effective work environment.
- Implement, promote and maintain sound business practices and auditable procedures.

Vision

- To provide full and open competition with the highest ethical standards while meeting the needs of the District and Community.

SECTION 1.2

PURCHASING STAFF & CONTACT INFORMATION

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SECTION 1.3

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: <https://www.statutes.capitol.texas.gov/>
2. The Texas Education Agency (TEA) Financial Accountability System Resource Guide Purchasing Module. The TEA Resource Guide can be accessed at the following website: http://tea.texas.gov/Finance_and_Grants/Financial_Accountability/Financial_Accountability_System_Resource_Guide/.
3. Birdville Independent School District's Board Policy (Sections CH). The BISD Board Policy can be accessed at the following website address: <http://www.birdvilleschools.net/>
4. For all purchases with Federal Grant Funds, the district shall comply with the Federal Regulations, EDGAR related to the purchasing of goods and services. [2 CFR 200.317-200.326] <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200>
5. All relevant statutes, regulations, Board policies and procedures shall be made available to all purchasing stakeholders, as appropriate in paper or electronic format.

SECTION 1.4

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 BISD in carrying out the purchasing activities of the District:
 - a. Superintendent or designee
 - b. Associate Superintendent of Finance
 - c. Director of Business
 - d. Director of Purchasing
2. Budget owners have the authority to initiate and approve purchase requisitions, check requests and p-card statements within their authorized budget.
3. Every employee involved in procuring goods or services for the District is responsible for working to attain the District's procurement goals and objectives (See Section 1.1).
4. Budget owners share purchasing authority with the Purchasing Department concerning purchases made from District funds.

Under Board Policy CH (Local), the procurement function is assigned to the Superintendent or designee and Purchasing Department.

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

The Purchasing 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.
- The existence of current specification files and expertise in developing meaningful product and service specifications.

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

SECTION 1.5

CODE OF CONDUCT

The following code of conduct was developed for standards and ideals that are applicable to all district employees involved in the purchasing process.

1. Avoid the intent and appearance of unethical or compromising practice in relationships, actions and communications.
2. Demonstrate loyalty to the District by diligently following the lawful instructions, procedures and policies using reasonable care while exercising only the authority, which has been delegated to you.
3. Refrain from any private business or professional activity that would create a conflict between personal interest and the interests of the District
4. Refrain from soliciting or accepting any discounts, gifts, entertainment, favors or services from present or potential vendors.
5. Handle confidential or proprietary information with due care and proper consideration of ethical and legal ramifications and governmental regulations.
6. Promote positive supplier relationships through courtesy and impartiality.
7. Know and obey the letter and the spirit of the law governing the purchasing function and remain alert to the legal ramifications of all purchasing decisions.
8. Ensure that all segments of society have the opportunity to participate in governmental contracts.
9. Enhance the stature of the purchasing profession by improving technical knowledge and adhering to the highest ethical standards.

SECTION 1.6

PURCHASING ETHICS

Public purchasing and the expenditure of public funds require that ethical standards be incorporated into every aspect of the District's purchasing function. 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 and Administrative Regulation:

- Board Policy DH (Legal/Local), Employee Standards of Conduct. This policy resides on the District's web site.
- Board Policy DH (Exhibit), Employee Standards of Conduct. This policy resides on the District's web site.
- Board Policy CDC (Legal/Local), Other Revenues Grants from Private Sources.

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 time, of items that in normal purchasing practices would be made in one purchase.

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

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

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

Gifts – All district employees and officers of the district are prohibited from soliciting gifts or tokens from vendors or other parties who are affected by (or have an interest in) a federal grant award.

In addition, all district employees and officers of the district are prohibited from accepting unsolicited gifts or tokens from vendors or other parties who are affected by (or have an interest in) a federal grant award or procurement contract that exceed a nominal (individual) value of \$25 and a fiscal year limit of \$100.

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 44.031

(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. Any violations to these standards shall be reported immediately to the Purchasing Director.

SECTION 1.7

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 Purchasing 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 and p-card requests at the campus and departmental levels.*** The campus principal or department head should review for need and approve purchase requisitions and p-card request forms before they are submitted to the centralized Purchasing Department for processing. If a purchase is grant funded, approval by the appropriate compliance officer is required.
- ***Approval of purchase orders.*** The Director of Purchasing 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, Accounts Payable and Accounting personnel.*** The Purchasing, Accounts Payable and Accounting personnel along with the Associate Superintendent of Finance, and ultimately the Superintendent are responsible to ensure that duties among Purchasing, Accounts Payable and Accounting personnel are properly segregated (to the degree possible) to provide a checks-and-balances environment.

- ***Maintenance of purchasing files and records.*** The Purchasing staff should be trained and supervised so that purchasing files and records are complete and maintained in an orderly fashion for the period required by law.
- ***Control over incoming merchandise.*** Receiving personnel (either centralized or decentralized) should be trained and monitored to ensure that the proper procedures are followed with incoming merchandise (i.e., the counting and inspection of merchandise received, and the completion of receiving reports).
- ***Verification of invoices with purchase orders and on-line receiving information.*** Although receiving personnel are responsible for the initial verification, Accounts Payable personnel verify that the invoice, the purchase order, and the on-line receiving information match before presenting the invoice for approval 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 to ensure that purchasing policies and procedures are being followed by district personnel.
- ***Training of district personnel.*** Formal training is conducted at least annually normally at the beginning of the school year. However, training and communication should be ongoing throughout the school year through revisions to the purchasing manual.

Risk Management

There are numerous risk 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.
- All purchases with federal grant funds shall also adhere to the EDGAR Procurement Standards.

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.

Associate Superintendent of Finance, Director of Business and Director of Accounting

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

Purchasing Director

- Shall assign responsibilities and establish procedures within the Purchasing 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 Director/Designee

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

Assigned Budget Owners

- Shall plan purchases for each budget year in order to maximize opportunities to use competitive procurement options.
- Shall coordinate purchases with the Purchasing Department for competitive procurement if no approved vendor exists for the particular purchase.
- Shall process all requests for procurements that cost or aggregate to a cost of \$50,000 or more through the Purchasing Department for Board approval.
- Shall only initiate and approve purchase requisitions that are within their approved budget and ensure proper account coding.

Purchasing Card Administrator

- Ensure that the use of purchasing cards is in compliance with District policies and procedures.

Purchasing Card Holders

- Shall only make purchases within authorized expenditure limits and in accordance with the District's purchasing procurement card policies and procedures.

All Employees

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

SECTION 1.8

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.

BISD utilizes centralized purchasing. Centralized purchasing is the act of combining related items or commodities of various schools and departments to coordinate purchases and obtain better prices. The centralized purchasing function is used to coordinate purchases of two or more campuses or departments as follows:

- Combining items on purchase orders from the individual purchase requests of two or more teachers, departments, or campuses; and
- Arranging for favorable purchase terms. For example, discount from retail or catalog prices, for items to be purchased "as needed" by individual employees.
- Providing the proper purchasing mechanism to ensure district compliance with state laws and local policies.

Decentralized Decision Making

BISD also 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 be approved by the Purchasing Department.

Purchases over \$50,000 (Board Approval Required with Exceptions)

The Board delegates to the Superintendent or designee the authority to make budgeted purchases for goods or services. However, any single, budgeted purchase of goods or services that costs \$50,000 or more, regardless of whether the goods or services are competitively purchased, shall require Board approval before a transaction may take place, except as otherwise provided in this policy.

The Superintendent shall not be required to obtain Board approval for budgeted purchases up to \$200,000 that meets the criteria in line items 1-5 below.

1. A purchase made pursuant to a Board approved interlocal contract, in accordance with Government Code Chapter 791;
2. A purchase made through a cooperative purchasing program, in accordance with Local Government Code 271.102;

3. A purchase made through a state purchasing program that satisfied the District's obligation for competitive purchasing;
4. A continuing or periodic purchase under a Board approved bid, proposal or contract; or
5. Renewal of contracts and interlocal agreements previously approved by the Board.

All purchases made under these criteria shall subsequently be reported to the Board on a monthly board report.

Competitively Procured Purchases over \$50,000 (Board Approval Required)

Except as provided by this subchapter, all BISD 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)

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 licensed or registered professional services including, (with the exception of federal funds):

- 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).*

According to Birdville ISD Local Policy CH (Local), when a purchase order for non-licensed or registered professional and consulting services exceeds \$50,000, these services shall be formally, competitively acquired using the Professional Services Procurement Act, Texas Government Code Chapter 2254, except for those sole source items as described in Texas Education Code 44.031.

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.

According to Birdville 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. Any such emergency purchase shall be subsequently reported to the Board.

Sole Source Purchases

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

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

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

The district has a sole source affidavit to document purchases made under the sole source purchase exception. The sole source affidavit may be found on the District's Purchasing website. Additionally, sole source purchases that exceed \$50,000 require Board approval prior to the transaction taking place.

Advertisement

Under Texas Education Code 44.033 (b), notice of the time 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.

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 to 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.

The following procurement methods and procedures shall be utilized for all purchases with federal grant funds:

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 practical 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 Proposal (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: In contrast, 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 procured 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.

Below is an example of a RFP process.

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 factors specifically listed in the request for bids or proposals.

The criteria above shall also be used to select a vendor or vendors for the procurement of goods and services paid with federal grant funds.

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 principal 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 maintain websites of awarded contracts and vendors that BISD can purchase from. However, the competitive requirement for federal purchases is not met by solely using a cooperative vendor. Federal quote processes will still be required.

1Government Procurement Alliance (1GPA)

1GPA is a national non-profit governmental purchasing cooperative which competitively bids and awards contracts through lead agencies. As required by law, 1GPA awards contracts following the purchasing procedures mandated by state and federal laws and regulations. The website is www.1gpa.org.

Allied States Cooperative (Region 19)

Allied States Cooperative is a national governmental purchasing cooperative which competitively bids and awards contracts to local, regional and national vendors in compliance with local, state, and federal procurement laws and regulations. The website is www.alliedstatescooperative.com.

Central Texas Purchasing Alliance (CTPA)

CTPA is an alliance of over 210 school districts in Central Texas and throughout the state, representing over 1.5 million students with a collective desire to share experiences, tools and knowledge. The website is www.txctpa.org/ctpa-home.

Choice Partners Cooperative (Harris County Department of Education)

Colleges and universities, counties, municipalities, school districts, and other governmental agencies and political subdivisions, and nonprofits within or outside Texas, may access Choice Partners national cooperative legal, competitively bid facilities contracts under Intergovernmental Code 791. The benefits of working with Choice Partners are that they provide a quality, quick method of delivering facilities services which:

- Saves staff time in purchasing - Contracts are already competitively procured
- Saves staff time in construction, purchasing and food services
- Saves on budgets while saving taxpayer dollars
- Improves procurement initiatives and efficiency
- The website is www.choicepartners.org.

The City of Fort Worth

Birdville ISD and the City of Fort Worth have a cooperative purchasing agreement approved June 2011. The purpose of the agreement is to provide BISD and City of Fort Worth the additional purchasing options by mutually sharing each other's contracts. The purchasing agreement satisfies the provisions of Section 271.102 of the Local Government Code. Information about Fort Worth's contracts is located on the Purchasing Division website at www.fortworthtexas.gov/purchasing.

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, charter schools, and Region Service Centers located in the Region 10 and 11 Education Service Center areas. The website is www.epcnt.esc11.net.

ESC Region 11 Digital Cafe

Region 11 is a non-membership "Group" Purchasing Consortium created for statewide buying power for Texas schools through ESC Region 11. Advantages are it saves money, saves time and saves paperwork. The website is www.esc11.net/digitalcafe.

Goodbuy Cooperative Purchasing

The GoodBuy Purchasing Cooperative ("GoodBuy"), is a Purchasing Cooperative authorized by Tex. Gov't Code §§ 791.001 et seq. as amended, operated by the Education Service Center, Region 2 ("Region 2 ESC"), a state agency, as authorized by Tex. Educ. Code ("TEC") §8.002 and TEC §44.031(a)(4). The purpose of this Agreement is to facilitate compliance with state bidding requirements, to identify qualified vendors of commodities, goods and services, to relieve the

burdens of the governmental purchasing function, and to realize the various potential economies, including administrative cost savings, for Program Members. The website is www.esc2.net/apps/pages/goodbuy.

HGACBuy

The Houston-Galveston Area Council (H-GAC) is a regional council of governments operating under the laws of the State of Texas and government by a Board comprised of 36 elected officials from 13 county region. The H-GAC Board awards all contracts, which can then be made available to local governments nationwide through HGACBuy. Enabling statutes for HGACBuy can be found in the Government Code, Title 7. Intergovernmental Relations, Chapter 791 Interlocal Cooperation Contracts, Subchapter B, General Interlocal Contracting Authority, Subchapter C, Specific Interlocal Contracting Authority. The website is www.hgacbuy.org.

The Interlocal Purchasing System TIPS (ESC-Region 8)

The ESC-Region 8 sponsored cooperative The Interlocal Purchasing System (TIPS) is available for use by all public and private schools, colleges, universities, cities, counties and government entities. It provides awarded vendors that have been competitively awarded in compliance with local, state and federal procurement laws and regulations, thereby satisfying the requirements under Texas Education Code 44.031 (a); (b). No fees are charged to members. The website is <https://tips-usa.com/>.

Multi-Region Purchasing Cooperative (MRPC)

The Region 10 Education Service Center Multi-Region Purchasing Cooperative (R10MRPC) is a child nutrition purchasing cooperative that manages procurement for food and non-food items on behalf of the participating district members. Authority for such services is granted by section 8.053 of the Texas Education Code. The website is www.region10.org/programs/multi-region-purchasing-cooperative/overview/

OMNIA Partners

OMNIA Partners is the only technology platform that provides access to hundreds of publicly awarded compliant cooperative contracts. The website is www.omniapartners.com/industries/k-12-education.

Prospering Pals Nutrition Cooperative

Prospering Pals Cooperative Program's purpose is to reduce the cost and time of purchasing and bidding for Child Nutrition programs. Coppell ISD is responsible for issuance of the procurements and makes award including feedback from participants. Birdville ISD reviews use of this program annually.

Purchasing Cooperative of America (Region 3)

The ESC-Region 3 is the administrative agency for this national cooperative which is available for use by local, state and federal government agencies, educational institutions, Indian tribal

governments and non-profit. It provides awarded vendors that have been competitively awarded in compliance with local, state and federal procurement laws and regulations, thereby satisfying the requirements under Texas Education Code 44.031 (a); (b). No fees are charged to members. The website is www.pcamerica.org.

Purchasing Association of Cooperative Entities PACE (ESC-Region 13 and Region 20)

The ESC-Region 13 and 20 sponsored cooperative Purchasing Association of Cooperative Entities (PACE) is available for use by all public and private schools, colleges, universities, cities, counties and government entities. It provides awarded vendors that have been competitively awarded in compliance with local, state and federal procurement laws and regulations, thereby satisfying the requirements under Texas Education Code 44.031 (a); (b). No fees are charged to members. The website is www.pace.esc20.net/.

Sourcewell

Sourcewell is a local government unit, public agency pursuant to the Minnesota Constitution. Sourcewell cooperatively purchases and makes contracts available to all its members nationwide. The website is www.sourcewell-mn.gov.

Tarrant County Cooperative

Tarrant County Cooperative was created to increase the purchasing power of government entities throughout Tarrant County and to simplify their purchasing. The website is <http://access.tarrantcounty.com/en/purchasing/cooperative-purchasing-information.html>

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 Association of School Boards (TASB Energy Cooperative)

The Texas Local Government Purchasing Cooperative was created to increase the purchasing power of government entities throughout Texas and to simplify their purchasing of energy. These contracts have been competitively bid and awarded based on Texas Statutes, thereby satisfying the requirements under Texas Education Code 44.031. The website www.tasb.org/Services/TASB-Energy-Cooperative.aspx.

Texas Statewide Procurement Division (SPD)

Texas Statewide Procurement Division (SPD) awards and manages hundreds of statewide contracts on behalf of state agencies and cooperative purchasing members. With a massive marketplace and billions of dollars in purchasing power, Texas offers abundant opportunities for

vendors with a wide variety of goods and services, including minority and women owned businesses. The website is www.txsmartbuy.gov.

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. In accordance with Texas Local Government Code 271 Texas School Districts can use only GSA schedule 70 and 84 with coop availability. 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. The website is www.comptroller.texas.gov/purchasing/contracts/txmas.
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 [2005 State Strategic Plan for Information Resources Management](#). In that document, DIR established five statewide goals:
 - Reduce Government Costs
 - Drive Effective Technology Contracting
 - Leverage Shared Technology Operations
 - Promote Innovative Use of Technology that Adds Value
 - Protect Technology and Information Assets

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. The website can be found www.dir.texas.gov.

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 Purchasing Department seeks to complete the competitive procurement process prior to a District need arising.

MODEL COMPETITIVE BIDDING/PROPOSAL PROCESS FOR GOODS AND SERVICES

Task	Description	Responsible Parties
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 contract;	User department/campus

MODEL COMPETITIVE BIDDING/PROPOSAL PROCESS FOR GOODS AND SERVICES		
Task	Description	Responsible Parties
	<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 Purchasing Department electronically (via email preferred) in Microsoft Word format at least <u>two weeks prior to expected release date.</u></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 Department
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 BISD Purchasing Website www.birdvilleschools.net	Purchasing Department
Pre-Bid/Proposal Conference	<p>Optional procedure as needed. This conference is used to allow vendors to meet with District personnel to clarify specification requirements or to conduct site visits.</p> <ul style="list-style-type: none"> Document all attendees Collection of all questions and answers and posting as an addendum is recommended. 	User department/campus and Purchasing Department
Open Bid/Proposal	Bids/proposals will be opened at the date, time, and place specified in the request for bids or proposal.	Purchasing Department

MODEL COMPETITIVE BIDDING/PROPOSAL PROCESS FOR GOOD AND SERVICES		
Task	Description	Responsible Parties
Evaluate Bid/Proposal	Review bids/proposal responses and evaluate responses using established vendor award criteria.	User department/campus and Purchasing Department
Prepare Written Recommendation	<p>Prepare a written recommendation containing the following information and forward to the Purchasing 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. Signature of appropriate approval authority for award recommendation. If the purchase exceeds \$50,000 the appropriate signature is required. <p>If all bids/proposals are rejected and a re-bid process will take place, the letter must contain:</p> <ol style="list-style-type: none"> 1. Description of supply, product or service; 2. Justification for recommendation to reject all bids, listing reasons for rejection of every bid; 	User department/campus

MODEL COMPETITIVE BIDDING/PROPOSAL PROCESS FOR PERSONAL PROPERTY AND SERVICES		
Task	Description	Whose Responsible
	3. Request to re-bid; 4. Estimated cost/ expenditures; 5. Fund code, fund name, and budget owner;	
Obtain Board of Trustees Approval	Board approval is required before the successful bidder/proposer is notified of the award. (Note: Board meetings are normally held on the fourth Thursday of each month).	Purchasing Department
Award Bid/Proposal	Notify successful bidder(s)/proposer(s) via award letters and properly executed purchase order. Obtain other needed items such as insurance, bonds, and HB1295 forms.	Purchasing Department
Monitor Performance	Monitor the vendor's performance and ensure they comply with all specifications regarding the product to be delivered or service to be performed, including the condition of product upon delivery, and whether the service was performed or product was delivered within the stated delivery/performance period. Document performance when creating receiving records in MUNIS. Reference vendor performance evaluation.	User department/campus

SECTION 1.9

OTHER PURCHASING PROCEDURES

Business Operations & Federal/State Grants (EDGAR) Manual

The District has established fiscal procedures that apply to all federal and state grants that are specific procedures related to acquiring, expending and managing the grant funds. These procedures are detailed in the Business Operations and Federal/State Grants Manual and will not be discussed in detail herein.

Child Nutrition Department Financial Management & Procurement Procedures Manual

The District has established policies and procedures that govern the financial management and procurement processes of the Child Nutrition Department. The procedures detailed in this Manual discuss the processes as they related to USDA regulations and the Administrator's Reference Manual (ARM), Section 14, 16 and 17. These policies and procedures are detailed in the Child Nutrition Department Financial Management & Procurement Procedures Manual and will not be discussed in detail herein.

Procurement Card Manual

The District has established policies and procedures that govern the procurement card program. This program is designed to complement the purchasing program by giving users flexibility. These policies and procedures are detailed in the Procurement Card Manual and will not be discussed in detail herein.

WEX Fuel Card Manual

The District has established policies and procedures that govern the fuel card program. This program is designed to complement the purchase of fuel by giving users flexibility. These policies and procedures are detailed in the WEX Fuel Card Manual and will not be discussed in detail herein.

SECTION 1.10

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 1.3 are authorized to make purchase commitments.

Prior to contacting a vendor, end users must check the BISD Warehouse for the goods. If the warehouse is unable to supply the goods required, the end user must seek an “approved vendor,”

Approved Vendor List

An “**approved vendor**” is a vendor that has been awarded a Bid/Proposal through the BISD competitive procurement process or through an Interlocal or Cooperative Agreement. These vendors may be viewed on the Purchasing Website under the approved vendor list. **Approved vendors are preferred because they have competed for business through the competitive procurement process and normally provide greater savings than a non-approved “vendor”.**

Lists of “approved vendors” by bid/proposal number and commodity can be obtained at the District’s Purchasing Website www.birdvilleschools.net under 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 Department prior to contacting a vendor. Purchasing will assist in locating a vendor within 24-72 hours depending on the situation. Note: Not all vendors in MUNIS are approved vendors.**

Vendor Bid List

Vendors can register to receive bid/proposal information through Ionwave at <https://birdvilleschools.ionwave.net/VendorRegistration/PreliminaryInfo.aspx>. Purpose of this registration is to notify vendors of advertised bids and proposals and to provide them information for the link for the specifications. Vendors are notified via email based on the commodities that their particular business serves. It must be understood that simply because a vendor has registered with the district, does not mean that the vendor is an approved vendor. It simply means that the vendor is on the district’s vendor bid list to be notified of future business opportunities.

New Vendors

New vendors can start doing business with the district through the competitive procurement process. If a competitive process does not exist, a New Vendor Request form (located on the District's Purchasing Website) is completed by the campus/department for review by the Purchasing Department. If the Purchasing Department approves the addition of the new vendor, the campus/department will be instructed to obtain the remaining vendor packet and return to Purchasing for processing. It is possible that Purchasing may suggest an alternate course of action or vendor use.

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 current BISD Bid number. If they have a current BISD Bid number, the vendor should be on the approved vendor list. If the vendor does not have a BISD Bid Number and the school or department needs the vendor's goods or services, an approved vendor should be sought first.

The competitive procurement process is the long-term method of doing business with the District because the vendor can obtain "approved vendor" status versus the new vendor request method which is a short-term method of doing business with the District for one-time approved use.

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:

• Timeliness of deliveries	• Quality of products or services
• Service performance	• Damaged goods
• Completeness and accuracy of the order	• 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 through the Vendor Performance Record found on the Purchasing Website.

In addition to contacting the Purchasing Department, 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 Department, preferably by email.

If the problem is not resolved, coordinate with Purchasing to prepare written correspondence stating the issue to be sent to the vendor including the corrective action required. In addition, if the vendor fails to take corrective action, it is the departments/campuses responsibility to notify the Purchasing Department so further action can be taken.

If a significant problem continues, BISD will remove the vendor from the vendor list and discontinuing doing business with the vendor.

SECTION 1.11

FRESH SERVICE

This program serves as a ticketing system utilized by the Purchasing Department to facilitate communication between department and campus staff regarding needs before making a purchase. It encompasses the review of all contracts and agreements, including their terms and conditions, and privacy policies prior to any commitment. Only individuals at the Principal/Director level or higher are authorized to sign contracts after receiving approval through this ticketing system.

Additionally, the system is used to obtain approval for various items, including field trips, fundraisers, new furniture, hardware, software, and federal purchases, before proceeding. It also manages requests through forms related to new vendors, vendor performance, reimbursements, p-card maintenance, and change orders.

Purchasing: Contracts

- District Supplied Contracts
- Field Trips
- Fundraisers
- Vendor Supplied Contract

Purchasing: Other

- Federal Other

Purchasing: Professional Development

- Bring in Professional Development
- Send to Professional Development (Federal Only)

Purchasing: Furniture

- New Furniture

Purchasing: Forms

- Change Order
- Employee Reimbursement
- New P-Card
- P-Card Dispute
- P-Card Maintenance
- Parent/Student Reimbursement
- Vendor Performance
- Vendor Requests

Purchasing: Software

- Software Purchasing

Purchasing: Hardware

- Unlisted Hardware Purchasing

SECTION 1.12

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 1.9.

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 – MUNIS) for the purchase of supplies, services, equipment, etc. **A requisition is an un-approved purchase order.** No purchasing commitment shall be made without an approved purchase order.

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.
- All requisitions from grant funds (state/federal) shall comply with the TEA Guidelines for Related Costs, the State & Federal Grants Handbook and The EDGAR Manual.

Requisitions are initiated by those having proper authority, as defined in Section 1.3. After a requisition is entered in MUNIS 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. Federal Programs, etc.).

Once a requisition is converted to a purchase order, the Purchasing Department will issue the purchase order to the vendor. ***DO NOT send a copy of the requisition or an un-signed purchase order to the vendor.***

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. Note: Please do not include any special characters in the line item description because it will cause a delay in MUNIS processing it into a purchase order.

The minimum information required on a requisition is as follows:

- Dept./Campus Code
- Vendor name and address (should be from the district's approved vendor list)
- Ship To destination
- Name and Phone Number of the end user on the reference line
- Required delivery date, if any
- Quantity needed
- Unit Price per line item
- Complete and accurate description per line item including, but not limited to item number and manufacturer number
- Travel requisitions shall include who, what, when, where and why
- The correct account code per line item
- Transportation costs (shipping/freight costs, if any)
- Vendor Sourcing shall include the following information: Bid/Proposal number (should be from district's approved vendor list i.e. Bid/RFCSP 003-19), Quote number, Ticket number using Purchasing Service Catalog Request (should be for all hardware, software, professional development, contracts and federal purchases), and any information needed for processing.
- Attach all documentation including quote, agenda, travel forms, Board consent item, insurance documentation, contract, etc.

Please understand that requisitions may have several approvers prior to the Purchasing Department. The Purchasing Department Buyer reviews requisitions for the following prior to approval of a purchase order:

- Compliance with competitive procurement requirements
- Compliance with federal procurement requirements
- Adequate descriptions per line item

- Proper documentation attached
- Vendor sourcing information

Specific Types of Requisitions

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

Blanket Purchase Orders

General Supplies

- Blanket purchase 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, printing, etc.
- Include only one-line item with a quantity of one allowed
- \$5,000.00 maximum blanket per campus/department per vendor unless an exception is granted by the purchasing department.
- Change orders will only be allowed on a case-by-case basis. Review your remaining balances carefully so that you can plan for submittal of an additional blanket purchase orders if needed.

Service Contract

- Blanket purchase order for miscellaneous services must specify the following in the text or body of the requisition
 - A detailed description of the types of services to be performed
- Include only one-line item with a quantity of one allowed
- \$5,000.00 maximum blanket per campus/department unless an exception is granted by the purchasing department.
- Must attach a copy of insurance certificate, if applicable
- Must attach a copy of the contract, if applicable (signed by Director/Principal)
- Change orders will only be allowed on a case-by-case basis. Review your remaining balances carefully so that you can plan for submittal of an additional blanket purchase orders if needed.

E-Commerce Purchase Orders

There are multiple companies in MUNIS that allow the user to punch out to their website and shop online. These purchase orders are done similar to a standard purchase order with the exception of the shop online feature. After shopping is completed, the user will punch back in and the requisitions will populate itself with the items selected in the cart during the online shopping. Purchasing will process this purchase order and it will automatically release to the vendor through the online ordering system. The following companies have current online shopping/e-commerce capabilities:

- **Amazon**
 - Vendor - #2051
 - Contract – Choice Partners #22/045KN-01
- **Business Essentials**
 - Vendor - #11622
 - Contract – BISD #020-24
- **Dream Ranch LLC**
 - Vendor - #21178
 - Contract – BISD #020-24
- **Grainger**
 - Vendor - #6390
 - Contract – Omnia #192163
- **Lakeshore Learning Materials**
 - Vendor - #22281
 - Contract – BISD #020-24
- **ODP – Office Depot**
 - Vendor - #21130
 - Contract – Omnia #R190303
- **Officewise Furniture**
 - Vendor - #6516
 - Contract – Buyboard #656-21
- **Really Good Stuff, Inc.**
 - Vendor - #4612
 - Contract - BISD #020-24
- **School Specialty**
 - Vendor - #6598
 - Contract – Omnia #R19503
- **Staples Advantage**
 - Vendor - #6304
 - Contract – Sourcewell #012320-SCC

P-Card Purchase Orders

A P-Card Purchase Order (PCARD) is used by campus/departments for approval of purchases to be placed using the p-card that exceeds \$249.99 campus using general or activity funds and that exceeds \$749.99 for department general funds. The same requirements for a typical purchase order are still required for a p-card purchase order. This purchase will not be sent to the vendor. Once the purchase order is processed by Purchasing, the campus/department will be notified by MUNIS that the purchase order is printed and now the staff can place the order and/or issue the p-card to make necessary purchases. The purchase order will be closed after printing so the p-card statement can be allocated. See P-Card Manual for further details regarding the P-Card Purchase Order process.

Federal Purchase Order

A Federal Purchase Order (FEDRL) is used for purchases made utilizing federal funds. These purchases must be compliant with the Education General Administration (EDGAR), Title 34, Code of Federal Regulations (CFR). The same requirements for a typical purchase order are followed except that additional approvals are needed. In addition, all EDGAR quote documentation will also

be required. See Federal/State Grants Manual (EDGAR Manual) for further details regarding the Federal Purchase Order process.

Invoice Purchase Order

An Invoice Purchase Order (INV) is used for purchases that were made prior to obtaining an approved Purchase Order. This INV Purchase Order requires an Invoice Requisition Form signed by the budget manager along with a copy of the invoice as attachments to the requisition for backup. The Requisition Form includes an explanation for why standard process and procedures were unable to be followed. Invoices will also be forwarded to accounts.payable@birdvilleschools.net along with Invoice Purchase Order Number for payment to be made.

Purchasing Issue & Warning Notices

Purchasing Issue Notices

Purchasing Issue Notices are issued to the individuals who violated the purchasing process. Issue Notices are counted per issue and per person. Issue Notices will be sent to Requestor and Budget Manager.

All Issue Notices must be signed by the individual who the notice was addressed to and returned to Purchasing within 7 calendar days to signify understanding of the Purchasing Manual. Upon receipt of the 3rd Issue Notice the individual will be required to attend a meeting with the Purchasing department regarding the issue. After three Issue Notices and the required training, the next notice will result in a Warning Notice.

Purchasing Warning Notices

The Purchasing Warning Notice is sent only to the Budget Manager of the individual who has surpassed the three (3) Issue Notices. It will outline past and current issues and will be the responsibility of the Budget Manager to address the notice with the employee, have it signed and returned to Purchasing. Two Purchasing Warning Notices will initiate a review by the Purchasing Director and will be reported to the appropriate cabinet member.

Purchasing Issue Notice Appeal Process

If you feel like your notice was received in error or the situation was unavoidable due to circumstances that were out of anyone's control, you can appeal your Issue Notice utilizing the explanation area at the bottom of the notice or by attaching a separate sheet and signing the notice. All documents must be submitted to Purchasing for review. These will be reviewed and a response will be sent back to you after the review process.

Examples of Issues:

- Purchases without an approved purchase order
- Lack of documentation (examples: BusHive forms, travel, Fresh Service Ticket #, etc.)
- Purchase prior to ticket approval (if required)
- Unapproved purchase by Supervisor
- Use of unapproved vendor without prior approval
- Violation of Policy and Procedures
- Purchasing unauthorized or restricted items

- Personal Purchases
- District supplied contracts signed prior to approval
- Item purchased delivered to an address other than one that belongs to Birdville ISD
- Unapproved Travel

P-Card Issue & Warning Notices

P-Card Issue Notices are issued to the individuals who violated the use of the P-Cards as described in the Procurement Card Manual.

WEX Fuel Issue & Warning Notices

WEX Fuel Card Issue Notices are issued to the individuals who violated the use of the WEX Fuel Card as described in the WEX Fuel Card Administrative Handbook.

Change Order

It may be necessary to make a change to a purchase order due to unforeseen costs, modify line item description or price, add a line item, delete a line item and/or change budget code. Change orders are done in MUNIS and require a Purchase Order Change Order Request Form and additional back up to be attached to Purchase Order Change Orders.

Car and Truck Rentals

- Purchase orders are to be input by line item
- Use **item description** and **unit cost** for each line item.
- Specify:
 - vehicle size and rate (per day or week) **(NO 15 PASSENGER VANS)**
 - insurance rate per day or week (additional insurance is required)
 - additional mileage per day or week (if applicable)
- State reason for vehicle rental, name of event, destination, and date(s) of rental
- Rental information can be found by contacting the Purchasing Department. General information excluding pricing can be found at www.enterprise.com or www.hertz.com.

Charter Buses

- Purchase orders are to be input by line item.
- Use **item description** and **unit cost** for each line item
- Specify:
 - bus size (i.e. 33 passengers, 55 passengers)

- 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
- Attach approval for the trip (BusHive & SR Ticket) and quote/contract from approved vendor.

Shipping Destination

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

Do not ship any items to a personal address. All items must be received by a BISD location.

The District uses both **centralized** and **decentralized** receiving (refer to Section 1.8).

Requisitions by Departments for School Campuses

Departments that process requisitions to be delivered to school campuses must communicate the requisition and purchase order information to the school prior to delivery of goods. 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 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 MUNIS for payment purposes

Warehouse Requisitions

The district keeps inventories of supplies and materials in a central warehouse. Such inventories provide ready access to supplies that are commonly used. A warehouse requisition may be used to obtain supplies or materials (a catalog describing items in the warehouse is available in MUNIS). A warehouse requisition is completed at the department or campus level in the MUNIS System and submitted electronically to Warehouse. After processing the requisition, the supplies and materials are removed from the warehouse stock and delivered to the appropriate delivery destination.

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 to receive payment. **Invoices shall not precede the purchase order.**

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.

Predicting upcoming expenditures is an important part of ensuring that the encumbrance is made and the purchase order is done in a timely manner. As soon as you can predict an expenditure, a purchase order can be issued. Look back at prior years for annual expenses such as fees/dues or other recurring expenses. Enter requisitions for these items as soon as the new budget year is available.

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 shall release a purchase order to a vendor. **If vendors are contacted by the end user in the initial phase of a requisition, they should be advised by the end user that delivery of goods or services should not be initiated until the vendor has received an approved purchase order from the 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 appropriate approver. Please review the requisition approvers to verify where the requisition is in the process.

Purchase Order Closure

In the event it is necessary to cancel a Purchase Order, the school or department must advise the Accounts Payable Department. The Accounts Payable Department 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 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 only initiate and approve requisitions within approved budget authority and ensure proper account coding per line item.
- Shall check with the Warehouse to find out if the item is in stock before making a purchase. If the item is not in stock, the end user shall select an approved vendor who will provide the goods and services.
- Shall use approved vendors to procure goods and services. Note: The requirement to use approved vendors applies to all purchases 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, the end user shall explain to the vendor that the request for information does not represent a commitment to purchase.
- If a vendor contract is required, all terms and conditions must be reviewed and approved in the SR Ticket System. This executed contract along with any required addenda must be attached to the requisition to obtain approval.
- Shall provide initiating, authorizing, and adequately funding the procurement through a properly approved purchase order.
- ***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. Problems with a vendor's unsatisfactory performance shall be directed to the Purchasing Department for appropriate action, which

may include closing the purchase order (See Section 1.13, 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 \$50,000 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 \$50,000 or more through the Purchasing 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 the receipt of goods or services in MUNIS.

Purchasing Department Responsibilities

- Shall not initiate requisitions except for items or services for use by the Purchasing Department except when doing so for user departments and enforcing the approval process.
- 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 CH (LOCAL)] according to the guidelines established on the Education Code 44.031.
- 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 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 receipt of the purchase order.
- Shall be the only personnel authorized to contact vendors to make purchase commitments and issue purchase orders.

Requisition/Purchase Order Approval Process

- Campus/Department Designee - Creates requisition and releases for approval
- Budget Owner – Approves the expenditure
- Director of Special Programs – Additional approval for specially funded expenditures
- Director of Business or designee – Ensures the proper budget code is utilized and all finance procedures have been met
- Director of Purchasing or designee – Approves and makes sure an Approved Vendor is used when available and all purchasing procedures have been met
- Purchasing Administrative Assistant – Processes requisitions and sends to the vendor or to the requisitioning Campus/Department for processing

SECTION 1.13

DELIVERY AND RECEIPT

Delivery and receipt of goods/services is the goal of the requisition and purchase order process discussed in Section 1.12. 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. BISD utilizes both centralized and decentralized receiving to ensure end users receive goods/services.

Centralized Receiving and Decentralized Receiving

Purchases may be received by centralized receiving departments (BISD Warehouse) or by campuses or departments in a decentralized receiving. Centralized receiving provides more control. Having only one centralized receiving point ensures that merchandise received agrees with merchandise ordered. However, it is normally timelier and sometimes in the best interest of the end user or the district to have the vendor deliver goods directly to a campus or department; this requires decentralized receiving, also known as “drop shipping.”

If decentralized receiving is used, 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. Best practice is to designate one individual to check-in and receive the goods prior to distributing to the final destination.

Physical Receiving Procedures

- Locate the “**packing slip**.” The packing slip contains the information of the items shipped from the vendor. The packing slip should list the following information:
 - Date of shipment from the vendor
 - BISD Purchase Order Number
 - Quantities and descriptions of items shipped
- Compare the packing slip with the requisition/purchase order and verify that the shipment is intended for your school/department. If it is, continue the receiving procedures. If you are certain that the shipment is not intended for your school/department, refuse the shipment or aid in determining the proper destination.
- Ensure that the items on the packing slip match the items on the requisition/purchase order; accept the items that were ordered and contact the vendor for instructions for handling the incorrect items.

- Compare the number of containers delivered to the number on the carrier's packing slip. Record any discrepancy on the carrier's shipping documents.
- Examine the outside of the containers for damage:
 - **Minor Visible Damage** - Record any damage to the shipping containers on the carrier's shipping document and ensure that it is signed by the delivery person before the shipment is accepted. Recording minor damages to containers provides added documentation 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 (normally your destination i.e. school, department, or the BISD Warehouse). 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 or 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.

F.O.B. 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.

- 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.
- Finally, an authorized person should accept delivery by signing and dating the packing slip.
- 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 correct.

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 in the SR Ticket 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 MUNIS system as approval of payment after the invoice is received by Accounts Payable.

Online Receiving Records

It is imperative that after physical delivery of goods and services, that an online receiving record be created in the MUNIS 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.

SECTION 1.14

SCHOOL BOARD APPROVAL

In accordance with Board Policy CH (Local), any purchase order or contract not supported by a purchase order that exceeds \$50,000 shall require Board approval with exceptions before a transaction may take place. In addition, any expenditure that in aggregate exceeds \$50,000 with exceptions annually shall be competitively procured in one of the following methods.

Categories for Board Approval

- Competitive Procurements (i.e. Bid or Proposal)
- Sole Source Procurements (Also called Single Source)
- Interlocal/Cooperative Agreement Purchases
- Emergency Procurements

Exceptions for Board Approval

The Superintendent shall not be required to obtain Board approval for budgeted purchases up to \$200,000 that meet the following criteria:

1. A purchase made pursuant to a Board-approved interlocal contract, in accordance with Government Code Chapter 791;
2. A purchase made through a cooperative purchasing program, in accordance with Local Government Code 271.102;
3. A purchase made through a state purchasing program that satisfies the District's obligation for competitive purchasing;
4. A continuing or periodic purchase under a Board-approved bid, proposal, or contract; or
5. Renewal of contracts and interlocal agreements previously approved by the Board.

All purchases made under these criteria shall subsequently be reported to the Board on a monthly Board report.

Procedures for Board Approval Requests

Board meetings normally occur on the fourth Thursday of each month. Due dates for the Business Office are firm without prior approval.

SECTION 1.15

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 they are 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: Is a vendor that has been awarded a Bid or Proposal through the BISD competitive procurement process. A vendor approved through an Inter local Agreement.

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

Award: The acceptance of a bid or proposal.

Back Order: Is the 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: Is 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 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 (stored within e-bid system).

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

Blanket Purchase Order: A blanket purchase order is issued to an approved vendor authorizing purchases from that vendor over a period of time. Is 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 or 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. Bulk Purchasing is also known as 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: Is 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: Is 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 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 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.

MUNIS Vendor: A "MUNIS vendor" is a vendor that is established in the MUNIS Financial Management System.

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, and 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 RFCSP procedure permits negotiation of proposals and prices as distinguished from competitive bidding and an Invitation for Bids. (2) The solicitation document used in the competitive negotiation process. The procedure allows changes to be made after proposals are opened and contemplates that the nature of the proposals and/or prices offered will be negotiated prior to award.

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

Responsible Bidder: A person who has the capability in all respects to perform in full the bid

requirements, and the integrity and reliability which will assure good faith performance.

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

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

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

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

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.

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: Is the determination of the physical, chemical, or performance characteristics of the 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.

Warehouse Requisition: A warehouse requisition may be used to obtain supplies or materials. A warehouse requisition is completed at the department or campus level and submitted through MUNIS.