

PRIME DIRECTIVES

Of The

PURCHASING DEPARTMENT

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

July 29, 1999

1. Comply with state laws, the Texas Education Code, the Board of Education policies, division procedures and sound business practices.
2. To provide quality products and services that meet the specifications requested to all Grand Prairie Independent School District departments.
3. To obtain the most competitive price for the products and services purchased utilizing procurement techniques that stimulate vendor competition.

GENERAL PURCHASING PROCEDURES

1. The purchasing department is a part of the business services department. The function of this department is to organize and administer purchasing for the district in accordance with the responsibility and authority delegated by the Superintendent and the Board of Education.
2. As a support organization charged with the responsibility of acquiring goods and services requested by the various divisions, the purchasing department will function in a manner consistent with state law, the Board of education polices and sound business practices.
3. Effective purchasing is a cooperative venture between the purchasing department and other departments within the district. These departments share the responsibility of expending district funds in such a manner that all transactions will pass numerous audits with respect to state, federal and district procurement regulations.
4. Acquisition of the requested goods and services shall be made by the issuance of an official, numbered district purchase order.
5. The purchasing procedures contained in this handbook are intended to comply with local, state and federal statutes and ordinances, In the event of conflict, the appropriate statute or ordinance shall prevail. District purchasing procedures may be more restrictive than other federal, state, or local polices.
6. The district will enter into contractual relationships only with those vendors who have, through word and action, affirmed that they comply with all applicable existing laws or executive orders to ensure equal employment opportunities, without regard to race, creed, color, sex or national origin. Minority contractors are encouraged to compete in providing goods and services to the district. The district does not operate under a set-aside program.
7. Situations will undoubtedly arise which are not fully covered by these procedures. The purchasing department staff is available to discuss any special procedure that serves the best interest of the district and the department concerned.
8. The purchasing department maintains a WEB page with valuable information, including the Purchasing Procedures Manual, Approved Vendors List, Sole Source List, and many other information rich material. The purchasing department recommends that all district staff involved in writing purchase orders use this site extensively. Your comments and recommendations are welcome. The ?WEB page may be reached by entering the following URL: : <http://www.gpisd.org/gpisd/finance/purindex.htm>

CENTRALIZED PURCHASING

In compliance with Texas Education Code 21.901, "...all contracts proposed to be made by any Texas public school board for the purchase of any personal property shall be submitted to competitive bidding when said property is valued at \$25,000.00 or more. This includes component, separate, and/or sequential purchases that would have an aggregate total of \$25,000.00 by category of item during a twelve month period. ." The district has elected to utilize a more restrictive threshold amount than required by the state. The district will require the purchase of any personal property valued at more than \$10,000.00, in the aggregate by category of item during a twelve month period, to be submitted to competitive bidding in accordance with Texas Education Code - Subchapter B. -Sec. 44.031. Centralized purchasing is the basic practice that will provide adherence to the aggregate amounts in each category.

Centralized purchasing should not be interpreted that all acquisitions are done by a central office, nor that site-based management will be negated by limiting campus acquisitions. What centralized purchasing does mean is that better planning will be necessary at all administrative levels to ensure consolidated purchasing district-wide and that comparative shopping may be limited to primary and secondary vendors in each category.

Planning should include, but not be limited to, determining the need far enough in advance to allow the purchasing office to verify supplier approval or source availability. Such lead time must take into consideration a variety of factors such as, shipping time, compliance with state bid laws and development of specifications. This period will range from three weeks to one month.

PURCHASING LIMITATIONS AND PROCEDURES

- Purchases **up to \$500.00** should be made from approved vendors when possible
- Purchases of **\$500.00 to \$2000.00** are to be made from **approved vendors** in accordance with Texas Education Code - Subchapter B. - Sec. 44.031 Purchasing Contracts, utilizing the discount from catalog pricing as published by the purchasing department. The current **bid number must be shown under the "Justification" field** on the requisition. In addition, pricing and totals must be shown on all requisitions. If unavailable from an approved vendor, contact the purchasing department for assistance.*
- Purchases **greater than \$2000.00 but less than \$10,000.00** are to be made from approved vendors in accordance with Texas Education Code - Subchapter B. - Sec. 44.031 Purchasing Contracts, utilizing their discount from catalog or extended price capability. **Written quotations from at least three (3) approved vendors must be received** and quoted prices documented on the requisition before the requisition will be processed. The current **bid number must be shown under the "Justification" field** on the requisition. In addition, pricing and totals must be shown on all requisitions. If unavailable from an approved vendor, contact the purchasing department for assistance.*
- Purchases **greater than \$10,000.00** contact the purchasing department prior to writing the purchase order. These purchases must be made from approved vendors in accordance with Texas Education Code - Subchapter B. - Sec. 44.031 Purchasing Contracts, utilizing their discount from catalog or extended price capability. **Written quotations from at least three (3) approved vendors must be received** and quoted prices documented on the requisition before the requisition will be processed. . The current **bid number must be shown under the "Justification" field** on the requisition. In addition, pricing and totals must be shown on all requisitions.
- Purchases **greater than or equal to \$50,000.00** must be approved by the Board of Education.
- All requests for the purchase of **technology hardware** must be turned into the purchasing department to be processed. Do not write a purchase order for these items. Please provide the following information to the purchasing department by email, memo or on-line "Staff Purchase Request" form:
 1. description and quantity of items needed
 2. publisher or manufacturer of items
 3. part number of items when available
 4. account code to charge the items to
 5. who the items are being purchased for
 6. where the items will be located
 7. any additional information that will assist the purchasing department in acquiring the specific items needed

Purchasing of Stand-Alone Computer Software. (Non-Networked Software)

Purchasing of "Stand-Alone" computer software *should be originated by the campus or department* needing the software. If the purchase does not exceed \$500.00, the software may be purchased from any reputable vendor. However, the purchasing department recommends that all software purchases be made from vendors on the "Approved Vendor List" whenever possible. It is also good practice to ask multiple vendors to quote on the software needed to insure a competitive environment among vendors. Asking multiple vendors to quote on the software needed will almost always result in better pricing.

If the purchase exceeds \$500.00 but not more than \$2,000.00, the software should be purchased from a vendor on the "Approved Vendor List".

If the purchase is greater than \$2,000.00 but less than \$10,000, written quotations from at least three (3) approved vendors must be received and documented.

If the purchase exceeds \$10,000.00, please contact the purchasing department for assistance.

The "Approved Vendor List" can be viewed from the following WEB site:
<http://www.gpisd.org/gpisd/finance/vendorlistcat.pdf>

In addition, the state of Texas offers a list of approved vendors that can be viewed from the following WEB site: <http://www.gsc.state.tx.us/cmb1/cmb1hub.html> The use of these vendors is considered appropriate by the purchasing department.

Another source for legal acquisition of computer software is through the Department of Information Resources. We are now setup with the "GO DIRECT" program and all DIR purchases now go directly to Software House International. This information can be viewed from the following WEB site: <http://www.texas.gs.shi.com/Contracts/DIRcontracts.asp> Acquisition of software through the DIR "GO DIRECT" program is considered appropriate by the purchasing department. Purchase orders and payments should be made payable to:

**Software House International
2545 Huntwick
Grand PrairieTX, 75050**

**Vendor #1-22-369-5523-800
DIR Agreement #313-001A**

You must reference the DIR agreement number, 313-001A, on your purchase order.

Sole Source - Contact the purchasing department before purchasing any software under a Sole Source justification.

Purchasing of Networked Computer Software. (Software that runs in a shared fashion on the network)

Please work with the Technology Department to insure that the software will work on the GPISD network before writing any purchase order.

After approval from the Technology Department, follow the same procedure as "Stand Alone" software purchases.

- All requests for the purchase of **furniture** items, classroom or administrative, must be turned into the purchasing department to be processed. Do not write a purchase order for these items. . Please provide the following information to the purchasing department by email or memo:
 1. description and quantity of items needed
 2. manufacturer of items if known
 3. part number of items when available
 4. account code to charge the items to
 5. who the items are being purchased for
 6. where the items will be located
 7. any additional information that will assist the purchasing department in acquiring the specific items needed
- All requests for extensions, renewals, lease, purchase or maintenance of **copy machines**, must be turned into the purchasing department in writing. The purchasing department will work with each person, department, or campus in finding the best copy machine solution for the need described. All purchase orders and contracts will be initiated by the purchasing department. Do not write any purchase orders for the acquisition or maintenance of copy machines.
- Before turning in any purchase requisition, verify the approved vendor status, correct bid number and sole source documentation as required. *
- All quotes must include the following:
 1. Vendor information (name, address, phone umber)
 2. Description of item
 3. Quantity requested
 4. Total cost of purchase
- Your documentation on the requisition should reflect the company name and price of the two (2) unsuccessful vendors. Copies of the quotes should be attached to the receiving copy.

SOLE SOURCE

It will be necessary to require suppliers who claim single (sole) status to document, in writing, that they are in fact the sole source of the product in question. Please ask the vendor to provide one copy on company letterhead of the following:

1. brief description of the product or products, material, etc., covered under sole source
2. statement of single source status
3. copy of patent, copyright or other documentation; if available

Upon receiving the above information, retain a copy for your files and attach a copy to your purchase order. *

- An updated list of the approved vendors with current bid numbers, and sole source vendors can be found at the District WEB site by entering the following URL
- <http://www.gpisd.org/gpisd/finance/SOLESOURCE.PDF>
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SPECIFICATIONS FOR BIDS

1. Properly executed specifications must include adequate descriptive information outlining the minimal requirements of features of the goods or services to be acquired and should be specific but not so as to prevent competitive bidding on comparable items.
2. Many items can be adequately described by giving the name of the item, its basic features, and typical, acceptable brand and model number. The use of any brand name or manufacturer's reference used is descriptive, not restrictive, and is to indicate the type and quality of items desired.
3. Detailed supplemental specifications may be required to fully describe the features and/or requirements of the items or services required.
4. Regardless of the descriptive information, alternate bids may be considered for award if it is determined to be of best interest to the District.
5. The format for bid specifications is 3-part in content: general specifications, bid specifications and price sheet, and bid certificate. Parts 1 and 3 are standard and will be handled by the purchasing department. Part 2 (bid specifications) should include generic descriptions and quantity; however, model numbers of a desired item are also helpful. Accompany specifications with names and address of firms that should be included in the bid.

REQUISITION/PURCHASE ORDER FORMS

The requisition/purchase order form is to be used for ordering materials from sources outside the district. The following are the procedures for use with the form:

1. The purchase order must be typed.
2. Date of requisition.
3. Requisition/order number (for school use only), using campus number followed by a dash and each numbered consecutively. Example: xxx-1, xxx-2. Do not use blank space for purchase order number.
4. Complete vendor address to include: name of company, address, city, state and zip code. Do not abbreviate.
5. Complete school address including to the attention to whom the order should be sent.
6. Quantity to include unit (each, pkg, dozen, etc.)
7. Complete description.
8. Unit price and extension.
9. Total each requisition/purchase order.
10. Account number should be in proper sequence.
Example: 199-51-6319-91-951-099
11. Justification of purchase must be given - current bid number, sole source or competitive prices. Statements such as: best source, not a biddable item, no approved vendor, unable to locate another source, are not acceptable. Give the current bid #, not just bid on file. Correct examples are: Bid# 99-01, Sole source-letter on file, under \$500.00 no bid required, professional services, reimbursement, etc.
12. If more items are requested than can be typed on one form, use another form, only one number will be assigned.
13. Type items to be ordered on the purchase order - do not type as per attached list when ordering only three or four items. If it is necessary to use an attached list, attach sufficient copies (not just the one copy to be mailed with order.)
14. When the purchase order states "per attached invoice number", describe type of order under justification (plumbing, air conditioning, electrical, teaching supplies, library books, etc.)
15. Must contain authorized signature.
16. Retain originator's copy (pink) at campus.

17. All other copies should be forwarded to appropriate department head for signature (Do not mail vendor's copy.)
18. If corrections are made to the original purchase order, all other copies must be corrected.
19. Purchasing office will assign all 6-digit purchase order numbers.
20. The receiving station copy (gold) will be returned to the campus for "sign-off" when materials have been received. This copy will contain the purchase order number and should be matched with the originator's copy.
21. As a general rule requisitions should not be sent to the vendor either by fax or verbal before the purchasing office has approved and stamped a purchase order number on the form. If for some reason the vendor has already received a copy of the requisition, the requisition must display the phrase "confirmation only - do not duplicate".
22. As a general rule requisitions should not be sent to the vendor either by fax or verbal before the purchasing office has approved and stamped a purchase order number on the form. If for some reason materials have been received, prior to the submission of the requisition to the purchasing department, the requisition is to be prepared according to standard process and should display the phrase "already received - do not mail". The receiving copy should be signed and dated.
23. Purchase requisitions should not be written to outside vendors for products that are commonly available in the district warehouse.
24. When a purchase requisition is turned in, it is in the form of a request and is subject to multiple levels of approval. The request does not become a purchase order until a purchase order number is stamped on the purchase order by the purchasing department. Verification of procedure and competitive pricing will occur before approval is given.
25. Whenever possible the above procedure should be followed in sequence. A purchase order should not be "walked through" unless absolutely necessary.

REIMBURSEMENT

1. When a staff member purchases something intending to be reimbursed, the purchase should be made from an approved vendor, whenever possible.
2. Under "Vendor/contractor" type the persons' name or account that is to be reimbursed. Give social security number for payment of services performed. No social security number required for reimbursement. Do not abbreviate or use nicknames.
3. Under the "ship to" type the school's name or individual to be reimbursed.
4. Date of requisition/purchase order.
5. Proper account number in correct sequence.
Example: 199-51-6319-91-951-099
6. Under "description" do not list each individual item. Type "please reimburse for supplies received as per attached invoice and receipt or proof of purchase."
7. Total amount to be reimbursed.
8. Must contain the authorized signature.
9. Sign-off on receiving station copy (gold).
10. Retain originator's copy (pink) at campus.
11. Campus requisition should be forwarded to appropriate department head for approval.
12. The purchasing office will assign all 6-digit purchase order numbers.

ACCOUNTING FOR RECEIPT OF GOOD AND SERVICES

Upon receipt of the goods or services listed on the requisition/purchase order, the user department or campus must submit the receiving station copy of the requisition/purchaser order to the finance department. Merchandise received must be inspected prior to submitting copy. The copy must be signed and dated. It is imperative that the user department return the receiving station copy immediately upon receipt of the goods or services. The payment of invoices will not be made until this copy, verifying receipt, is received.

Payment to vendors is processed by the finance department upon receipt of an original invoice from the vendor.

CHANGING OR CANCELING PURCHASE ORDERS

A purchase order is a contract document that obligates the district and vendor to the terms and conditions as listed thereon.

Whenever it becomes necessary to modify or cancel the items or conditions as listed on the purchase order, these procedures will apply:

1) Changes Only

Attach a copy of written notification of change to the originator's copy of the purchase order for your files. Upon completion of order, changes must be noted on receiving station copy.

2) Voids or Cancellations

Attach a copy of written notification of cancellation to all copies of the purchase order and send to the purchasing department.

All arrangements for returning, adjusting, deleting, modifying, substituting or canceling items or conditions (including lease or rental arrangements) as listed on the purchase order should be made in writing and should conform to the requirements of budget control, legal statutes and district policy.

TIME RESTRICTED PURCHASE (TRP)

Procedures for utilizing pre-numbered requisition/purchase orders for support departments (support services, food service, transportation, facilities and purchasing) are as follows:

A series of numbered requisition/purchase orders will be issued to the respective departments to be used for:

- A) Previously documented bids
- B) Monthly or semi-monthly open purchase orders
- C) Time restricted purchases

The open purchase order and the TRP will continue to be prepared by the user and submitted through the proper channels for signatures. However, the six-digit TRP number can be issued to the vendor so they might use it on their paperwork.

CAPITAL EQUIPMENT

Capital equipment requests should be submitted in writing to the warehouse. The Coordinator of Warehouse Services and Regulatory Compliance will review the requests taking into account quantity, campus inventory, comparison with other campuses, etc. If approved, the request will be filled and merchandise sent to the campus.

Capital equipment requests should be requested annually in January. Any major equipment requests not requested in January may not be able to be filled due to inventory, availability, and dollars.

GIFTS TO THE DISTRICT

Gifts from the Public

The Administration may accept any bequest or gift of money or property on behalf of the District. The gift shall become the sole property of the District for its use and disposition. All gifts shall be given to the District and not to a particular school. At the discretion of the Superintendent or designee, the gift may be used in a particular school.

Criteria for Acceptance

The Superintendent or designee shall examine and evaluate offers of gifts to the District and may recommend acceptance to the Board when the gifts;

- 1) have a purpose consistent with District purposes;
- 2) place no restriction on the school program;
- 3) do not require the endorsement of a business product;
- 4) do not conflict with policies or actions of the Board or public law;
- 5) do not require extensive District maintenance.

Special Programs

The Superintendent may encourage such support from foundations, banks, corporations, and other private sources in order to benefit special programs instituted by the District.

Procedures for Accepting

- 1) Donor shall, in writing, make known the desire to provide a gift or bequest. Using the attached form, the request should include description of item (model, make, style, size, etc.) and market value.
- 2) The principal or department head will communicate, by completing the appropriate portion of the request form, with the Division of Business that a desire to donate has been made and will make recommendation for the acceptance or refusal of said donation.
- 3) The Division of Business shall make recommendation to the Superintendent for the acceptance or refusal of said donation and shall communicate such with the principal or department head.
- 4) If accepted, the Division of Business will, in writing, advise the donor of the Superintendent's decision.
- 5) A copy of the gift's acceptance shall be submitted to the Finance Department for fixed assets accountability.

REQUEST TO MAKE DONATION

TO: _____
show name of campus

FROM: _____
show name of organization

The organization named above desires to make contribution to the educational program of the Grand Prairie ISD by making a donation of:

Cash (or check) in the amount of: \$

Personal property as described below, valued at \$

EQUIPMENT DESCRIPTION (including make, model and serial number)	
SIGNATURE OF DONOR:	DATE:

PRINCIPAL'S RECOMMENDATION:	
SIGNATURE OF PRINCIPAL:	DATE:

<u>ADMINISTRATIVE REVIEW:</u>	
<input type="checkbox"/> APPROVED	<input type="checkbox"/> DENIED
SIGNATURE OF ADMINISTRATOR:	DATE:

ETHICAL CONDUCT/CONFLICT OF INTEREST

From the Code of Ethics and Standard Practices for Texas Educators, Principle I: Professional Ethical Conduct:

4. District employees shall accept no gratuities, gifts or favors that impair professional judgement.
5. District employees shall not offer any favor, service, or thing of value to obtain special advantage.

Board Policy DBD (Local) - Employment Requirements and Restrictions: Conflict of Interest

An employee shall not accept or solicit any gift, favor, service, or other benefit that could reasonably be construed to influence the employee's discharge of assigned duties and responsibilities.

An employee shall not have a personal financial interest, a business interest, or any other obligation that in any way creates a substantial conflict with the proper discharge of assigned duties and responsibilities or that create a conflict with the best interest of the district.

Board Policy DBD - Employment Requirements and Restrictions: Conflict of Interest

GIFTS

An employee who exercises discretion in connection with contracts, purchases, payments, claims, or other pecuniary transactions shall not solicit, accept, or agree to accept any benefit from a person the employee knows is interested in or likely to become interested in any such transactions of the District. Penal Code 36.08(d)

It is a breach of ethics to offer, give or agree to give any employee or former employee of a school district, or for any employee or former employee of a school district to solicit, demand, accept or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation of any part of a program requirement or purchase request, influencing the content of any specification or procurement standard.