



Purchasing Procedures Manual

2022-2023

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Section 1: Introduction

Background

This manual provides District departments enough information to make decisions necessary to request the purchase of goods and services needed to perform the functions of their offices effectively.

Mission

The mission of the Waller ISD Purchasing Department is to:

- Ensure compliance with local, state and federal laws applying to District purchasing;
- Provide all vendors equal access to the competitive process for the acquisition of goods and services by the District;
- Provide an ongoing supply of quality goods and services to all District offices

Goals of Public Purchasing

Public purchasing has several goals including:

- Purchasing the proper goods and services;
- Obtaining the best possible price for the goods or services, without sacrificing the quality needed; and
- Ensuring a continuing supply of goods and services are available where and when needed.

Public purchasing must also ensure:

- **Responsible bidders are given a fair opportunity to compete for the District's business.** This can be accomplished by abiding by statutory requirements regarding competitive bids and proposals, and by compliance with the District's purchasing policy.
- **Public funds are safeguarded.** The Purchasing Department should attempt to see that the best value is received for the public dollar.
- **Public spending is not used to enrich elected officials or District employees, or to confer favors.** Achieved with adoption and implementation of a code of ethics and with employee training focused on bringing awareness of District employee's responsibilities toward accomplishing this goal.

Section 2: Purchasing Authority

Purchasing Laws

The Texas Legislature has enacted laws regulating the purchase of goods and services by government entities. It is the policy of Waller ISD to fully comply in all aspects with these laws as they are amended from time to time.

Purchasing Policy

The Purchasing Department, as well as administrators and employees of the District will provide equitable and competitive access to the District's procurement process for all responsible vendors. Further, District procurement is conducted in a manner that promotes and fosters public confidence in the integrity of the District's procurement process.

The purpose of the District Purchasing policy is to:

- Seek the best quality, lowest priced goods and services that meet the needs of District and its personnel;
- Provide all responsible vendors and contractors equitable access to servicing the needs of the District and its personnel through competitive acquisition of goods and services;
- Comply with all federal and state laws that apply to District purchasing and comply with the procedures in this manual;

Application

The Purchasing Procedures Manual applies to all District administrators and employees. The Purchasing Department and District personnel must purchase or lease all goods and services, including maintenance and repair, for all departments in accordance with this manual.

Acquisitions utilizing federal grants awarded to the District are subject to the provisions of the Waller Independent School District Federal Grant Policies and Procedures Manual. All employees who deal with federal grants must be familiar with them and must fully comply with all requirements contained therein.

Additional Resources

For additional information, the following are listed as references:

- Texas Education Agency Financial Accountability System Resource Guide
https://tea.texas.gov/Finance_and_Grants/Financial_Accountability/Financial_Accountability_System_Resource_Guide/
- Education Department General Administrative Regulations (EDGAR)
<https://www2.ed.gov/policy/fund/reg/edgarReg/edgar.html>

Section 3: Waller ISD Purchasing Code of Ethics

Intent

It is the intent of Waller ISD that the following ethical principles govern the conduct of every employee involved, directly or indirectly, in the District's procurement process.

Accountability

Taking ownership and being responsible to citizens for our actions... essential to preserve the public trust and protect the public interest.

Principles:

- Apply sound business judgment.
- Be knowledgeable of and abide by all applicable laws and regulations.
- Be responsible stewards of public funds.
- Maximize competition to the greatest extent practicable.
- Practice due diligence.
- Promote effective, economic and efficient acquisition.
- Support economic, social and sustainable communities.

Ethics

Acting in a manner true to these values essential to preserve the public's trust. Principles:

- Act and conduct business with honesty and integrity, avoiding even the appearance of impropriety.
- Maintain consistency in all processes and actions.
- Meet the ethical standards of the profession.

Impartiality

Unbiased decision-making and action essential to ensure fairness for the public good.

Principles:

- Be open, fair, impartial and non-discriminatory in all processes.
- Treat suppliers equitably, without discrimination, and without imposing unnecessary constraints on the competitive market.

Professionalism

Upholding high standards of job performance and ethical behavior essential to balance diverse public interests.

Principles:

- Follow the lead of and learn from those with education, experience, and professional certification in public procurement.
- Continually contribute value to the organization.
- Develop, support, and promote the highest professional standards in order to serve the public good.
- Seek continuous improvement through on-going training, education, and skill enhancement

Service

Obligation to assist District employees and citizens in a manner essential to support the public good.

Principles:

- Be a crucial resource and strategic partner within the organization and community.
- Develop and maintain relationships with District employees.

Transparency

Easily accessible and understandable policies and processes essential to demonstrate responsible use of public funds.

Principles:

- Exercise discretion in the release of confidential information.
- Maintain current and complete policies, procedures and records.
- Provide open access to competitive opportunities.
- Provide timely access to procurement policies, procedures and records.

Responsibility to District

Employees shall avoid activities that compromise or give the perception of compromising the best interests of Waller ISD. Employees shall not knowingly use confidential proprietary information for actual, perceived or anticipated personal gain.

Conflict of Interest

Employees shall avoid any activity that would create a conflict between their personal interests and the interests of Waller ISD. Conflicts exist in any relationship where the District's best interest may be different from the employee's best interests or the best interest of someone associated with the employee. Conflicts of interest include an employee participating in any way in any procurement in which:

- The employee or any member of the employee's family has a financial interest in the results of the District procurement process;
- A business or organization in which the employee, or any member of the employee's family, has a financial interest in the result of the District procurement process; or
- Any other person, business, or organization with whom the employee or a member of the employee's family is negotiating for or has an arrangement concerning prospective employment.

If conflicts of interest exist, the employee shall notify the Purchasing Dept. in writing and remove him or herself from the District procurement process.

Perception

Employees shall avoid the appearance of unethical or compromising practices in relationships, actions and communications associated with the District procurement process.

Gratuities

Employees shall not solicit or accept money, loans, gifts, favors or anything of value, from present or potential contractors that might influence or appear to influence a purchasing decision or the District procurement process. If anyone is in doubt about whether a specific transaction complies with District policy or procedures, the person should disclose the transaction to the Purchasing Director for a determination of compliance.

Confidential Information

Employees shall keep the proprietary information of vendors confidential. **Employees shall keep vendor proposal information obtained from a solicitation confidential until after contract award.**

Section 4: Purchasing Department Authority & Responsibilities

Authority

Waller ISD CH (LOCAL) dictates the Purchasing and Acquisition Policy to be administered by the Purchasing Department.

Statutory Authority & Duties

All Purchasing Department activity shall be conducted in compliance with all federal, state and local laws as is applicable to the individual purchase.

- The Purchasing Department shall supervise all purchases made on competitive bid and shall see that all purchased supplies, materials, and equipment are delivered to the proper District department in accordance with the contract terms.
- The Purchasing Department shall ensure compliance with the Professional Services Procurement Act, Government Code, Chapter 2254.
- Only the Superintendent or Chief Administrators have signature authority to execute contracts of any nature (i.e. agreements, statement of work, etc.).

Additional Responsibilities

In addition to statutory duties, the Purchasing Department:

- Encourages and supports compliance with Texas purchasing laws;
- Ensure compliance with EDGAR policies;
- Works in conjunction with the Finance Department and other District administrators in the development of efficient financial processes;

Section 5: Purchasing Process, Roles & Responsibilities

Purchasing Process

The general purchasing process as outlined in Exhibit 3 contains several stages with responsibilities that are often designated by statute. It begins with requirements planning and identification and culminates with the receipt of and payment for goods and services.

Exhibit 1: Purchasing Process

Step	Performed By:
Identify requirements and obtain budget	User Department (Purchasing Department may assist)
Define/finalize requirements	User Department and Purchasing Department
Submit electronic requisition outlining requirements to Purchasing	User Department
Confirm sourcing and generate PO from requisition	Purchasing
Send PO to Vendor	User Department
Submit email requesting changes to Purchase Orders	User Department
Confirm budget and generate PO change order from email	Purchasing
Receive good/service and verify completeness against contract	User Department
Electronically receive item in the District's automated requisitioning system ("Skyward") and submit original invoice to Accounts Payable.	User Department
Match received amount with invoice and audit	Accounts Payable Department
Process and approve payment of invoice.	Accounts Payable Department
Disburse payment of invoice	Accounts Payable Department

User Do's and Don'ts

Coordination among many District departments and offices is necessary for the process to work smoothly. To avoid delays and comply with District policy, procedures, and state law, user departments should remember the following:

- **Do not** purchase any goods or services for your own personal benefit.
- **Do not** authorize product demonstrations, trials or wear tests without knowledge and coordination by the Purchasing Department.
- **Do not** obligate the District for the purchase of goods that are delivered for use on a trial basis.
- **Do not** commit to acquire goods or services without an authorized purchase order. Anyone obligating an expenditure of funds for goods or services before securing a purchase order may be held personally responsible for the payment, and may face criminal charges.

- **Adhere to the District Purchasing Code of Ethics and avoid activities and behaviors that are unethical or create a conflict of interest or the perception of a conflict of interest.** Examples of activities that are inappropriate include:
 - soliciting or accepting gratuities of any kind from present or potential contractors which might influence or appear to influence a purchasing decision;
 - failing to disclose in writing to the Purchasing Department a conflict of interest and not removing yourself from the procurement process when there is a conflict; and
 - disclosing confidential proprietary information from solicitations to other vendors or using the information for personal gain.
- **Do not use purchasing strategies to avoid the requirements of District Policy, Procedures, or which may violate the law.** Strategies that are prohibited by law include:
 - purchasing a series of component parts that would normally be purchased as a whole (component purchases);
 - purchasing items in a series of separate purchases that normally would be purchased as a single purchase (separate purchases); and
 - purchasing items over a period of time, that normally would be done as one purchase (sequential purchases).

A District officer or employee who intentionally or knowingly makes or authorizes separate, sequential, or component purchases to avoid the competitive bidding requirements of Texas Education Code, Section 44.031, is committing a Class B misdemeanor according to Texas Education Code, Section 44.032.

Ensure funding is available before submitting a requisition. The law does not allow expenditures of funds that exceed the District's fiscal year budget. Purchasing does not process requisitions for which there is not adequate funding.

Plan purchases to minimize the use of emergency and expedited purchases. Rush purchases are generally more expensive and they delay other requisitions already in the system. Vendors may attempt to charge premium prices for goods and services needed in an expedited manner. Costs can be elevated when there is insufficient time allowed to explore alternative sources or options.

Plan purchases to allow sufficient time to process purchase requests. The Purchasing Department is committed to processing all requisitions within a reasonable amount of time. In general, departments should allow 6–8 weeks on all purchases requested over \$50,000. Most requisitions are generally processed within one day of receipt.

Ensure that purchasing policies and procedures are understood before ordering. Departments must assure that all employees responsible for making department purchase requests have read and understand the purchasing procedures set forth in this manual. Departments should also ensure that employees attend any training provided by the Purchasing Department.

Coordinate with Purchasing on receipt of goods and services. Since the District does not have centralized receiving, each department is responsible for individually receiving goods and services.

Roles and Responsibilities

There are specific roles and responsibilities for both user departments and the Purchasing Department during the procurement process. The District's procurement process protects the integrity of the internal processes and provides fair and equal access to all vendors seeking to do business with Waller ISD.

Section 6: General Purchasing Procedures

Purchases Valued at or Above \$25,000

The School Board delegates to the Superintendent the authority to make budgeted purchases for goods or services. However, any single, budgeted purchase of goods or services that cost \$25,000 or more, regardless of whether the goods or services are competitively purchased, shall require Board approval before a transaction may take place. CH(LOCAL)

Purchases Valued at or Above \$50,000

All District contracts for the purchase of goods and services, except contracts for the purchase of produce or vehicle fuel, valued at \$50,000 or more in the aggregate for each 12-month period, shall be made by the method that provides the best value for the District:

1. Competitive bidding for services other than construction services.
2. Competitive sealed proposals for services other than construction services.
3. A request for proposals for services other than construction services.
4. An interlocal contract.
5. The reverse auction procedure as defined by Government Code 2155.062(d).
6. The formation of a political subdivision corporation under Local Government Code 304.001.

In awarding a contract, the District shall consider:

1. Purchase price.
2. The reputation of the vendor and of the vendor's goods and 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 relating to historically underutilized businesses.
7. The total long-term cost to the District to acquire the goods or services.
8. For a contract that is not for 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 has its principal place of business in this state or employs at least 500 persons in this state.
9. Any other relevant factor specifically listed in the request for bids or proposals.

Education Code 44.031(b)

In awarding a contract by competitive sealed bid under Education Code 44.031, a district that has its central administrative office located in a municipality with a population of less than 250,000 may consider a bidder's principal place of business in the manner provided by Local Government Code 271.9051. This section does not apply to the purchase of telecommunications services or information services, as those terms are defined by 47 U.S.C. Section 153. *Education Code 44.031(b-1)*

The factors listed above are the only criteria that may be considered by the District in its decision to award a contract.

Interlocal Agreements

All interlocal agreements for cooperative purchases that involve purchase of goods, services, repair, or maintenance agreements must be reviewed by the Purchasing Department and must be approved by the School Board and/or Superintendent.

Electronic Transactions

Electronic sealed bids or proposals shall be accepted in accordance with Section 44.0313, Education Code, requiring the identification, security, and confidentiality of electronic bids or proposals to remain effectively unopened until the proper time.

- Invitations to Bid and Requests for Proposals will be advertised and issued through the District's electronic service provider. A notification will be added to bid terms and conditions stating suppliers may/should submit responses electronically through District's service provider at the appropriate electronic address listed. An automatic "e-mail return notification" will be sent to the submitting supplier upon receipt of their bid or proposal.

As a courtesy to vendors, and as a means of encouraging competition, notification of each solicitation is provided to appropriate vendors via email. The Purchasing Department also advertises solicitations in a newspaper of general circulation as required by law.

Review of Technology Purchases

The Technology Department reviews and approves all purchase requests made by departments for software, hardware and other data processing equipment. This procedure is to ensure compatibility and standardization of the District's computer system. To purchase any other data processing goods or services, the user department must obtain Technology Department approval.

Emergency Purchases

Notwithstanding any other provision of the Education Code, in the event of a catastrophe, emergency, or natural disaster affecting the District, the Board may delegate to the Superintendent or designated person the authority to contract for the replacement or repair of school equipment under Education Code Chapter 44, Subchapter B if emergency replacement or repair is necessary for the health and safety of District students and staff.

Sole Source Goods & Services

Sole-source goods and services require completion of the Sole Source Affidavit and submission to the Purchasing Department for verification and approval prior to purchase of goods and services. Please see EDGAR procedures for adding sole source vendors when using federal funds.

<https://tea.texas.gov/sites/default/files/2018%20EDGAR%20Procurement%20Sole%20Source.pdf>

Section 7: Micro Purchases Under \$50,000

Procedures

Pursuant to 2 CFR 200.320(a)(1)(iv), a non-federal entity may self-certify a micro-purchase threshold up to \$50,000 on an annual basis and must maintain documentation to be made available to the federal awarding agency and auditors in accordance with 2 CFR 200.334.

Therefore, Waller ISD self-certifies that effective June 1, 2021, its micro-purchase threshold has been increased to \$49,999. Unless otherwise required by the district's internal purchasing regulations or controls, purchases up to the micro-purchase threshold may be purchased without soliciting competitive pricing or without obtaining multiple quotes.

Section 8: Purchases over \$50,000

Intent

Texas state law (Education Code, Section 44.031) sets the requirements for formal solicitations. By law, purchases of more than \$50,000 require a competitive sealed process be utilized which includes public notice, public opening of the bids and School Board award. Produce and vehicle fuel expenditures are exempt from the competitive bidding requirements.

Definitions and Use

There are two primary types of solicited purchases - competitive bidding and competitive proposals (other solicitation types defined in Exhibit 6). Competitively solicited purchasing allows vendors to compete with each other to provide goods or services.

The Texas Supreme Court states:

"Competitive bidding requires due advertisement, giving opportunity to bid, and contemplates a bidding on the same undertaking upon each of the same material items and services covered by the contract; upon the same thing. It requires that all bidders be placed upon the same plane of equality and that they each bid upon the same terms and conditions involved in all the items and services and parts of the contract, and that the proposal specify as to all bids the same, or substantially similar specifications." Sterrett v. Bell, 240 S.W. 2d 516 (Tex. Civ. App.-Dallas 1951, no writ).

Purpose of Competitive Bidding

The Texas Supreme Court further states:

"The purpose of competitive bidding is to stimulate competition, prevent favoritism, and secure the best work and materials at the lowest practicable price for the best interest of the taxpayers and property owners." Sterrett v. Bell, 240 S.W. 2d 516 (Tex. Civ. App.-Dallas 1951, no writ).

The first purpose of competitive solicitations is to ensure the best possible value is received. Competitive solicitations also increase the likelihood that public monies are spent properly, legally, and for public projects only.

The second purpose is to give those qualified and responsible vendors who desire to do business with the District a fair and equitable opportunity to do so.

Competitive Bidding: The term "Formal Competitive Bidding" generally applies to public purchasing when the solicitation process requires advertisement and the award requires approval by the School Board.

"Sealed" bids are solicited through a Competitive Sealed Bid (CSB) for contracts expected to exceed \$50,000. The CSB is the document used to solicit bids from vendors in response to the District's specifications and contractual terms and conditions. The School Board must approve the returned and signed CSB. The awarded CSB becomes the contract between Waller ISD and the vendor.
Competitive bids are not negotiated and are based upon the terms and conditions in the CSB.

The CSB method is the most preferred method of procuring goods and supplies and non-personal services. It is used when the requirement can be definitively described, is readily available and is an off-the-shelf type of acquisition.

Competitive Proposals: The term “Formal Competitive Proposal” generally applies to public purchasing in amounts exceeding \$50,000. The solicitation process requires advertisement, and contract award requires approval by the School Board.

Competitive proposals are solicited through a sealed Request for Proposal (RFP) process. Vendors submit responses to the RFP for consideration. The RFP solicits proposals from vendors in response to the District’s requirements and contractual terms and conditions. A formal contract that includes the District’s standard terms and conditions, reviewed by the Purchasing Department, must be approved by the School Board.

While the RFP process is similar to the CSB process, there are notable differences. The primary difference is that the RFP results in a negotiated procurement. Cost is not the only determining evaluation factor; however, its relative importance to other evaluation factors must be specified in the RFP and considered in recommending award. Proposal contents are not disclosed until after the contract is awarded. Proposal contents that are trademarked or proprietary may remain confidential pursuant to the Texas Public Information Act.

Procedures

In Waller ISD, competitive solicited procurements which call for approval by School Board due to an expenditure in excess of \$50,000 are required to comply with the requirements of the Education Code and, with few exceptions, are accomplished by the process set forth in this chapter. Throughout this chapter, “bids” are vendor responses in the CSB process and “proposals” are vendor responses in the RFP process. Unless specifically noted, the procedures apply to both the CSB and RFP.

Defining the Need

CSB: The specification should be comprehensive and broadly defined to allow for maximum competition. This type of solicitation is ideal for annual fixed price contracts. Estimated annual usage should be calculated for best results.

RFP: The user department is responsible for submitting a statement of work (SOW) or technical requirements, which functionally define the needs and requirements of the department. This type of solicitation is ideal when creative or innovative solutions are desired. Purchasing Department staff will review to ensure that the SOW or technical requirement is quantified and structured.

Considerations

No specifications are to be written with the intent to exclude a possible bidder. The Purchasing Department shall determine the appropriate method for solicitation.

To protect the integrity of the process, all solicitations shall comply with the following:

- Department shall submit a requisition to Purchasing for services and/or products required;
- Department shall provide Purchasing with the scope of work, statement of work and/or specifications for services and/or products required;
- Purchasing shall review documents submitted by departments to ensure that the requirements are not unreasonably restrictive thereby preventing fair and reasonable competition. Purchasing shall incorporate appropriate terms and conditions to develop the solicitation. Bid documents will be forwarded to prospective vendors and shall state a specific date, time and location for submittal; and
- Departments must allow adequate time for processing orders in this category.

Notice to Newspaper

Once the Purchasing Department has finalized the specifications or requirements with the user department, the Purchasing Department prepares the solicitation for issuance and publishes a notice of the proposed purchase that complies with the requirements in the Education Code, Section 44.031.

According to Section 44.031, notice of a solicitation must be published once a week for at least two weeks in the newspaper before the deadline for receiving bids, proposals or responses. The notice must include:

- the specifications (requirements) describing the goods and services to be purchased, or a statement of where the specifications (requirements) may be obtained;
- the time and place for receiving and opening solicitations and the name and position of the employee to whom the solicitations are sent; and
- the type of bond required from the vendor, if applicable.

The Purchasing Department publishes the notice of the proposed purchase.

Receipt of Competitive Solicitations

To ensure the identification, security, and confidentiality of responses to solicitations, both electronic and paper, the following procedures are adhered to:

- The Purchasing Department receives all responses as specified by the solicitation document.
- **Solicitations are not accepted after the opening time on the day of response opening.** All responses offered after the opening time are returned unopened to the vendor with a letter from the Purchasing Director notifying the vendor that the submitted response arrived after the due date and time.
- The Purchasing Department stamps the date and time the solicitation is received upon receipt in the designated location.
- After a response is received, the Purchasing Department will provide a secure place to hold the solicitation until the opening date. The responses are only accepted if sealed. Responses remain sealed until the Purchasing Department opens them in a public forum on the advertised date and time.
- On occasion, responses that are received in the mail or by other independent carrier may be inadvertently opened. If this situation occurs, another employee of the Finance Department is immediately called to act as a witness that the details of the response (especially the price for a bid) were not reviewed and the response will be sealed by the receiving employee of the Purchasing Department, with the incident documented.

The above stated process shall be performed in a manner that precludes any perception of favoritism and avoids revealing prices or response information. Publicly receiving sealed responses and recording the submission of requested responses inhibits any perception that the Purchasing Department is manipulating the receipt of solicitations.

Public Opening of Solicitations

CSB: At the date, time, and place specified in the notice, the Purchasing Department, or designee, publicly opens, reads aloud the names of the offerors and the bid contents. Preliminary tabulations are provided to the public upon request.

RFP: At the date, time, and place specified in the notice, the Purchasing Department, or designee, publicly opens and reads aloud the names of the offerors.

CSP: At the date, time, and place specified in the notice, the Purchasing Department, or designee, publicly opens, reads aloud the names of the offerors and, if any are required to be stated, all prices stated in each proposal.

Proposals are opened to avoid disclosure of contents to competing proposers and are kept secret during the process of negotiation. All proposals that have been submitted are available and open for public inspection after the contract is awarded. Disclosure of trade secrets and confidential proprietary information contained in proposals obtained from a vendor is subject to the provisions of the Texas Public Information Act.

Confidentiality Statement

RFP and CSP: As fully described in Chapter 2, the Purchasing Department uses a confidentiality statement to ensure compliance with the District's ethics policy related to keeping proprietary information confidential.

Evaluation

The Purchasing Department supervises the evaluations all bids with assistance from the evaluation committee and the user department and recommends the lowest responsible bid or best value bid to the School Board for award. The Purchasing Department evaluates bids based on:

- the purchase price;
- the reputation of the bidder and the bidder's goods or services;
- the quality of the bidder's goods or services;
- the extent to which the goods or services meet the District's needs;
- the bidder's past relationship with the District;
- the impact on the ability of the District to comply with laws and rules relating to contracting with Historically Underutilized Businesses (HUBS);
- the total long-term cost to the District to acquire the bidder's goods or services; and
- 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
- any relevant criteria specifically listed in the request for bids or proposals.

The Purchasing Department supervises the evaluation process performed by the user department or committee to ensure that the evaluation is conducted fairly and consistently and that the integrity of the process is maintained. Depending on the procurement, there may be additional technical evaluation assistance provided by other departments, if applicable.

The solicitation must specify the relative importance of price and other evaluation factors; the relative weight of each factor must be stated. Evaluators may only use the specified factors in evaluating the proposals. Purchasing staff leads the evaluation team and is responsible for:

- tabulating scores;
- calculating values;
- coordinating follow-up meetings for negotiations;
- coordinating dates and times for submission of Best and Final Offers (RFP only);
- formally ending negotiations and proceeding to the next best offeror (CSP only); or
- discontinuing the process.

After the evaluation is completed, Purchasing forwards an evaluation summary to the Director of the user department and assists with preparation of the agenda item for presentation to the School Board for approval.

Contract Award

The School Board may either: 1) award the contract, or 2) reject all bids

With the exception of federally funded acquisitions, if two responsible bidders submit bids that are identical in nature and amount, and one of the bidders is a resident of the District, that bidder shall be selected. If neither of the bidders is a resident of the District, the School Board decides between the two by casting of lots.

After School Board approves the contract, the Purchasing Department issues a Notice of Contract Award. This notice and the original solicitation form the complete contract. The original contract is maintained in the Purchasing Department.

Exhibit 2: Procurement Methods

Procurement Method	Use When	Advantages	Disadvantages
Competitive Sealed Bids (CSB)	<p>The product/service and quantities are clearly defined and available from more than one source.</p> <p>Firm fixed annual contracts are ideal.</p>	<p>Award process is simpler.</p> <p>Award is made to the lowest responsive, responsible bidder or the bidder providing the best value to the District.</p>	<p>Defined specifications may be difficult to develop.</p> <p>Does not encourage innovative solutions.</p>
Request for Proposals (RFP)	<p>Objectives are difficult to define.</p> <p>When negotiations are beneficial.</p> <p>Vendor is expected to provide innovative ideas.</p>	<p>Allows factors other than price to be considered.</p> <p>Allows for customized proposals with different approaches to the same business need.</p> <p>Allows for negotiations with all offerors resulting in Best and Final Offers in order to obtain the best value for the District.</p>	<p>Lead times for procurement may be greater.</p> <p>Evaluations are more complex and subjective.</p>
Request for Competitive Sealed Proposals (CSP)	<p>Objectives are difficult to define.</p> <p>When negotiations are beneficial.</p> <p>Vendor is expected to provide innovative ideas.</p>	<p>Allow factors other than price to be considered.</p> <p>Allows for customized proposals suggesting different approaches to the same business need.</p> <p>Negotiations conducted only with best evaluated offeror in order to obtain the best value for the District.</p>	<p>Lead times for procurement may be greater.</p> <p>Evaluations are more complex and subjective.</p>
Request for Information (RFI)	<p>There is insufficient information to write specifications for any procurement method.</p>	<p>Provides information to prepare a complete bid or proposal document.</p> <p>Allows the business community to have input into the solicitation document based on current industry practices and market factors.</p> <p>Informs District of any potential problems early in the procurement.</p>	<p>Lengthens the procurement process.</p>
Request for Qualifications (RFQ)	<p>For Professional Services only. Selection is made solely on the skills and qualifications of the professional.</p>	<p>Emphasizes the competency of the proposed professional contractors.</p>	<p>Contractor is tentatively selected before price is negotiated.</p>
Invitation to Quote (ITQ)	<p>Soliciting quotes for products/services below the \$50,000 bidding threshold; or</p> <p>Soliciting quotes from cooperative contractors to obtain best pricing.</p>	<p>End user dictates the turnaround time frame.</p> <p>Automated system provides quote tabulation.</p>	<p>Vendors must register in District's online bidding system to receive quotes.</p>

Section 9: Specifications

Definition

A specification is a concise description of goods or services that user departments seek to buy and the requirements the vendor must meet to be considered for the award. A specification may include requirements for testing, inspection, preparing any goods or services for delivery, or installing them for use. The specification is the total description of the goods and services desired to be purchased.

Purpose

The primary purposes of any specification is to provide vendors with firm criteria about a minimum standard acceptable for goods or services by providing reasonable tests and inspections to determine their acceptability and to provide purchasing personnel with clear guidelines of the needs of the department which will be used to produce the purchase documents. As a result, the specification also:

- promotes competitive bidding, and
- provides a means to make an equitable award to the lowest and best bid from a responsible bidder.

Preparation

In writing specifications, user departments are encouraged to obtain an existing specification (i.e. District or another public entity-created specification) before starting to write a new one. The existing specification can provide ideas and examples that can be customized for Waller ISD purposes. The user department should contact the Purchasing Department for assistance in obtaining existing specifications to facilitate the specification development process.

To gather information to facilitate writing specifications, a Request for Information (RFI) may be issued. Responses to an RFI allow the business community to have input into the solicitation document based on the current industry practices and market factors, and may provide information helpful to prepare a complete solicitation.

There are numerous sources for specifications. These include other governments, professional trade associations, professional purchasing associations and user knowledge. Some specification libraries that are available include:

- Texas Specification Library located at the Texas Comptroller of Public Accounts website: www.window.state.tx.us/procurement/pub/specifications-library/
- General Services Administration, Federal Supply Service – Specifications Section found at www.gsa.gov
- Texas Department of Transportation Standard Specification Index located at http://www.dot.state.tx.us/gsd/purchasing/tssi_alpha.htm
- National Institute of Governmental Purchasing. Contact the Purchasing Department for assistance because this is available to members only.

The user department may propose specifications. To ensure compliance with legal purchasing requirements, the Purchasing Department has final determination of the language included in specifications, except for specifications for construction projects. This ensures proper quality control and avoids the proliferation of conflicting specifications in the different District departments.

To facilitate specification development and avoid duplication of their efforts, user departments should submit their specifications in electronic format to the Purchasing Department.

Section 10: State Purchasing Programs

Background & Statutory Authority

Various state purchasing programs are available to the District. The Texas Comptroller of Public Accounts allows the District to purchase goods and services from TXMAS contracts. Using these contracts through the State of Texas CO-OP will meet all competitive bidding requirements. The State's Department of Information Resources (DIR) allows local governments to purchase computer technology equipment and services.

- **Texas Multiple Award Schedule (TXMAS)** (authorized by section 2155.502 of the Texas Government Code). The District may purchase goods and services from a schedule of multiple award contracts developed by the TPASS. The schedule is adapted from General Services Administration (GSA) Federal Supply Service contracts. TXMAS contracts take advantage of the most favored customer (MFC) pricing and under certain circumstances; the District may negotiate a lower price for the goods or services offered on a scheduled contract.
- **DIR** (authorized by the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code). The District may purchase computer-related equipment through the DIR and its contracted vendors.

Section 11: Cooperative Purchasing Agreements

Background & Statutory Authority

The Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, authorizes local governments to contract directly with other governments to increase their efficiency and effectiveness. Texas Government Code, Section 791.025(c) states that a local government that purchases goods and any services reasonably required for the installation, operation or maintenance of those goods under the Interlocal Cooperation Act satisfies the requirement of the local government to seek competitive bids for the purchase of goods and their services. The District has a variety of interlocal agreements.

The District participates in the purchasing programs of various local, state and national cooperatives. Some of the purchasing cooperatives include: Houston-Galveston Area Council of Governments (H-GAC), Texas Association of School Boards (BuyBoard), Allied States Cooperative (Region 19), TIPS-USA (Region 8), Omnia Partners (TCPN, Reg. 4, US Communities), and Choice Partners (HCDE).

Official Representative

The Purchasing Department acts as the official representative for the Waller ISD in all matters relating to cooperative purchasing programs, including the purchase of goods and services from a vendor under any contract.

Procedures

The Purchasing Department must review and approve all interlocal agreements involving the purchase of goods, services, repair, or maintenance agreements before the agreement is submitted to the School Board or Superintendent for approval.

Contract Award

The Purchasing Department may execute all purchase orders for purchases through interlocal agreements that are procured in compliance with this chapter, including purchases in excess of \$50,000, provided funding for the purchase has been approved by the School Board.

Federal Supply Schedules

Texas Local Government Code Section 271.103 states that a local government that purchases goods and services available under federal supply schedules of the United States General Services Administration, to the extent permitted by federal law, satisfies the requirement of the local government to seek competitive bids for the purchase of those goods and services

Under the Cooperative Purchasing Program, state and local government entities may purchase a variety of technology products, software, and services from contracts awarded under GSA Federal Supply Schedule 70.

Section 12: Professional Services

Background & Statutory Authority

In procuring professional services, the District must comply with the Professional Services Procurement Act, Chapter 2254 of the Texas Government Code. "Professional services" is defined in Chapter 2254 of the Texas Government Code as:

- those within the scope of the practice of accounting, architecture, landscape architecture, optometry, medicine, land surveying, professional engineering, real estate appraising or professional nursing, or
- provided in connection with the professional employment or practice of a person who is licensed or registered as an architect, an optometrist, a physician, a surgeon, a certified public accountant, a land surveyor, a landscape architect or professional engineer, a state certified or state licensed real estate appraiser, or a registered nurse.

A District has discretion to determine whether particular services, other than those covered by Chapter 2254 of the Government Code are professional services for the purpose of exemption from competitive bidding requirements under Education Code, Section 44.031. The Purchasing Director relies on court cases and attorney general opinions to determine what services may be included in this list. For the purpose of this manual, professional services shall be defined as those "requiring special knowledge or attainment of a higher order of learning, skill, and intelligence". The School Board may declare that other services, not specifically listed in Chapter 2254 of the Government Code, meet the criteria for professional services.

Contracts for the procurement of these professional services providers **may not be selected on the basis of competitive bids submitted**. Instead, services must be awarded on the basis of demonstrated competence and qualifications.

Request for Qualifications (RFQ)

To ensure professional firms a fair and equal opportunity to do business with the District, and to ensure that the services of the most qualified professional are obtained, professional services are procured using the Request for Qualifications (RFQ) process and the procedures required by Chapter 2254.

Informal Procedures

Unless specifically exempted by the Superintendent, all professional services anticipated to cost less than \$50,000 are procured using the informal RFQ process. Departments forward a recommendation e-mail to the Purchasing Department when professional services are required. The e-mail identifies the following:

- scope of work
- qualification and experience requirements
- project description and deliverables
- time frames
- budgeted amount and budget line items
- suggested professional and rationale for determining qualification based selection

The user department follows up the e-mail request with entry of a requisition into Skyward.

Formal Procedures

Unless specifically exempted by the Superintendent, all professional services anticipated to cost more than \$50,000 are procured using the formal RFQ process.

Section 13: Purchasing Card (P-Card) Procedures

Program Overview

The Waller Independent School District purchasing card program is designed to provide a more efficient means of making routine purchases and payments by reducing paperwork, allowing for more control and responsibility at the department level, and streamlining the purchasing cycle. The policies outlined herein are not intended to replace, but rather supplement existing purchasing, travel and other District policies.

Purchasing Card Controls

Effective controls provide departments with reasonable assurance that institutional objectives have been achieved through sound financial management. The Business Office is available to assist with training, technical assistance and financial/operational reviews regarding the purchasing card program.

Reason for the Policy

Responsibility for financial control and stewardship of the purchasing card program rests with each department. Each department is responsible for performing their purchasing duties with competence and honesty, and for monitoring the effectiveness of the accountability structure. Through effective controls, a department can:

- Safeguard District assets
- Prevent, detect and correct errors and irregularities
- Ensure reliability of financial information
- Ensure compliance with purchasing card policies and procedures
- Maintain appropriate records in a safe and secure location

Responsibilities of Cardholders

- Participate in District's purchasing card training session and sign the cardholder agreement to acknowledge the responsibilities of the purchasing card.
- Abide by all purchasing card policies and procedures when making purchases. The cardholder will be required to reimburse the District for any unauthorized transactions. Use of the purchasing card for personal purchases will result in immediate and permanent suspension of cardholder privileges.
- Ensure the physical security of the purchasing card and protect the account number. The card shall be treated with the same level of care as the cardholder would use with his/her own personal charge cards. Guard the purchasing card account number carefully. It shall not be posted in a work area or left in a conspicuous place.
- Immediately report lost or stolen cards to Commerce Bank, cardholder's approving supervisor and the Business Office.
- All cardholders must have access to the Internet through campus or department or at home. The cardholder will use the Internet in order to reconcile his/her statement regularly during the month. Each cardholder is provided with a card with a unique card number, and a user ID/password for secure access to the cardholder's account on the Internet. Cardholders may access this Internet link via the District's employee portal.
- Reconcile weekly statements, including supporting documentation for each purchase (i.e. receipts) and file with the department secretary. Keep files according to the records retention policy. Forward a copy of the signed statement with the correct account number to Accounts Payable every Wednesday.
- Identify disputed items and contact merchant directly to resolve disputes. Upon termination of employment or transfer within the District, discontinue use of the purchasing card and return the card to the Business Office. Additionally, review and reconcile all outstanding purchasing card transactions prior to termination or transfer.

- Upon termination of employment or transfer within the District, discontinue use of the purchasing card and return the card to the Business Office. Additionally, review and reconcile all outstanding purchasing card transactions prior to termination or transfer.

Purchasing Card Usage

The card will be used for the following: Any transaction for supplies that do not exceed the cardholder's transaction limit.

The card may not be used for contracted services. Purchases made with the card will be for District business only. Use of the purchasing card for personal purchases will result in immediate and permanent suspension of cardholder privileges. Unauthorized purchases are prohibited, and purchaser will assume responsibility including possible disciplinary action.

The purchasing card may not be used for travel related expenses. Travel Cards are issued for hotel expenses (please see Travel Card Procedures).

*****Note: A purchase order must be entered and approved prior to making any purchases with the purchasing card.***

Purchasing Card Policies and Procedures

Allowable Purchases

The District purchasing card may be used for non-capital equipment and supplies. The purchasing card may not be used for contracted services or capital equipment. The purchasing card may not be used for purchases with ***unapproved vendors***. Use of the purchasing card for purchases with unapproved vendors will result in the cardholder being responsible for payment of the charges.

All purchases must be made in accordance with established District policy. All purchases made with the purchasing card must be for expenses associated with official District business.

Prohibited Purchases

- Alcohol / Tobacco Products
- Cash Advances
- Cell Phones
- Construction, Renovation or Installation Services (These are 1099 reportable to IRS)
- Donations
- Fuel
- Gifts / Gift Cards
- Gratuities
- Leases/Rentals requiring a signed agreement
- Maintenance/Service Agreements requiring a signed agreement
- Medical Services
- Personal items or loans (use of the purchasing card for personal purchases will result in immediate suspension of the cardholder privileges)
- Professional & Consulting Services (These are 1099 reportable to IRS)
- Sales Tax
- Software Licensing Agreements requiring signatures

Review Deadlines

The cardholder must review and reconcile all of the week's purchases every Tuesday and send the approved statement signed by the cardholder to Accounts Payable by Wednesday. All original receipts must be filed with the department secretary responsible for the reconciliation and held according to the

records retention policy.

Required Documentation

Original receipts must support each purchase made with the purchasing card. All documentation should be filed with the department secretary and held according to the records retention policy.

Sales Tax Exemption

The District is tax exempt and should not be charged sales tax. The cardholder is responsible for providing a copy of the District's Texas Sales and Use Tax Exemption Certificate when making purchases of eligible tax exempt goods with the purchasing card. The cardholder will be responsible for reimbursing the District for any sales tax charged on eligible tax exempt purchases.