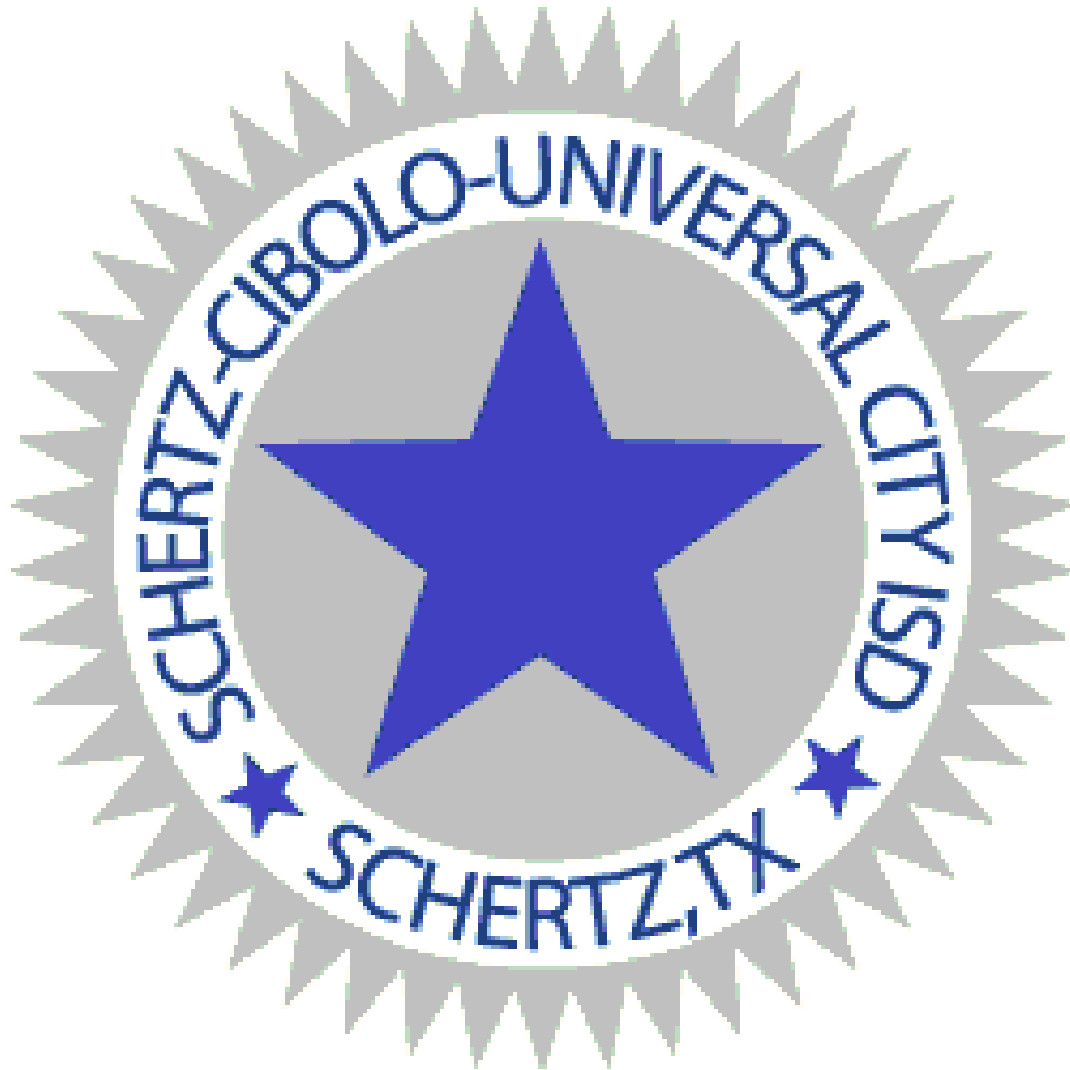


## **PURCHASING & SUPPLY MISSION:**

We will provide our customers quality goods and services in a courteous, reliable, and timely manner in support of our district's educational mission.



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## **Statutes Regulations and Board Policies Applicable To Purchasing**

Statutes containing requirements for competitive purchasing/contracting processes for districts are found in the Texas Education Code, Local Government Code, Government Code, Texas Revised Civil Statutes, Texas Attorney General Opinions, federal regulations and other sources.

Board policies applicable to Purchasing are under Policy Section CH, Business and Support Services.

**When a conflict arises between federal regulations, state law, and board policy, the strictest rules shall apply.**

## **Purchasing Authority**

The Board delegates to the Superintendent or designee the authority to make budgeted purchases for goods and services and to determine the method of purchasing, in accordance with Policy CH (Legal). The Purchasing Director has been delegated authority to approve purchases in accordance with the Texas Education Code, Local Government Code, Government Code, Texas Revised Civil Statutes, Texas Attorney General Opinions, federal regulations Board Policy and local procedures.

Purchasing reviews the appropriateness of purchase requests, prepares solicitations, obtains bids and or proposals, evaluates and awards based on applicable laws, Board Policy and procedures.

Therefore, no purchases, contracts or agreements which obligate District funds shall be made without going through the acquisition process as outlined in Board policy and these procedures. Those individuals who obligate the district funds without the proper authority as outlined shall be held accountable, shall assume full responsibility themselves by paying the unauthorized obligation themselves, or other disciplinary action as deemed appropriate. (Ref Board Policy CH (LOCAL))

## **INTERDEPARTMENTAL COORDINATION**

Ensure interoffice coordination/approval actions are completed on all requests, e.g., Technology must approve all technology purchases. Coordinate facility improvements with maintenance, for example ordering a washer/dryer and the electrical phase/voltage required for the units is different from what is available at the proposed location.

### **TECHNOLOGY**

Coordinating all requisitions for hardware and software allows the district to use its resources, personnel, money, equipment, in the most efficient manner so we stay aligned in maximizing our use of available resources. Why buy a printer, or computer that can't be maintained? Or software that is not compatible with our Operating System or Network or for another software already exists for the same purpose? There is so much to gain by processing requisitions through technology and nothing to lose.

## General Ethical Procurement Standards

People involved in the purchasing process are exposed to more than ordinary temptation to abuse the powers of their office. This is because they direct the spending of a large amount of public money. Of course, it is a serious breach of the public trust to subvert the public purchasing process by directing purchases to certain favored vendors, or to tamper with the purchasing process, whether it is done for kickbacks, friendship or any other reason.

State law relating to violation of purchasing requirements impose upon violators certain criminal penalties, which are found in Section 44.032, Texas Education Code, and Chapter 271, Local Government Code, (LGC).

There are certain standards of ethical behavior which govern the conduct of employees involved in the purchasing function. Many of these align directly with the District Educators Code of Conduct, Section 1. Professional Ethical Conduct, Practices, and Performance. The fundamental standards are as follows:

1. It is breach of ethics to attempt to realize personal gain through public employment with a district by any conduct inconsistent with the proper discharge of the employee's duties.
2. It is breach of ethics for any employee of a district to participate directly or indirectly in procurement when the employee knows that:
  - The employee or any member of the employee's immediate family has a financial interest pertaining to the procurement;
  - A business or organization in which the employee, or any member of the employee's immediate family, has a financial interest pertaining to the procurement; or
  - Any other person, business or organization with whom the employee or any member of the employee's immediate family is negotiating or has an arrangement concerning prospective employment is involved in the procurement.
3. **Gratuities:** 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, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter pertaining to any program requirement or a contract or subcontract, or to any solicitation or proposal therefore pending before this District.
4. **Kickbacks:** It is a breach of ethics for any payment, gratuity or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor for any contract of a school district, or any person associated therewith, as an inducement for the award of a subcontract or order.
5. It is a breach of ethics for any employee or former employee of a school district knowingly to use confidential information for actual or anticipated personal gain, or for the actual or anticipated gain of any person.

## WHERE DO WE BEGIN? NEED RECOGNITION

### Requisition Process

What is a Purchase 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 or manually for the purchase of supplies, services, or equipment.

**Need Recognition** - Everything SHOULD start here.

### Ensure funds are available

**Document and define the need:** Without a good description or specification it is not possible to get what you want.

**Select the source:** Use an existing contract or conduct competition

**Establish clear Price and Delivery Terms** based on price and other factors, i.e. realistic delivery date, quality.

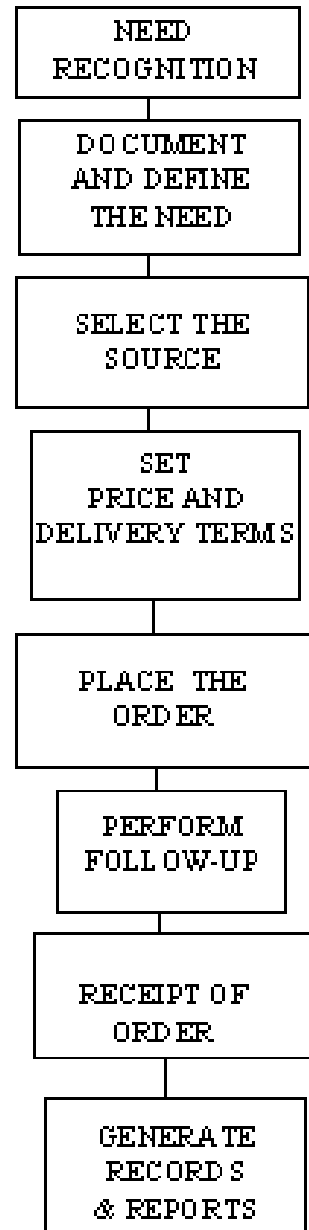
**Process the requisition/Place the Order:**

**Perform follow up:** If it is not received by the requested delivery date.

**Receive the goods or services. All goods are received at central receiving except oversized drop ship orders.**

**Submit invoices** to accounts payable/receiving copy of PO to Purchasing

### THE PURCHASING CYCLE





## **VENDORS AND CONTRACTORS**

- A. Use vendors with whom we currently have a bid or contract with. Non contracted vendors will not be used unless no other contracted vendor can supply the product or service or the total cost delivered is significantly lower. District and Cooperative contracts have established terms and conditions.
- B. The school district has compiled a preferred vendor list. These are in the form of those vendors already on district contracts or on other purchasing cooperative contracts. This list includes the names and contact information of hundreds of vendors and the type of products and services they offer. Sources include:
- |  |                                       |
|--|---------------------------------------|
| ✓ District Contracts                             | ✓ TASB BuyBoard                       |
| ✓ Region 2013 Co-op bids                         | ✓ Department of Information Resources |
| ✓ State Bids Through the Texas State Comptroller | ✓ Other Co-op Bids as approved        |
- C. Requesting a new vendor. Please contact the purchasing office for guidance. Our district uses an online vendor registration process whereby the vendor inputs all contact information and uploads a current, signed W-9 to complete the process.
- D. Note: A vendor may be approved for a single purchase and added to Ascender for payment, however that does not mean they are on a contract or categorized as a Preferred Vendor. "Preferred Vendors" are those that have been awarded a competitive contract by Purchasing for use by all departments and schools. We strongly encourage you to utilize "Preferred Vendors." These are listed on our website under SCUCISD Approved Vendor List.

## **VENDOR COMMUNICATIONS**

Establishment of certain school district-wide procedures regarding vendor contact are important to an effective centralized purchasing design. Such policies and procedures may include requiring that appointments with vendors be scheduled through the campus/department requesting a visit or that a representative of the department responsible for purchasing (e.g., purchasing manager or equivalent) attends such meetings with vendors if desired.

Board Policy and [Admin regulation GKC](#) addresses visitors in general.

Drop in visits by vendors are discouraged. Vendors are to call and make scheduled appointments

No Direct Sales to Teachers/Staff are allowed.

## **VENDOR PERFORMANCE EVALUATION**

We support continuous performance improvement by holding contractors accountable for poor performance and providing incentives for outstanding performance (That is more work). Evaluation of vendors and their performance is important to support an effective purchasing function. Factors to consider for inclusion in the evaluation are:

- Timeliness of deliveries
- Service availability
- Completeness and accuracy of order
- Quality of products or services received

Whenever problems are encountered with a vendor, (i.e., a vendor fails to deliver goods or services as agreed) it is important to document the problem, noting the date and an accurate description of the problem.

The following link is provided for your convenience and is also available on our Purchasing Department Website. [Supplier/Contractor Performance Feedback](#). You may also contact our office directly at (210) 945-6223. We will share your comments with the vendor/contractor with the aim of performance improvement.

## APPROVAL OF REQUISITIONS

Requisitions initiated by instructional, maintenance and support personnel should then be reviewed and approved by the appropriate person, either the campus principal, department head or superintendent. The Director of Purchasing or his designee shall conduct a final review and approval before a Purchase Order number is assigned. Requisitions which require expenditures from a Special Revenue Fund should be approved by the appropriate program administrator.

Section 44.052 Texas Education Code states that a superintendent that approves any expenditure of school funds in excess of the amount appropriated for that item(s) in the adopted budget commits a Class C misdemeanor offense. Consequently, close supervision and monitoring of the availability of budget dollars and of the approval process for requisition of competitive procurements is an important element of a district's purchasing process.

The purchase requisition should be in a standard format so that the information can be readily identified and processed.

- Vendor name and address
- Date the goods or services are required
- Contract number
- Description of goods or services
- Quantity needed
- Price (per unit and in total)
- Discounts, if any
- Shipping arrangements
- The code of the account or accounts to be charged
- Other pertinent factors such as delivery destination, performance period, campus, etc.

In our district, the purchase requisition once properly approved, will become a numbered purchase order. Purchasing will ensure that the appropriate competitive purchasing method (i.e., competitive procurement, price quotes, etc.) is determined and has been performed before the requisition is approved for processing.

The preceding and following information is provided to help you. Purchase requests, which are missing information, contain ambiguous descriptions or otherwise not completed correctly may delay purchasing action and may lead to the purchase of the wrong product or service. Correcting discrepancies is time consuming and expensive for District personnel, the vendor, and you the requestor (if you do not receive what you need when you need it).

**PROCEDURES FOR THE PROCESSING OF PURCHASE  
REQUISITION/PURCHASE ORDERS**

1. The purchase requisition must be used for all business activities outside the SCUCISD. Ensure the Contract number is entered when applicable.
2. The Internet-based Texas Computer Cooperative Software (Ascender) is a comprehensive, hosted solution with applications for business, human resources, student services, and PEIMS. All requests for purchases shall be submitted in Ascender or on Schertz Cibolo Universal City ISD. requisition/purchase order forms approved by the Purchasing Department.
3. The correct budget code must be used on all district requisition/purchase order forms.
4. A brief statement of the purpose of the purchase is to be included in the space provided on the form either in the purchase description or in the requisition comment field. Annotate on Purchase Requisition if it is a Pre-payment. Note: Prepayments are not normally allowed due to generally accepted accounting practices, i.e. paying for something we haven't yet received. Therefore prepayments may be denied.
5. The "SHIP TO ATTENTION OF" portion of the requisition must contain the ship to address. All Purchase Orders should have items shipped to the District's Central Receiving Warehouse. This is the default receiving location in Ascender.
6. Requisitions begin at the requestor level. Proper approval is to be given by the respective department head, director, or principal. (Technology must review all Hardware/Software requisitions) *Please obtain necessary approvals before submitting requisitions to purchasing.* Any liability incurred prior to approval will be that of the person who initiated the liability.
7. The purchase requisition number is used primarily to identify the status of the purchase request prior to approval. Do not use a purchase requisition number to place any orders with a vendor. That is a violation of Board policy CH (Local). Once approved, a purchase order number will be assigned and at that time only does the requisition become a purchase order. The main identifier of the purchase requisition then becomes the "P. O. number".
8. When ordering catalog discount supplies, use only the catalogs and corresponding bid/contract numbers for the company from which supplies are being ordered. The purchasing department provides catalogs to each campus/department along with a list of contracted vendors and terms such as discount rates, reference numbers if any, and shipping terms on our website. When preparing purchase requisitions please **provide the contract number and reference number if any**. After all items have been listed on the requisition, then provide the discount percentage in Ascender if applicable and the amount of the discount will be automatically calculated. Including the contract discount percentage will ensure the discount is being applied. The total requisition amount should show the total cost of the goods/services.

|          |                          |         |            |
|----------|--------------------------|---------|------------|
| Example: | SUB TOTAL                |         | \$ _____   |
|          | LESS DISCOUNT            | _____ % | - \$ _____ |
|          | SHIPPING (if applicable) |         | \$ _____   |
|          | TOTAL                    |         | \$ _____   |

## **FINAL APPROVAL AND PROCESSING**

The purchase order is approved by the Purchasing Director or designee.

Purchasing as a rule will make distribution unless the requestor requests to hand deliver the PO themselves to the vendor/contractor.

The distribution is as follows;

1. Vendor Copy which is sent to the selected vendor
2. District Copy which is sent to the district's accounting office
3. Receiving Copy which when completed is used to enter receiving actions into Ascender so the accounting department can confirm receiving and that payment should be made according the district's accounts payable process

If a Campus/Dept would like a copy for financial management purposes, please reach out to Purchasing.

The purchasing department maintains a record in Ascender of all purchase orders issued for control purposes. The log includes the date of submission, purchase order number, vendor number and account code. A log of manual Purchases Orders is also maintained.

### **CHECKING ON YOUR PURCHASE ORDER STATUS**

You must have the requisition number in order to obtain information about your order. This is how orders are tracked before they are approved and given a purchase order number. You are responsible for keeping track of your requisition numbers. You may want to establish a Purchase Request Log similar to the one below and write the requisition number down as the requisition program automatically assigns them.

#### **Purchase Request/Order Log**

| <b>Date</b> | <b>Purchase Request</b> | <b>Brief Description</b> | <b>Qty</b> | <b>Unit</b> | <b>Vendor</b> | <b>Amount</b> | <b>PO number</b> | <b>Date Rec'd/Closed</b> |
|-------------|-------------------------|--------------------------|------------|-------------|---------------|---------------|------------------|--------------------------|
|             |                         |                          |            |             |               |               |                  |                          |
|             |                         |                          |            |             |               |               |                  |                          |

## **CANCELLATION PROCESS:**

The district has established purchase order cancellation procedures. If a requestor needs an order cancelled DO NOT contact the vendor to cancel the order. **Contact purchasing immediately** with the purchase order information and a bona fide reason why you wish to cancel the order. Good purchasing is built on establishing relationships, too many cancellations can sour a business relationship.

Note: Items already shipped may have a restocking fee, which sometimes can be the value of the goods themselves!

## **BLANKET PURCHASE ORDERS**

A blanket purchase order is issued to a pre-approved vendor authorizing purchases from that vendor over a period of time. Blanket purchase orders are valuable because they allow the purchase of items quickly. Both paperwork and related processing costs usually are reduced by blanket purchase orders. However, blanket purchase orders must follow certain criteria:

- ❑ Pre-qualification of vendors, that is they are on an existing District/Cooperative contract
- ❑ Limitation on the maximum amount for purchases (usually up to \$500 per month per vendor),
- ❑ A specific time frame for purchases covered by the blanket purchase order (usually one month), and
- ❑ Identification of authorized purchasers.

Blanket purchase orders are issued so that supplies, materials, or services are available "as needed" by user departments. They are not a "blank check" to go shopping or to compensate for poor planning. For example, blanket purchase orders may be requested on a regular basis by the Child Nutrition Department for perishable items or by the Maintenance and Transportation Departments for small hardware or repair parts. Blanket purchase orders can also be requested for a predefined contracted service that requires regular monthly or quarterly payments of a specific amount for services rendered. Blanket purchase orders cannot be used for the purchase Fixed Assets Capitalized or Inventory items. All open blanket purchase orders will be closed at the end of each fiscal year.

This type of purchase order remains in effect for only a specified amount of time and has a specified dollar limit. During this time period, the district may purchase certain specified items (as identified on the purchase order) from the vendor not exceeding the total dollar limit without issuing additional purchasing orders. The user department must issue a new requisition if items are requested beyond the specified time period. The advantage of blanket or open purchase orders is that merchandise is accessible to users with some flexibility and without the additional transaction and time costs of processing multiple individual small dollar value purchase orders. If you believe that a blanket purchase order will best serve the needs of your department please contact your Purchasing Manager before submitting a requisition for a blanket P.O., to discuss if a blanket purchase order is right for you.



## **EMERGENCY PURCHASES**

Two types of emergency purchases are made in districts. One type results from an imminent 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. An example of an emergency purchase of this type is the authorization to repair a school after a fire or a natural disaster. Our Board of Trustees has proactively delegated to the Superintendent or designee the authority to contract for the replacement, construction, or repair of school equipment or facilities necessary for the health and safety of District students and staff in the event of a catastrophe, emergency, or natural disaster in accordance with the law.

Emergency purchases exceeding the dollar amount triggering competitive procurement requirements shall be made in conformance with subsection Section 44.031 Texas Education Code.

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. For example, if windows are broken at a school by vandals, an immediate need exists to not only secure the building, but also to protect the contents from damage by the elements. This type of emergency purchase is normally utilized after regular business hours or on weekends and holidays. After purchases of this type are made, a purchase order should be issued after the fact on the next business day. Care should be taken that emergency purchases do not result from improper planning rather than from a true emergency.

It is important that the district attempts to eliminate emergency purchases for non-emergency situations as much as possible and requires that all emergency purchases be fully justified.

### **PROCEDURE:**

If your campus/department encounters a bona fide emergency as described above;

- Immediately contact Purchasing at x 6223 to handle the situation.

## **Activity Account Purchases**

With the exception of Office Depot orders, items purchased through an Activity Account should not be sent to our Central Receiving warehouse. Those orders should be shipped directly to your campus.

Activity fund purchases should comply with the district's purchasing procedures and relevant statutes.

## **Terms and Conditions**

Terms and Conditions, unfortunately, are not that well attended to or understood. Many people refer to T's and C's as the "fine print" that no one reads. (*When was the last time we read the terms and conditions for a new phone app?*)

T's and C's are developed to manage risk and provide legal protection in the agreement between the seller and buyer, what constitutes successful delivery performance, how a contract is terminated, warranties and the like. Using our Contract vendors (preferred) ensures we have agreed and established terms and conditions. A sample of typical terms and conditions for a PO is on our website vendor/contractor page at <http://www.scuc.txed.net/files/342/E-TERM~1.pdf>.

**NOTE: DISTRICT SOURCES OF SUPPLIES AND SERVICES SHOULD BE USED PRIOR TO INITIATING ANY COMMERCIAL PURCHASING ACTION**

## CONSULTANT SERVICES

The campus/department identifies the need for consultant services; a requisition will be prepared and forwarded to Purchasing.

The requisition will include the following information:

- A recommended consultant (with address, phone number, and federal tax I.D. or social security number.)
- A synopsis of the services to be performed
- Copies of all proposals and other documentation pertinent to this agreement received from vendors. Please provide all information you have regarding dates, times, or other factors effecting performance.
- A properly funded budget code.

The Purchasing Department will review the requirement following established competition thresholds to determine if the service will require a formal competitive procurement. If required, a formal solicitation must be prepared and advertised, and approved by the Board of Trustees before the contract may be executed and performed.

**Any contract exceeding \$50,000 requires Board approval** (unless one of the limited exception's under CH (LOCAL). Since the Texas Education Code requires advertising if the district's requirements exceed \$50,000.00 in the aggregate in a year, assume that any requirement for a consultant which will exceed \$50,000 in a year will require advertisement and Board Approval.

A consultant provides a professional service, for which years of education and training make that person singularly qualified to provide the service. These people may be hired as consultants.

Someone who is providing clerical support, teaching students, or otherwise performing a task using district supplies, and under the supervision of district employees, **may not be consultants**. They may be employees, and if so may be hired as temporary employees through Human Resources.

Once all requirements are in place, the Purchasing Department will issue a purchase order/contract.

The Purchasing Department will have any resulting contract signed by the consultant. Once the contract has been finally executed by both parties (the consultant and the District), a copy of the final contract and the original requisition will be provided to the campus or department.

All vendors, including consultants need to be cautioned not to perform any work until the contract or purchase order is executed, including signatures of the contract by the consultant, approval by the Board of Trustees or Superintendent (if necessary), and final execution by Purchasing as the district's agent.

## **OFFICE DEPOT ON-LINE ORDERING PROCEDURES**

The following is the procedure for the hybrid on-line ordering from Office Depot Business Services Division. This procedure will only work on the Office Depot Business Services Division web site. No other web site for Office Depot may be used as part of this procedure.

An employee will be issued a user authorization code to access the Office Depot Business Services Division web site at <http://bsdnet.officedepot.com>. This access will permit developing a requisition, but not actually transmitting it to Office Depot. The requisition will be held pending status until the following steps are accomplished.

1. A purchase order requisition to Office Depot is prepared, with item descriptions in the body of the requisition and the total of the purchase indicated. The requisition must be otherwise complete with a funded budget code. Note: Do not mix inventory items, under a 6399 code, rather add the appropriate second code 66XX, 6396 for any inventory items.
2. All appropriate signatures/approvals are obtained.
3. The requisition is sent to Purchasing.

Purchasing will process the purchase request, and then review and release the electronic requisition to Office Depot Business Services Division to have the order filled. Delivery should be next day or the day after for in stock items.

Please notify Purchasing if a person with on-line access for your campus leaves the campus for another campus or department, or leaves the district. Users are only authorized to order for their original organization. New users may be added by submitting the information requested on the Office Depot Order Sign up Form.

Purchasing will make normal distribution of the purchase order to the official file, the campus/department, accounting, and receiving. . The original of the purchase order will not be sent to Office Depot to prevent the possibility of duplication of an order. Office Depot will send an e-mail confirmation to the originator of the requisition once the order is released to Office Depot.

Please submit the following memo to add/delete personnel to the Office Depot On-line Ordering system. Once the information is received, signed by the Principal/Director, we will provide the information to Office Depot Business Services Division.

---

**TO:** Purchasing Department

**FROM:**

**DATE:**

**SUBJECT:** OFFICE DEPOT ON-LINE ORDERING SIGN-UP

---

Please add the following person to the Office Depot On-line Ordering program for this organization:

Name: \_\_\_\_\_

Organization: \_\_\_\_\_

Delivery Address: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

Please delete the following person from the Office Depot On-line Ordering program for this organization:

Name: \_\_\_\_\_

Organization: \_\_\_\_\_

Delivery Address: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

## EQUIPMENT REPAIR PROCEDURES

---

- A. Check to see if the equipment is still under warranty
- B. If the original estimate is for no charge, the process below is not required. If the vendor, while performing a no charge repair (warranty), identifies additional repairs which will generate a cost, follow the procedure below immediately.
- C. Repairs will be effected using a purchase order.
- D. If there is a charge for the repair, the following procedures have been established for campuses and departments:
  - 1. Identify the equipment needing repair, and the nature of the problem.
  - 2. Identify a source (vendor) to effect the repair.
  - 3. Get a written estimate. Contract repair services are subject to the same competitive requirements as a purchase requisition (quotes).
  - 4. Initiate a purchase requisition to the vendor. Include in the Description section:
    - a. Item description, e.g.: iPad; brand name and model number, serial number and district bar code (property tag) number.
    - b. Nature of the problem.
    - c. Amount of the ESTIMATE.
  - 5. Attach a copy of the Estimate (or quotes) to the requisition.
  - 6. Submit the purchase requisition.
  - 7. Once the purchase order is approved/issued, the vendor is authorized to effect repairs.
  - 8. Upon completion of the repair:
    - a. Receive or pick up the equipment from the vendor.
    - b. Verify the repair has been performed satisfactorily.
    - c. If acceptable, attach a final copy of the vendor's repair ticket/invoice to a copy of the purchase order receiving copy, sign the copy indicating services were provided.

Remember, you are entrusting district property to a third party, and you are responsible for it.

## **URGENT RUSH WALK THROUGH PURCHASE REQUESTS**

These should be few and far in-between. This should be an item/service that will be picked up/requested that same day.

Contact the purchasing office with the Req. # This will enable us to review the request in advance.

Call our office before coming by – This is to ensure your PO is ready for Pick up.

If this is a new vendor, contact the purchasing department immediately by phone at X6223

Email to [purchasing@scuc.txed.net](mailto:purchasing@scuc.txed.net) or fax to x6251.



## **DISTRICT AND STATE COMPETITION REQUIREMENTS**

Directed by State Statutes and Local Policies and Procedures for Non-Federal Funds

- < \$10,000** Use an approved Contract vendor or obtain three written quotes if not available on approved contract
- ≥\$10,000** Use an approved Contract vendor or provide a minimum of three written quotes (These quotes shall be obtained by the Purchasing Office, use Bid Solicitation Form).
- ≥\$50,000** Use approved Contract vendor, may require formal bid process, if so it shall be taken to the Board unless ordered against a qualified Purchasing Cooperative Contract. (Competitive Contract method decision at Purchasing Offices discretion)

NOTE: At Purchasing Offices discretion, any purchases regardless of the price threshold may require a formal competitive bid process, due to aggregate spend, and may need to be taken to the Board. Purchasing will monitor aggregate spend and notify you if this will be needed.

## **Purpose and Intent for Competitive Bidding**

“The purpose and intent of competitive bidding is to help public schools secure the best work and materials at the lowest practical prices by stimulating competition. If a district advertises purchasing needs relating to large expenditures, then economies of scale - purchasing in large quantities - will probably result in lower costs either per unit item or in the aggregate. Another reason for competitive bidding - it's an open process.”(FASRG 2010)

Sterrett v. Bell, 240 S.W.2d 516, 520 (Tex. Civ. App. - Dallas 1951, no writ hist.).

The purpose and intent of competitive bidding laws were defined in Sterrett v. Bell, as follows:

- "Gives opportunity to bid...on the same undertaking...upon the same thing;"
- "Requires all bidders be placed upon the same plane of equality...each bid; upon the same terms and conditions;"
- "Stimulates competition and prevents favoritism;" and
- "Secures the best work and materials at the lowest practical price."

### **Splitting Requirements:**

Making Separate, Sequential, or Component Purchases to avoid statutory purchasing requirements is not allowed.

“... (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. (Texas Education Code §44.032)”

## **SOLE SOURCE:**

Selected purchases may be exempt from competitive procurement if they meet established criteria for a sole source purchase. Identification and confirmation that competition in providing the item or product to be purchased is precluded by the existence of a patent, copyright, secret process or monopoly.

If you believe that you need goods or services and they can only be obtained from a sole source please contact the Purchasing office for help. The requestor of a sole source procurement shall complete a sole source justification document available from the Purchasing office off our web site and submit it completed to the Director of Purchasing for review and final approval or disapproval.

It is incumbent upon the district to obtain and retain documentation from the vendor, which clearly delineates the reasons, which qualify the purchase to be made on a sole source basis. (Texas Education Agency).

To be a bona fide exemption to the Texas Education Code District purchasing law requirements, there must be no other like items available for purchase that would serve the same purpose or function, and only one price for the product because of exclusive distribution or marketing rights. The fact that a particular item is covered by a patent or copyright is but one factor in determining if the purchase falls under the sole source exemption to the purchase requirements. (§44.031(j)(1), Texas Education Code.

## **COMMON PURCHASE REQUEST PROBLEMS**

If the price already includes a discount, e.g. catalog discount of 10%; please indicate this on your request such as discount included in pricing.

If you obtained special pricing, please include the name and number of that individual.

**Incorrect account code:** This will only delay your request. Any required budget change requests must be processed through accounting before the purchase request will be processed/accepted.

**Insufficient description:** A complete description is required when typing a purchase request. This provides the approver and the vendor/contractor the information needed to process your request. You are required to put the item number, model number, size, color, and any other important information pertaining to your request. Failing to do so will only delay your order.

The directions on your purchase request must be clear. Example; In the **comments field** of the purchase requisition type, **PLEASE DELIVER TO (put the person's name and the campus/department).**

Do not put a (Y for yes) in the RETURN PO field unless you intend to hand-deliver the purchase order to the vendor yourself. You will receive a copy of the purchase order electronically when it has been processed.

## **ATTACHMENTS**

Requirements should be clearly described on the purchase request description. If there are more than 30 line items then an attachment listing those items with clear purchase descriptions may be used.

Do not include attachments unless necessary, e.g. membership applications, conferences, Hotel confirmations, etc....

Requests received without the proper attachments may be returned to the requestor and deleted if no attachments are provided. This is a part of the purchase request and is the requestor's responsibility.

## COMPETITIVE PROCUREMENT TIMELINE AND PROCEDURES

Formal Solicitations require at least eight weeks of preparation and an additional four weeks if Board approval is required. The following steps should be followed when bids are taken:

| Action   | Responsibility                     | Approval Requirements              |
|--|------------------------------------|------------------------------------|
| <b><i>Bid Procedure</i></b>  |                                    |                                    |
| Obtain approval to purchase the goods or services.   | User Dept. or Campus               | Director or Campus Principal       |
| Verify that the requirement requested is budgeted.   | Dept. Director or Campus Principal | None                               |
| Contact the Purchasing Department to establish a schedule for bidding out the requirement.   | Dept. Director or Campus Principal | None                               |
| Prepare specifications/Statement of Work (SOW) for the approved requirement and reviews specifications with Purchasing Department. | Dept. Director or Campus Principal | None                               |
| <b><i>Time frame for bidding</i></b>   |                                    |                                    |
| 1st Week - Coordinate bid with Purchasing Unit, submit bid request form and write specifications/SOW.                              | Dept. Director or Campus Principal | None                               |
| 2nd Week and 3rd Week - Bid ad to run 14 days prior to bid opening.  | Purchasing Department              | Purchasing                         |
| 4th Week - Open bid and complete tabulation sheet.   | Purchasing Dept. and Requestor     | None                               |
| 5th Week - Analyze bid.  | Purchasing Dept. and Requestor t   | None                               |
| 6th Week – Requestor presents recommendation to Purchasing.  | Dept. Director or Campus Principal | Dept. Director or Campus Principal |
| 7th Week – Prepare Notice of Award to vendor.  | Purchasing Director                | Board                              |
| <i>7th Week –Alternate If Board approval is required Prepare Board presentation by Purchasing for Discussion.</i>                  | <i>Purchasing Department</i>       | <i>Board</i>                       |
| 8th Week - Purchase orders submitted to vendors.   | Unit Director or School Principal  | Purchasing Agent                   |
| 12 <sup>th</sup> Week Prepare Board presentation for Approval.   | Purchasing Department              | Board                              |

*Acknowledgement: TSPR Management Review Team.*

**Responsibilities for Competitive  
Sealed Bids and or Proposals**

| <i>Requestor responsibilities in the bid process</i>   |
|--|
| Requestor will comply with the approved bid schedule.  |
| Requestor prepares specifications for the approved item and reviews bid specifications with director of Purchasing. Email a copy of the bid documentation. Do not change specifications once submitted to vendors. If a change is required, you must notify and coordinate through Purchasing.       |
| Requestor prepares a list of three or more local vendors and includes established vendor list in Purchasing. Review the vendor list with Purchasing  |
| Requesting department director or campus administrator will be present in opening bids/proposals, evaluation, and recommendation. Bids are accepted on lowest responsible bid meeting Bid specifications. Proposals are recommended as the Best Value.   |
| Requesting unit administrator prepares letter of recommendation for the board in the approved format and submits to the Purchasing Department for review.  |
| An item that is recommended as the result of a Sealed Bid, other than low bid, requires a written justification. The justifications and the recommendations are reviewed by the Purchasing Director. If approved the final decision is made to submit the recommended award for board consideration. |
| Purchasing Department types completed tabulation of bids to be presented to the Board of Trustees for consideration. In some cases, it may be necessary for the Requesting administrator/director to attend the board meeting to justify the recommendation.   |

*Acknowledgement: TSPR Management Review Team.*

Inclusion of Purchasing during the planning phase allows everyone the opportunity to better understand and comply with bid requirements and processes and provides Purchasing the flexibility to schedule its resources where and when needed.

## **TAXES**

### Taxable Status of Purchases

“All items purchased by a public school for the school's own use qualify for an exemption from sales tax if the items purchased relate to the educational process. The school, school district or an authorized agent should provide the seller a tax exemption certificate. To be valid, the certificate must state that the merchandise being purchased is for the organization's own use in providing education, is being made in the name of the organization, and that payment shall be made from the organization's own funds. The school district should not reimburse employees for sales tax they paid on purchases made on the behalf of the school district.”

“Purchases for their own use by individuals, even though connected with a school or school organization, are not exempt from the tax. As an example, cheerleaders purchasing their own uniforms, teachers purchasing computer equipment, band members purchasing their own instruments and athletic teams purchasing their own jackets are not tax exempt.”

### Texas Education Agency

(For a more comprehensive discussion of taxes, refer to the Application of Texas Sales and Use Taxes in the Tax Concerns and Obligations section of the Financial Accounting and Reporting module of the Financial Accounting System Resource Guide.)



## **Glossary of Terms**

### **Award**

Purchasing's acceptance of a Bid or proposal from a Vendor resulting in a Purchase Order or contract with the vendor.

### **Back Order**

All or part of an order that the Vendor is unable to ship immediately, but will be shipped at a later date.

### **Bidder**

The Vendor/Contractor submitting the reply to an Invitation for Bid (IFB) Request for Proposals (RFP).

### **Competitive Bidding**

The submission of prices by individuals or firms competing for a Contract.

### **Contract**

A legally binding agreement between two or more parties. (Example: Purchase Order) A purchase order is an offer to a company which becomes a "contract". It has terms and conditions like a contract however it is not binding until the seller "accepts" the order.

Acceptance would be shipping the product as per the purchase order.

### **Contract Administration –**

The oversight of a contractor's (supplier's) performance as per the terms, conditions and specification of a contract. This oversight may include responsibility delegated by the central purchasing authority to using departments.

### **Cooperative Purchasing –**

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.

### **Debarment –**

A shutting out or exclusion (through due process) for cause, as a bidder from a list of qualified prospective bidders.

### **Discount**

A deduction from the normal price of an item(s) given by the Vendor to the District.

### **Emergency Purchase –**

A purchase made without following normal purchasing procedures in order to obtain goods or services to meet an urgent and unexpected requirement where health and public safety or the conservation of public resources is at risk.

### **Evaluation of Bid/Proposal –**

The process of examining a bid/proposal 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

**FOB (Free on Board)** point defines the situation.

FOB Origin means the buyer needs to arrange transportation and is legally responsible for the goods while they are in transit. FOB Destination refers to the seller arranging transportation and having liability during movement.

**F.O.B. Destination, Freight Prepaid, and Added**

Title of merchandise passes to District at time of delivery; however, transportation and freight charges are prepaid by the Vendor and added to the invoice.

**F.O.B. Factory, Freight Prepaid and Allowed**

A delivery term which places liability with the District once the freight leaves the dock, but the Vendor is going to pay the shipping costs.

**F.O.B. Shipping Point**

Title of the merchandise passes from the Vendor to the District at the moment of delivery to the freight carrier. District is liable for freight charges, and must file all claims for loss or damage.

**Prepayment**

When payment must accompany the Purchase Order (memberships, dues, subscriptions, registrations, etc.)--Proof is required.

**Professional Services –**

Infrequent, 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

**Proforma Invoice**

An invoice written prior to receipt of ordered material, which shows the cost of the item. (Commonly used for prepayments.)

**Purchase Request (PR):**

This is your requisition for a product or service. This form, manual or electronic, once duly executed and approved by the authorized agent becomes a Purchase Order (PO).

**Purchase Order**

A Purchasing document consummating a purchase which acts as a contract when accepted by the Vendor and states the terms and conditions of the desired purchase.

**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 goods/supplies, or the price so stated.

**Request for Proposal (RFP) –**

(1) All documents, whether attached or incorporated by reference, utilized for soliciting (competitive) proposals. The RFP 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 negotiated 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.

**Responsible Bidder or Offeror –**

A person who has the capability in all respects to perform in full the contract requirements, and the integrity and reliability which will assure good faith performance.

**Responsive Bidder/Offeror –**

(1) A person who has submitted a bid/offer which conforms in all material respects to the Solicitation. (2) One whose bid/proposal conforms in all material respects to the terms and conditions, the specifications and other requirements of the Solicitation.

**Sealed Bid**

A Bid that is submitted in a sealed envelope with instructions stated in the IFB. There is a date and time deadline for submission. Envelopes are date and time stamped upon receipt and not opened until the Bid opening date/time.

**Sole Source**

An award for goods or services to the only know capable contractor, occasioned by the unique nature of the requirement, the contractor, or market conditions.

**Solicitation Request –**

(1) Information transmitted by a using agency requesting the central purchasing office to effect a contract for a particular need or group of needs. The request may include, but is not limited to, a performance or technical description of the requested item, delivery schedule, transportation mode, criteria for evaluation, suggested sources of supply, and information related to the making of any written determination required by policy or procedure. (2) That document whereby a Using Agency requests that a contract be entered into for a specified need, and may include, but is not limited to, the technical description of the requested item, delivery, criteria for evaluation, suggested sources.

**Specifications**

A description of what the District seeks to buy, and what the Bidder must be responsive to in order to be considered for award of the contract.

**Vendor**

Supplier, Contractor.

## **FORMS**

Forms are available from the Department Website:

**ADDENDUM I**  
**FEDERAL FUNDS PURCHASING**

Our aim in Purchasing & Supply is to assist in the understanding of District policies and procedures with regard to Purchasing and this Purchasing procedures manual. Everything to this point has been well established. federal rules regarding the use of federal funds including procurement have been changing over the past few years. This section addresses what the Federal thresholds are, the methods of procurement and when each method will be used. For all purchases made with federal grant funds, the district shall comply with federal regulations, EDGAR related to the purchasing of goods and services. [2 CFR 200.317-200.326].

## **WHAT IS EDGAR?**

EDGAR is the Education Department General Administrative Regulations (EDGAR) 2 Code of Federal Regulations (CFR) 200. What is covered by EDGAR?

- ☐ Federal regulations governing all federal grants awarded by the Federal Government on or after December 26, 2014
- ☐ \$1 of federal money triggers EDGAR

Federal or Non-Federal Rules for Purchasing?

- ☐ School districts must comply with the most restrictive rule, whether EDGAR rules or state procurement rules.
- ☐ Which rule is most restrictive will depend on purchase or contract amount.

## **WHAT IS THE PURPOSE OF EDGAR?**

From the perspective of procurement the following are aims of the New EDGAR;

- ☐ Increase Full and Open Competition
- ☐ Reduce fraud, waste, and abuse
- ☐ Simplicity and consistency
- ☐ Increase efficiency
- ☐ Strengthen oversight

## METHODS OF PROCUREMENT TO BE FOLLOWED 2 CFR 200.320

### Federal Methods of Procurement

- Micro-purchase
- Small purchase procedures
- Competitive sealed bids
- Competitive proposals
- Noncompetitive proposals



1. Micro-Purchases: Under \$10,000
2. Small Purchase: \$10,000-\$49,999
3. Purchases: \$50,000 – \$149,999
4. Purchases at/above: \$250,000

EDGAR One Quote

EDGAR Multiple Quotes

State Purchasing Laws

State + EDGAR

These methods are explained further in the pages that follow

## Micro-Purchase 2 CFR 200.320(a)

### **A Micro-Purchase is:**

- ✓ The Acquisition of supplies and services under **\$10,000**.
  - \$2,000 for acquisitions for construction subject to the Davis-Bacon Act.
- ✓ May be awarded without soliciting competitive quotations if the nonfederal entity considers the cost reasonable.

To the extent practicable must distribute micro-purchases equitably among qualified suppliers.



**Small Purchase Procedures**  
**2 CFR 200.320(b)**

**A Small Purchase is:**

- Goods or services that costs less than The **Simplified Acquisition Threshold** (\$250,000 under 200.88)
- \$10,000 - \$50,000
  - State or non-Federal entity may set lower threshold
- The Non-Federal Entity must obtain price or rate quotes from an adequate number of qualified sources
  - An adequate number is typically defined as three
- Characterized as “Relatively simple and informal”

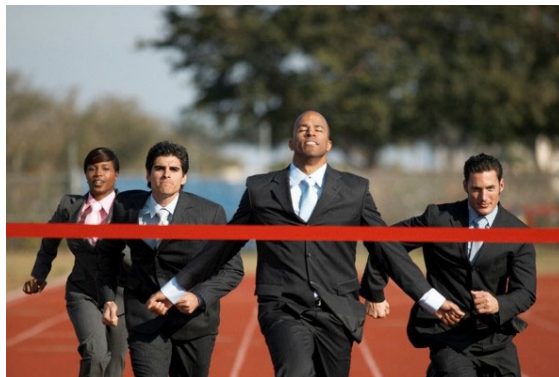
**Competitive Sealed Bids**  
**2 CFR 200.320(c)**

**These are;**

- ☐ Bids which are publically solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder with lowest price.
- ☐ Appropriate when:
  - ☐ A complete, adequate and realistic specification or description of good or service is available;
  - ☐ Two or more responsible bidders are willing and able to compete effectively for the business.
- ☐ Sealed Bids Must:
  - ☐ Be solicited from an adequate number of know suppliers;
  - ☐ Provide sufficient response time to submit bids;
  - ☐ Include all specifications so bidder can properly respond; and
  - ☐ Be publicly advertised and opened at time and place announced in invitation for bids.
- ☐ Award is made in writing to the lowest responsive and responsible bidder.
- ☐ Any and all bids may be rejected if there is a sound documented reason.

## Competitive Proposals 2 CFR 200.320(d)

- ☐ Competitive proposals are:
  - ☐ Awarding a contract to a responsible vendor whose proposal is most advantageous to the program, considering price and other factors.
  - ☐ Generally used when sealed bid is not appropriate
  - ☐ Request for proposal (RFP) must be publicized and identify all evaluation factors and their relative importance identified.
  - ☐ Proposals must be solicited from an adequate number of sources.
  - ☐ Must have method for evaluating proposals and selecting the vendor.
  - ☐ Contracts must be awarded to the responsible vendor whose proposal is most advantageous to the program, considering price and other factors.



**Noncompetitive Procurement**  
**2 CFR 200.320(f)**

- ❖ This is also known as “Sole Source”. It is a procurement through solicitation of a proposal from only one source and **may be used ONLY** when one or more of the following circumstances apply:
  - The item is available only from a single source;
  - The public emergency for the requirement will not permit a delay resulting from competitive solicitation;
  - The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to written request from the nonfederal entity; or
  - After soliciting a number of sources, competition is determined inadequate.

Ⓜ CAUTION:

- Noncompetitive contract raises “red flags”
  - Ensure there is persuasive and adequate documentation to facilitate an audit.



**Contact Cost and Price**  
**2 CFR 200.323**

- ❑ Must perform a cost or price analysis for costs in excess of the simplified acquisition threshold (\$250,000)
- ❑ Cost analysis generally means evaluating the separate cost elements that make up the total price (including profit)
- ❑ Price analysis generally means evaluating the total price

## **Multi-Year Contracts**

### **An Excerpt from TEA's FAQs:**

- The subrecipient's local procurement procedures will dictate whether a multi-year contract may be signed or how often a contract can be extended in order to continue to use the same contractor more than one year.
- ☐ The LA should also consider a multi-year contract initially.
- ☐ TEA recommends only two-year contracts be executed since most federal awards are 27 months total.

**Conflicts of Interest**  
**2 CFR 200.318(c) (1)**

- ☐ Must maintain written standard of conduct, including conflict of interest policy.
- ☐ No employee, officer, or agency may participate in the selection, award or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest.
- ☐ A conflict of interest arises when any of the following has a financial or other interest in the firm selected for award:
  - ☐ Employee, officer or agent,
    - Any member of that person's immediate family,
    - That person's partner, or
  - ☐ An organization which employs, or is about to employ, any of the above
- ☐ Has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.
- ☐ **Conflict of Interest 2 CFR 200.112**
  - ☐ The Federal awarding agency must establish conflict of interest policies for Federal awards.
  - ☐ All non-Federal entities must disclose in writing any potential conflict to federal awarding agency or pass-through in accordance with applicable Federal awarding agency policy.

**Gratuities**  
**2 CFR 200.318(c) (1)**

- ❑ Officers, employees, and agents of the non-Federal entity must neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontract.
- ❑ However, the non-Federal entities may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value.
- ❑ The standards must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the non-Federal entity.



**Debarment and Suspension**  
**Appendix II (H)**

- ❑ A contract award (2 CFR 180.220) can not be made to parties listed on the government wide exclusions in the System for Award Management (SAM)
- ❑ 2 CFR Part 180 (OMB Debarment Suspension Rules) and 2 CFR 3485 (USDE Rules)
- ❑ **Suspension and Debarment 2 CFR 180.300**
  - ❑ For contracts over \$25,000 (2 CFR 180.220) you must verify that the person with whom you intend to do business is not excluded or disqualified.
  - ❑ This MUST be done by either:
    - Checking SAM ([sam.gov](http://sam.gov)); or
    - Collecting a certification from that person; or
    - Adding a clause or condition to the covered transaction with that person.

## Integrated EDGAR, District and State Purchasing Processes

| Threshold             | District  | State  | Federal  |
|-----------------------|---|--|--|
| Up to \$10,000        | District approved contract or three quotes.   |  | EDGAR, one quote required  |
| \$10,000 to \$50,000  | Contact Purchasing to process (use Bid Solicitation form), three quotes required        |  | EDGAR, three quotes required   |
| \$50,000 to \$250,000 | Contact purchasing, formal bid process may be required. Board approval may be required. | Must follow formal procurement processes defined in 44.031 | EDGAR, three quotes required   |
| \$250,000 +           | Contact purchasing, formal bid process may be required. Board approval may be required. | Must follow formal procurement processes defined in 44.031 | EDGAR, formal procurement, independent estimate and cost analysis required |

## **DEFINITIONS**

**FULL AND OPEN COMPETITION:** When used with respect to a contract action, means that all responsible sources are permitted to compete.

**LINE ITEM** means the basic structural element in a procurement instrument that describes and organizes the required product or service for pricing, delivery, inspection, acceptance, invoicing, and payment. The use of the term “line item” includes “subline item,” as applicable.

**MARKET RESEARCH:** Means collecting and analyzing information about capabilities within the market to satisfy agency needs.

**MICRO-PURCHASE:** Means an acquisition of supplies or services using simplified acquisition procedures, the aggregate amount of which does not exceed the micro-purchase threshold.

**MICRO-PURCHASE THRESHOLD:** Means \$10,000, except it means—

- (1) For acquisitions of construction subject to [40 U.S.C. chapter 31](#), subchapter IV, Wage Rate Requirements (Construction), \$2,000;
- (2) For acquisitions of services subject to [41 U.S.C. chapter 67](#), Service Contract Labor Standards, \$2,500; ...’

**NON-FEDERAL ENTITY:** When this definition is used it refers to the “school district”, as a recipient of a federal grant award.

**OFFER:** Means a response to a solicitation that, if accepted, would bind the offeror to perform the resultant contract. Responses to invitations for bids (sealed bidding) are offers called “bids” or “sealed bids”; responses to requests for proposals (negotiation) are offers called “proposals”; however, responses to requests for quotations (simplified acquisition) are “quotations,” not offers.

**OFFEROR:** Means offeror or bidder.

**PERSONAL SERVICES CONTRACT:** Means a contract that, by its express terms or as administered, makes the contractor personnel appear to be, in effect, Government employees.

**SCRAP:** means personal property that has no value except its basic metallic, mineral, or organic content.

**SIMPLIFIED ACQUISITION PROCEDURES:** means the methods prescribed in FAR Part 13 for making purchases of supplies or services.

**SIMPLIFIED ACQUISITION THRESHOLD:** Means \$250,000 ([41 U.S.C. 134](#)).

**SOLE SOURCE ACQUISITION:** means a contract for the purchase of supplies or services that is entered into or proposed to be entered into by an agency after soliciting and negotiating with only one source.

**SOLICITATION:** means any request to submit offers or quotations to the Government. Solicitations under sealed bid procedures are called “invitations for bids.” Solicitations under negotiated procedures are called “requests for proposals.” Solicitations under simplified acquisition procedures may require submission of either a quotation or an offer.

**SOLICITATION PROVISION OR PROVISION:** means a term or condition used only in solicitations and applying only before contract award.

**SYSTEM FOR AWARD MANAGEMENT (SAM):** means the primary Government repository for prospective Federal awardee and Federal awardee information and the centralized Government system for certain contracting, grants, and other assistance-related processes. It includes—

- (1) Data collected from prospective Federal awardees required for the conduct of business with the Government;
- (2) Prospective contractor-submitted annual representations and certifications in accordance with FAR subpart 4.12; and
- (3) Identification of those parties excluded from receiving Federal contracts, certain subcontracts, and certain types of Federal financial and non-financial assistance and benefits.

**Schertz-Cibolo-Universal City ISD  
Child Nutrition Department**

**PROCUREMENT PROCEDURES MANUAL**

**Supplement SY 2020-2021**

**1060 Elbel  
Schertz, TX  
210-945-6045**

**Schertz-Cibolo-Universal City ISD – Child Nutrition Food  
Service Department Procurement  
Procedures Manual**

This Procurement Procedures Manual has been created to ensure that all purchases made with the Child Nutrition (CN) Federal Funds are in compliance as regulated by all Federal, State, statutes and Local written policy.

**SCUC ISD uses the following resources for all procurement methods:**

2 CFR part 200

Texas Department of Agriculture's (TDA) "Administrative Review Manual," Section 16 and 17

Education Department Guidelines and Regulations (EDGAR)

Texas State law and Board policy

**The following standards will be applied to all procurement methods. Solicitations will...:**

1. Allow for "full and open" competition
2. Be handled with integrity and fairness to all potential bidders
3. Award responsive and responsible contractors
4. Be fully documented to allow for complete transparency and follow the 5-year record retention requirement

As per ARM 17 SCUC ISD allows the Child Nutrition Department to participate in the following:

1. Agreements
  - a. Inter-governmental agreements(operator-only/ESC)
  - b. Third Party Cooperatives
  - c. Agents
2. Informal Purchases
  - a. Micro-Purchase: any purchase that does not exceed the State threshold of\$10,000.
  - b. Small Purchase: any purchase that exceeds \$10,000 but is not greater than the State threshold of \$50,000.  
Simplified Acquisition Threshold: \$50,000. As the most restrictive, SCUC ISD follows state law for this threshold and follows the process as per Texas Education Code (TEC) 44.031.
3. Formal Purchases
  - a. Competitive Bid (IFB-Invitation For Bid)
  - b. Competitive Proposal (RFP-Request For Proposal)
  - c. Non-Competitive Proposal. TDA "pre-award approval" is required

**SCUC ISD will use the following 4 phases of procurement:**

1. **Planning.** Below is a list of the first steps that will be taken prior to any purchase.
  - a. What is needed in the way of product/products and/orservices?
  - b. When are the products or services needed?
  - c. How we will pay for the products and/orservices?
  - d. What is an estimated cost of the products or services needed? Multiple resources will be used to determine an "estimate" of the value or cost. The cost/price analysis will be used to determine the most appropriate procurement method.

2. **Forecasting.** Below is a list of the resources to be used for forecasting our needs.
  - a. We will review our past program to determine if the products or services were used in the previous program year.
  - b. Current program needs will be assessed, and product amounts and/or service needs will be determined.
  - c. Upcoming program years will be considered in regard to future needs and possible renewal or extensions of contracts if necessary.
3. **Soliciting.** The following general steps will be taken to start the solicitation process. Each procurement method is more specifically outlined later in this manual.
  - a. Based on the cost/price analysis in our planning phase, the most appropriate procurement method will be used.
  - b. A general specification with details will be written clearly to document the product or service needed.
  - c. Terms and conditions of the contract will be outlined and reviewed to ensure the solicitation clearly describes our needs and deliverables required as well as performance expectations.
  - d. Each solicitation will include the following information:
    - a. Deadline (date and time) the quotes or responses are to be received.
    - b. The manner in which the quotes or responses are to be submitted and to whom.
    - c. Evaluation criteria, if any is used, clearly outlined to include scoring rubric.
    - d. Date and time by which the solicitation will be awarded.
    - e. Term of the contract and if any renewals or extensions will be allowed.
  - e. Research will be done to identify potential suppliers.
4. **Awarding.** Based on the procurement method, the following general processes will be used:
  - a. A winner will be selected using the following methods.
    - a. Equitable distribution for all Micro-Purchases.
    - b. Low bid winner for Small Purchases and IFB's.
    - c. A single winner through evaluation criteria for Small Purchases and RFP's.
    - d. Pre-award approvals must be obtained from TDA for any solicitation that is deemed non-competitive or sole source.
    - e. Multiple winners are selected for RFP's when a "line-item" award approach is taken to procure the best price for each product specified in the solicitation.
5. **Contract Management.** The following items will be monitored during the life of an awarded contract.
  - a. Quantities specified are made available and delivered.
  - b. Delivery times and schedules are being met per contract terms.
  - c. Product deliveries and/or services are occurring at the correct location if multiple locations are part of the awarded contract.
  - d. Products and/or services are meeting the specifications as described in the solicitation.
  - e. Substitutions of products are being handled as outlined in the Terms and Conditions and are adequate to the specified product.
  - f. Vendor response time to product or service issues is appropriate in regard to each situation, if any.
  - g. Contracts will be managed by CN staff including accountants, specialists and Dept Director/Assistant director.
  - h. Vendors will be given feedback on their performance and an opportunity to correct poor performance when feasible.

## Procurement Methods: Informal and Formal (2 CFR 200.320 & ARM 17)

SCUC ISD will follow the below steps with each procurement method. *NOTE: The CE must follow the most restrictive simplified acquisition threshold requirements that apply based on the type of entity and the agency or organization that has regulatory authority (federal, state, or local) over the entity for all purchases. In our case as a Public-school district this is the State's Education code.*

### 1. Micro-Purchases.

**The micro-purchase method is an “Informal Procurement Method” for purchases. Under the micro-purchase method, the aggregate value in a single transaction is at or below \$10,000. This enables the District to purchase supplies or services without soliciting competitive quotes if the school considers the price reasonable. The District may purchase products and/or services that are similar or dissimilar, purchased as a single or collective unit.**

- a. All **unplanned, non-routine** purchases with an aggregate total that does not exceed the threshold of \$10,000 are allowed (2 CFR 200.67) and will include:
  - i. Documentation that explains the reason for the purchase and vendor name.
  - ii. List of items or service purchased.
  - iii. Receipt.
  - iv. All documentation will be kept in a file labeled “Micro-Purchases.”
- b. Types of Micro-Purchases allowed:
  - i. Emergency and/or equipment repairs/parts
  - ii. Small to medium catering events
  - iii. Emergency food shortages/orders
  - iv. Staff training and travel expenses
  - v. Small kitchen equipment purchases
- c. The following employee positions have permission to make a Micro-Purchase:
  - i. CN Director/Asst Director, CN Clerk, Accountants
  - ii. Procurement Specialists, District Buyer, Manager and Director
- d. Eligible vendors.
  - i. Equitable distribution of purchases will be made to all suppliers within an appropriate proximity to the district's school sites
  - ii. All suppliers within the city limits
  - iii. Only district-approved and qualified suppliers
- e. Payment for Micro-Purchases.
  - i. Credit card may be picked up from the Business Office
  - ii. Purchase Orders

### 2. Small Purchases.

**The small purchase method is an “Informal Procurement Method” for purchases that exceed the micro-purchase threshold but have an aggregate amount no greater than the Simplified Acquisition Threshold of \$50,000 (State formal threshold). The District must contact a minimum of 3 potential suppliers and attempt to get a minimum of 3 price quotes.**

- a. Based on the determination through a cost/price analysis that a purchase will exceed the Micro-Purchase threshold (2 CFR 200.67) but will not exceed the State's/District's Simplified Acquisition Threshold of \$50,000.
- b. Allowable types of Small Purchases:



- i. Single/one-time purchase with an aggregate amount between \$10,000<\$50,000
  - ii. Multiple purchases of same or similar products and/or services from a prime vendor during the fiscal year with an aggregate amount between \$10,000<\$50,000
- c. SCUC ISD will use the following steps to make a Small Purchase (2 CFR 200.320 [b])
  - i. Identify potential suppliers; who to contact for bids; what is available on the market.
  - ii. Write the product and/or service specification to include details but not so restrictive as to exclude competition.
  - iii. Draft the solicitation to include contract terms and conditions, invoice methods, delivery and/or service requirements, duration of contract, and evaluation criteria may include actual rubric or a descriptive list of criteria.
  - iv. Contact a minimum of 3 vendors and provide each one with the same information to include all details of the solicitation. Emailed or faxed documents is the preferred method, but verbal delivery of solicitation details is allowed.
  - v. Document vendor responses to include:
    - 1. Vendor name and contact with email address and phone
    - 2. Contact method
    - 3. Price quoted to include the date received
    - 4. Duration of the price quote
  - vi. Award will go to the most responsive and responsible vendor with the lowest price or highest evaluation score if used. A responsive vendor is one whose response conforms to all the material terms and conditions of the solicitation. A responsible vendor is one whose financial, technical, and other resources indicate an ability to perform the services required.
  - vii. All documentation will be kept in a file labeled "Small Purchase Acquisitions"
- d. The following employee positions have permission to make a Small Purchase:
  - i. CN Director/Asst Director, CN Clerk, Accountants
  - ii. Procurement Specialists, District Buyer, Manager and Director
- e. Eligible vendors.
  - i. All suppliers that have been identified as potential bidders
  - ii. Only district-approved and qualified suppliers
- f. Payment for Small Purchases.
  - i. Credit card may be picked up from the Business Office.
  - ii. PO to be created prior to the invoice payment.

### **3. Capital Expenditures.**

**The USDA requires the Texas Department of Agriculture (TDA) to approve expenditures for food service equipment and repairs, maintenance, or alterations to equipment, only if the total equipment "per unit" cost is \$5,000 or greater.**

- a. SCUC ISD will submit a request for approval prior to purchasing the item via email to TDA including:
  - i. District Name, CE ID, and contact information (phone and email address)
  - ii. Description of the equipment, including the purpose and how it supports the operation or maintenance of the District

- iii. Provide an estimated cost and whether or not we have sought bid pricing
- iv. Describe how the old equipment (if any) will be disposed of and acknowledge that any proceeds from the disposal will be used to offset the cost of the replacement

**4. Competitive Sealed Bidding (IFB – Invitation For Bid).**

**The competitive sealed bidding method is a “Formal Procurement Method” that is used when the contract value is at or above the Simplified Acquisition threshold, which is \$50,000 in the state of Texas. The formal procurement method requires a District to post a public advertisement in a newspaper of general circulation for two consecutive weeks upon release of the solicitation. It is recommended that the District post the advertisement on their website or a trade website as well as email or make phone calls as a means of advertising to potential bidders.**

- a. SCUC ISD will ensure the following conditions:
  - i. A complete, adequate, and realistic specification or purchase description will be made available
  - ii. The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price
  - iii. Evaluation criteria will be included in the solicitation in regard to determining a winner if the same price has been received from 2 or more different vendors
- b. SCUC ISD will adhere to the following requirements:
  - i. The solicitation will be publicly advertised
  - ii. Provide detailed information such as response time, date and time responses are to be received, how responses must be submitted, date and time of public opening, and any other pertinent details
  - iii. Provide product and/or service specifications that allow multiple responses
  - iv. Award the contract to the most responsive and responsible bidder. Factors such as discounts, transportation cost, and life cycle costs shall be considered in determining which bid is lowest.
  - v. Any or all bids may be rejected if there is a sound documented reason
- c. The following employee positions will participate in the IFB Procurement Method:
  - 1. CN Director/Asst Director, CN Clerk, Accountants
  - 2. Write product or service specifications
  - 3. With assistance from Purchasing write the solicitation document
  - ii. Procurement Specialists, District Buyer, Manager and Director
    - 1. Send the IFB to potential suppliers
    - 2. Participate in the opening of the submitted bids and facilitate evaluation with CN staff of the winner
- d. Eligible vendors.
  - i. All suppliers that have been identified as potential bidders
  - ii. Only district-approved and qualified suppliers
- e. Payment for IFB Purchases.
  - i. PO to be created prior to the invoice payment.

## 5. Competitive Proposals (RFP – Request For Proposal)

A request for proposal is a “Formal Procurement Method” used for purchases when an IFB is not appropriate. An RFP describes in a general way what is needed and requests that vendors submit a proposal for servicing the needs of the district. RFP’s can be used for either goods or services and require the prospective vendor to submit a technical proposal that explains how they will meet the objectives of the solicitation document and a cost element that identifies the costs to accomplish their proposal. Price is to remain the primary consideration but can be one of many evaluation factors used to determine the most advantageous proposal for the District. The RFP also allows for negotiation as a means to obtain the best value or price.

- a. SCUC ISD will ensure the following conditions:
  - i. A complete, adequate, and realistic specification or purchase description will be made available
  - ii. The procurement lends itself to a firm fixed price contract or cost reimbursable price
  - iii. The selection of the successful bidder will be made after an evaluation of criteria with price being the “heaviest weighted factor”
  - iv. Negotiation of price or best value will be handled with complete fairness and integrity
- b. SCUC ISD will adhere to the following requirements and required documents (2 CFR 200.316 - 328):
  - i. The solicitation will be publicly advertised
  - ii. Solicitation document will include a cover sheet with the RFP description, contact information, issue date, closing date and opening date
  - iii. Written instructions and bidder information sheet to be completed by the proposer
  - iv. Clear product and/or services specifications
  - v. Clear description of district demographics and product usage (as relevant)
  - vi. Clearly stated evaluation criteria to include scoring rubric
  - vii. Standard and/or Special Terms and Conditions of the contract
  - viii. Discounts, Rebates, and/or credits provisions where applicable
  - ix. Questionnaires as appropriate
  - x. Reference Sheet
  - xi. Provisions per Appendix II to Part 200 of 2 CFR 200/ARM Part 17:
    1. Equal Employment Opportunity
    2. Davis-Bacon Act
    3. Contract Work Hours and Safety Standards
    4. Rights to Inventions Made Under a Contract or Agreement
    5. Clean Air Act and Federal Water Pollution Control Act
    6. Energy Policy and Conservation Act
    7. Debarment and Suspension
    8. Byrd Anti-Lobbying Amendment
    9. Copeland Anti-Kickback Act
    10. Small and Minority Firms, women’s Business Enterprise, and Labor Surplus Area Firms
    11. Civil Rights/Discrimination
    12. Copeland Anti-Kickback Act
    13. Solid Waste Disposal Act
    14. Health and Safety Certificates, Licensing, and Regulation

- xii. Other Certifications and Affidavits to be included in the RFP:
  - 1. Texas Family Code
  - 2. Employment Verification
  - 3. Records Retention Requirements
  - 4. Certification of Compliance with EPA Regulations
  - 5. Certification of Compliance with Buy American Provisions
  - 6. Non-Collusion Affidavit
  - 7. Terrorist Organizations and Boycotting of Israel
  - 8. Food/Product Recall and HACCP Procedures
- xiii. Awarding of the contract:
  - 1. Evaluation will consist of but not limited to product quality, services, or past performance, along with price as the heaviest weighted factor
  - 2. Cost plus percentage of cost will not be allowed as a basis for award (2 CFR 200.320)
- xiv. Any or all bids may be rejected if there is a sound documented reason
- c. The following employee positions will participate in the RFP Procurement Method:
  - 1. CN Director/Asst Director, CN Clerk, Accountants
  - 2. Write product or service specifications
  - 3. With assistance from Purchasing write the solicitation document
  - i. Procurement Specialists, District Buyer, Manager and Director
    - 1. Send the IFB to potential suppliers
    - 2. Participate in the opening of the submitted proposals and facilitate evaluation with CN staff to determine the winner
- d. Eligible vendors.
  - i. All suppliers that have been identified as potential bidders
  - ii. Only district-approved and qualified suppliers
- e. Payment for RFP Purchases.
  - i. PO to be created prior to the invoice payment.

**6. Non-Competitive Negotiation and Sole Source Procurements.**

**These types of procurement methods are used to compensate when there is a lack of competition. This lack of competition may result from overly restrictive solicitation documents, an inadequate number of suppliers in the area or the procurement environment may have been compromised by inappropriate supplier actions (i.e. market allocation schemes). Non-competitive negotiation occurs after the solicitation (sealed bid, competitive negotiation or small purchase) has been issued, but competition on that solicitation has been deemed inadequate.**

- a. Non-competitive negotiations or sole source procurements are restricted to specific situations and may only be used when:
  - i. Inadequate competition in a formal procurement method
  - ii. Public emergency exists
  - iii. Goods or services are only available from one manufacturer through only one supplier.
- b. SCUC ISD will obtain TDA's approval prior to award and purchase of such products or services. All requests for approval must be submitted through the State Agency's online system, TX-UNPS.

- c. The following employee positions will oversee the approval process for a Non-Competitive and/or Sole Source Procurement Method:
  - i. CN Director/Asst Director, CN Clerk, Accountants
    1. Draft rationale for a proposed non-competitive or sole source acquisition
  - ii. Procurement Specialists, District Buyer, Manager and Director
    1. Review and write a determination concerning the proposed non-competitive or sole source acquisition. Seek TDA approval for Sole Source Procurement
- d. CEs must contact TDA immediately to initiate the approval process. To request approval to use a noncompetitive method during an emergency, the CE must submit a request to TDA in writing (paper, fax, or email).

### **Bid/Proposal Questions and Protest Procedures**

SCUC ISD will include clear instructions in the solicitation document about questions and protest procedures. Formal solicitations will provide an online forum for questions via Procurementware.

SCUC ISD will allow respondents to request clarification of information prior to the close of the bid/proposal. These requests must be received a minimum of 3 business days prior to the close of the bid/proposal. SCUC ISD will address the request for additional information as an addendum to all respondents.

### **Supplier/Contractor Debriefings**

Debriefing can provide a valuable opportunity for both parties. It helps suppliers to understand how they can improve when competing for future business. It is also an opportunity to gain feedback from the bidders on the procurement process and how it can be improved in future.

A debriefing session occurs on the request of a proponent, either the successful or unsuccessful offeror. A contractor should submit a written request for the debriefing within 3 days of contract award notification. It may be conducted by phone or in person. Debriefing by email is not provided. The Purchasing office in conjunction with Child Nutrition will attempt to schedule a debriefing as soon as practical, normally within 5 business days of the request.

A debriefing is an opportunity for suppliers/service providers to:

- Learn about procurement and the evaluation process;
- Understand how their proposal scored against established criteria;
- Gain information about possible improvements to future submissions
- Provide feedback on the procurement process and how it may be improved

SCUC ISD will address all respondent protests within 24 hours of the bid award. SCUC ISD will provide respondent evaluation scores and pricing at the request of the respondent. Violations of law should be referred to the local, state or Federal authority. (2 CFR, Section 200.318[k])

**The CE must notify TDA when a protest is received**

### **Economic Price Adjustments in Vendor Contracts**

The economic price adjustments, which allow a District to adjust costs in the contract, must be tied to an appropriate objective standard or cost index. Relating the price adjustments in a contract to an index allows the

District to ensure that increases under the contract are not without basis. For example, if fuel prices are increasing drastically, an appropriate index such as the Consumer Price Index (CPI) will reflect this change.

This index is preferred because the USDA uses this index for the National School Lunch Program (NSLP) yearly funding increases. The intention is that if the USDA increased funding by a certain percentage the District would be able to allow the increase in food cost to rise at the same percentage. Vendors will be able to bid on multi-year contracts that allow for inflation and the District will be able to maintain a consistent level of service and food cost percentage from year to year. The standard chosen will be approved by both the CN and Purchasing director.

### **Applying Geographic Preferences in Procurement**

As amended, the National School Lunch Act (NSLA) allows SFA's receiving funds through the CN Programs to apply a geographic preference when procuring unprocessed, locally grown or locally raised agricultural products. This applies to operators of all of the School Lunch Programs.

SCUC ISD will apply geographic preference to the procurement of agricultural products that:

1. Are unprocessed; e.g. apples, oranges...etc.
2. Are locally grown or locally raised
3. Have not been cooked, seasoned, frozen, canned, or combined with any other products

Because the NSLP is Federally Funded, geographic preferences cannot be restrictive to local definitions such as city, county, or state lines. SCUC ISD determines local as "within the United States territory and a distance of 100 miles from the Districts' main campus" (mileage may vary for items dependent on bidding preference)

### **Discounts, Rebates, and Credits**

SCUC ISD requires that all discounts, rebates, and credits accrue back to the school nutrition account. The contractor will be required to identify the amount of each discount, rebate, or other applicable credit on bills and invoices presented to the SCUC ISD. Contractors will be required to identify the method by which they will report discounts, rebates, and credits. All discounts, rebates, and credits will be tracked via monthly invoices or annual velocity reports. Contractors will be required to maintain documentation of costs, discounts, rebates, and credits and make those available to SCUC ISD upon request. Child Nutrition department Accountants and Specialists will track and manage Discounts, Rebates and Credits.

### **Buy American Provision**

SCUC ISD adheres to the Buy American Provision (7 CFR 210.21) when purchasing commercial food products to be served in the district's SNP meals. This provision will be included in all solicitations for food to be used in the school nutrition programs. This does not apply to equipment purchases but agricultural products only.

Per Section 104(d) of the William F. Goodling Child Nutrition Reauthorization Act of 1998 {Public Law 105-336} added a provision, Section 12(n) to the NSLA (42 USC 1760(n)), requiring School Food Authorities (SFA's) to purchase, to the maximum extent practicable, domestic commodity or product. Section 12(n) of the NSLA defines "domestic commodity or product" as an agricultural commodity that is produced in the United States and a food product that is processed in the United States using substantial agricultural commodities that are produced in the United States. Substantial" means that over 51 percent of the final processed product consists of agricultural commodities that were grown domestically. Products from Guan, American Samoa, Virgin Islands,

Puerto Rico, and the Northern Mariana Islands are allowed under this provision as territories of the United States. The Buy American provision (7 CFR Part 210.21(d)) is one of the procurement standards SFA's must comply with when purchasing commercial food products served in the school meals programs.

SCUC ISD will purchase domestic food products per the Buy American Provision unless:

1. The product needed is not produced or manufactured in the U.S. in sufficient and reasonable available quantities of a satisfactory quality; or
2. Competitive bids reveal the costs of a U.S. product are significantly higher than the non-domestic product

SCUC ISD will maintain all documentation in regard to any food purchases that are deemed "non-domestic" to include cost comparisons if the product is available as a "domestic" product that is seen as unreasonable in cost; or if not available as a U.S. grown product the documentation will include the "country of origin."

### **Small and Minority Businesses, Women Business Enterprises, and Labor Surplus Area Firms and/or Disabled Veteran Business Enterprise (MWDVBE)**

SCUC ISD will encourage open competition amongst small, minority, woman, and disabled veteran's businesses by:

- a. Reducing barriers in Formal and Informal Contract solicitations by: Allowing for businesses that may be MWDVBE to compete on an equal footing. This will be accomplished by having a qualification process where MWDVBE bids are given points equal to the requirements that may be restrictive, such as length of service in business, size of distribution facilities, etc....
  - b. Consider allowing for extra points in the evaluation if a bidder/proposer qualifies as an MWDVBE
  - c. Structuring contracts to allow "awards to more than one Proposer in the best interest of the District in order to award a portion of the agreement to MWDVBE vendor that may not be able to perform to an agreement that is too large for current financial/logistical capabilities.
2. Structuring Contracts that May allow for Cost Credit to Small, Minority and Women owned businesses:
    - a. SCUC ISD may structure an RFP Formal Procurement agreement to allow for price variation of not more than 5% of total cost above the lowest responsive bidder to award to a small, minority or women owned business. For example, the lowest bidder was \$100 dollars, a certified small, minority or women owned enterprise bid \$105, the contract may be awarded to the small, minority or women owned enterprise if it is in the best interest of the District.
3. Providing Positive Outreach
    - a. SCUC ISD will place qualified small, minority and women owned enterprises on solicitation lists; and
    - b. Ensure that small, minority and women owned enterprises are solicited whenever they are potential sources
    - c. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration.

### **Local Sourced Products: Farm to School Initiative**

SCUC ISD is committed to local markets and family farmers in the State of Texas. Our objective is to support the local agricultural economy and reduce the environmental impact of long distance shipping. SCUC ISD defines

“Local Sources Products” as products that are grown within the State of Texas, with preference to sources located within 50 miles of the school’s main campus.

When purchasing local sourced products, SCUC ISD will follow the planning phase as stated earlier in this manual and do a cost/price analysis to determine the most appropriate procurement method.

In order to encourage the bidders to purchase locally sourced produce, SCUC ISD may assign additional point values in the “Award of Contract” section of the solicitation that can demonstrate:

1. The bidder is purchasing produce locally by submitting a list of local farmers, their addresses, the produce that is anticipated to purchase from each farm location, and the anticipated harvest dates of the produce
2. The bidder must also agree to the ability to submit a report during the term of the contract that demonstrates continued purchases from local farms

### **Use of Excess and Surplus Property**

SCUC ISD, to the best of the district’s ability, may utilize excess and surplus property when available. Contracting Entities for the use of any School Nutrition Program(SNP) are encouraged to use federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs. This includes, but is not limited to, USDA Foods. The TDA allows the SNP to use a portion of our entitlement (PAL) allocation from USDA to purchase DOD fresh fruit and vegetable products. The TDA manages the solicitation and award of the DOD Produce Vendors.

Contracting Entities (CE’s) in the state of Texas and participating in the DOD Fresh Program can receive weekly deliveries as outlined in the awarded contract.

### **Cooperative Membership and Procurement**

The USDA allows for “Purchasing Goods and Services Using Cooperative Agreements, Agents, and Third-Party Services.

SCUC ISD may participate in a purchasing cooperative when it is determined to be in the best interest of the district. As a governmental agency, SCUC ISD has the option to legally join a “governmental agency or Education Service Center (ESC) agency” purchasing cooperative through an Interlocal or Interagency Agreement. Such agreements are normally subject to Board approval.

SCUC ISD will obtain all due diligence documents, final bids/requests for proposal documentation from the cooperative or lead district. When utilizing a "piggyback" contract, SCUC ISD will ensure the following:

1. The procurement was conducted in accordance with applicable Federal, State and local regulations.
2. The contract contains a clause/provision that permits other agencies to "piggyback."
3. The addition of SCUC ISD to the contract does not create a material change as outlined in the contract per 2 CFE 200.318[e] that states a material change occurs when the change in scope of the contract is significant enough that potential bidders might have bid differently had they been award of the impacts from adding additional agencies.
4. All due diligence documentation related to the contract will be obtained and retained, information



includes:

- a. Solicitation
- b. Verification of Published Advertisement
- c. Contract Terms and Conditions
- d. Evaluation Criteria, if any
- e. Responses
- f. Notification of Awarded vendor(s)
- g. Documentation of any extensions or Amendments

### **Unnecessary or Duplication of Goods/Services**

SCUC ISD will avoid acquisition of unnecessary or duplicative items/services. Purchases will be justified using the following criteria:

1. Purchaser will determine if there are like items in the District that may not be in use and consider transferring item before determining if purchase is necessary
2. The item is being considered for menus or is needed to serve, prepare, receive, transport or store an item on the menu
3. The item is replacing an obsolete, broken, damaged or outdated piece of equipment

### **Recalls**

SCUC ISD will use the following procedures in regard to products that have been recalled, or are discovered to be defective or faulty:

1. The CN Director will register for email notifications of recalled products through USDA Food Safety and Inspection Service ([usfsis@public.govdelivery.com](mailto:usfsis@public.govdelivery.com)) and/or [recalls.gov](http://recalls.gov) or any other viable resource in regard to food and product safety and recalls
2. Vendors' Recall procedures will be requested with every Small Purchase, IFB and RFP procurement method used
3. Any notices or alerts from awarded vendors or distributors in regard to a recalled product will be handled immediately, following all instructions from the vendor or distributor in regard to the handling of the recalled product
4. Actions may include but not be limited to:
  - a. Disposal of all affected product
  - b. Photos of products affected, documentation of case lot numbers, distributor codes or any other pertinent information as documentation of product origin
  - c. Removal of affected product to a safe area to be picked up by the vendor or distributor
  - d. Credits issued for all affected product that could not be used