

# Kilgore Independent School District

## Purchasing Procedures

KILGORE ISD (KISD) strives to maintain compliance with all state mandated purchasing laws while securing the best product for the lowest price in the most efficient manner. For District purchasing policies, please refer to Section C of the KISD Board policy which may be found in the quick link section of the KISD website or by visiting <http://www.tasb.org/policy/pol/private/092902/> . In no way should any of the following procedures override KISD Board policy.

In order to satisfy the state purchasing requirements that Texas public school districts are required to follow regarding competitive procurement (other than advertised competitive bids), KISD participates in the Region VII Education Service Center Purchasing Cooperative as well as several statewide programs including, but not limited to, the TASB BuyBoard, <http://www.buyboard.com/default.html>, the Centralized Master Bidders List (CMBL) <http://www.window.state.tx.us/procurement/>, and The Cooperative Purchasing Network (TCPN) <http://www.tcpn.org/default.aspx?name=tcn.vendors> . When possible, KISD has elected to use the Region VII Purchasing Cooperative as its primary purchasing agent. The Region VII Purchasing Cooperative vendor list can be viewed at [www.esc7.net](http://www.esc7.net) . The KISD Region VII User Login is kilgore and the Password is awards.

All purchases made on behalf of KISD must be from an approved vendor listed on one of the state vendor lists mentioned above or by one of the approved methods referenced below. Since vendor lists change periodically, vendors could be approved on one occasion and unapproved on another. This said, *just because a vendor is on the KISD vendor listing does not mean that the vendor is an approved vendor*. If it is determined that a vendor listed on the KISD vendor list is an unapproved vendor, the vendor will be removed. Please note: Being able to secure an item cheaper from a source not on an approved list does **not** meet state purchasing requirements.

It may be determined that the only method to secure a particular product is by following the formal bid/proposal process. In such instances, persons wishing to secure items must work with the purchasing director to insure that all legal steps have been taken. When bids/proposals are opened, the purchasing director or a member of the business office staff must be present. Official awards of such items will only be made after receiving the written approval of the purchasing director and/or Board approval.

Items may be purchased from a vendor when said vendor is the only vendor carrying a particular item. Items purchased in such a manner are called “sole source products”. Board policy CH(LEGAL) lists the following sole source examples: “1.) An item for which competition is precluded because of a patent, copyright, secret process, or monopoly. 2.) A film, manuscript, or book. 3.) A utility service, including electricity, gas, or water. 4.) A captive replacement part or component for equipment.” To verify sole source status, the originator must secure a notarized statement from the company testifying that it is the sole source of such product or service. Sole source forms, along with instructions, may be found on the KISD website <http://www.kisd.org/> under the Prospective Vendor tab. The form must be submitted to the purchasing director prior to the vendor’s addition to the KISD vendor list. Once confirmed, a requisition may be submitted and a purchase order secured. Please include a “Sole Source” notation on the initial purchase request. Though the vendor is temporarily added to the KISD vendor list, all future purchases from said vendor must be for sole source products as well.

The KISD vendor list will be maintained by the purchasing director or said director's designee. Prospective vendors who meet the state purchasing guidelines may be added to the KISD vendor list by the purchase director upon request from District purchasing staff after all necessary documentation is received and vendor status is verified.

Purchase orders must be secured prior to any purchase. KISD purchases are not allowed without an approved purchase order. This regulation is District policy and applies to all KISD employees. Board policy CH(LOCAL) states that "Persons making unauthorized purchases shall assume full responsibility for all such debts." Failure to follow this Board policy will result in an employee's personal liability for the expenditure. If an emergency or extraordinary need arises, please contact the purchasing director.

Requests for purchases must be submitted to a campus principal or director with the documentation that the principal/director requires. Requisitions will be entered by selected campus/department personnel into the automated requisition system. Once entered, the purchase requests are to be approved by the campus principal/director. Following this approval, the requisitions are sent to the purchasing director for approval. Once approved, the requisitions are uploaded to the business office for purchase order processing. Purchase orders are processed at least twice a week, usually Tuesdays and Thursdays, but may be processed daily as needed due to purchasing deadlines, workloads and extenuating circumstances. Purchase orders are mailed to the vendor or returned to the originating campus, based on the "narrative" instructions included on the requisition. One yellow copy of the purchase order will be returned to the originating campus/department. If the purchase order was marked "Do not mail" or "Return to originator for processing", the campus/department will be responsible for forwarding the purchase order to the vendor.

\*Please include 'narrative' information on all purchase requests that states the following:  
"KHS/Smith/Jones" (Campus-Department/Name of person entering request/Name of person approving the request)  
"Do not mail-Return PO to originator" (If instructions are not included, the PO will be mailed.)  
"BuyBoard Vendor", "CMBL Vendor", "Sole Source" (Include only if Region VII vendor is not used.)

Expenditure coding used on purchase orders and Request for Payment forms should be determined by using the TEA FASRG. This guide is available online at the TEA website under "Finances", and copies of widely used sections have and will be distributed by the business office. Codes used should **never be based on where budgeted funds are available**. The business office will work with all departments in getting funds moved to proper codes and setting up new codes where applicable. Efforts should be made by departments to anticipate expenditures for the following year and budgeted appropriately. Request for Payment forms may be used for registration fees, memberships, dues and various other expenses. Appropriate approval signatures and budget account codes are required prior to processing. Paperwork and invoices should be submitted at least two weeks in advance to ensure the timely receipt of payment. When payments are needed prior to the next check run date, paperwork should be personally delivered to the accounts payable office to ensure adherence to district procedures.

Beginning of the school year purchase orders will not be released prior to September 1. Due to the large volume of purchase orders produced at this time, purchase orders should be input by the secretaries and approved by principals/directors prior to summer break. Instructions for this process will be provided by the business office each year along with a reminder of deadlines. Purchase orders will then be approved

and released for the remainder of the school year until the last Thursday in April at which time all non-emergency instructional purchase order processing will cease.

## **Purchasing Procedure Guidelines**

### **Approved Purchasing Methods**

1. Approved purchasing programs
  - Region VII ESC Purchasing Cooperative (Preferred)
  - TASB BuyBoard
  - Centralized Master Bidders List (CMBL)
  - The Cooperative Purchasing Network (TCPN)
2. Sole Source Vendors
3. Formal Bid /Proposal

### **Purchase Order Process**

1. Requestor completes paper work required by principal/director to initiate process
2. Requisition entered by secretary
3. Requisition approved by principal/director
4. Requisition approved by purchasing director after coding and vendor verified
5. PO printed and processed by business office personnel
6. Purchase orders mailed or disbursed according to directions included on request

### **Important Dates to Remember**

1. September 1, XXXX – Date purchase orders are released for beginning of year purchases
2. Purchase orders will be printed by 10:00 a.m. on Tuesdays and Thursdays and may be printed any other week day on an as-needed-basis.
3. Last week of April – Deadline for all non-instructional purchase orders

### **Request for Payment Form**

1. Used when a check must accompany the forms submitted for an expenditure, i.e., registration fees, dues and memberships
2. Should be submitted at least two weeks in advance for timely payment

### **Other Important Information**

- EMERGENCIES – When an item has to be paid in a short amount of time, please contact the purchasing director for assistance. Though a check may be issued prior to the next available check-run, a completed PO or Request for Payment form and all necessary back-up will still be required.
- Any information that assists in efficiently processing the purchase should be included on the purchase request/order. At a minimum, the requestor's name along with instructions

such as mail / fax / return to campus should be included. If a Region VII vendor is not used, information about the vendor such as BuyBoard Vendor, CMBL Vendor or Sole Source Vendor should be included. (Sole Source forms must be submitted to and approved by the purchasing director prior to all purchases.)

- Please note: Approved vendor lists change periodically. Just because a vendor is on the KISD EDP vendor listing does not mean the vendor is an approved vendor. Only vendors which are listed on the Region VII website or one of the other state approved lists may be used for KISD purchases. Failure to follow one of the approved methods above is a violation of State law, not just KISD policy.

### **Receipt of Goods / Services**

All goods are to be delivered to the KISD Administration Building and forwarded to the appropriate school or department. If items are too large for such process, special delivery arrangements should be made and communicated to the administration building employee in charge of receiving.

Goods should be received on the campus or in the department by one person, usually the campus secretary, and then distributed to the appropriate individual. This responsibility can be assigned to another individual by the principal or director if needed, with the understanding that this person will be responsible for verifying that the order is complete and that documentation of such is promptly forwarded to the accounts payable clerk.

Upon receipt of goods, the delivery should be verified for accuracy against items ordered. Verification can be done by the person assigned to receive the goods at each campus or the end user. If the end user verifies, the distributor is responsible for ensuring a prompt response from the end user. The completeness of the order should be verified against the purchase order. Packing slips included with the shipment should be attached to the original purchase order and returned to the business office. If all items ordered on a purchase order were received, the yellow copy of the purchase order should be returned with the word "Complete" written in the middle section of the purchase order, followed by a signature and the date signed. Please write "Incomplete" and a brief note of explanation such as items were not received, back ordered, or damaged in the middle section of the purchase order prior to returning it to the business office.

Purchase orders will remain in the system until the yellow copy of the original purchase order, marked "Complete" is received by the business office. Items not marked "Complete" will remain encumbered in the system, reserving any budget so noted on the purchase order.

Invoices are received and opened in the business office by the accounts payable clerk. Upon receipt, the invoice is matched to the business office copy of the purchase order and the copy returned from the originator. This review verifies that the actual cost does not materially differ from the estimated cost on the purchase order. If there are no discrepancies, the invoice is placed in line for payment processing. If material differences or other abnormalities are noted, the information will be verified and/or resolved with the requestor or vendor and a payment issued.

Vendors used for campus activity fund purchases should be asked to note “KHS Activity Account” and so forth on all invoices resulting from an activity fund expense. In such case, the invoice will be forwarded to the appropriate campus to be processed and paid.

Invoices or tickets obtained by the purchaser from the vendor upon delivery of or receiving of goods should be verified and returned to the business office immediately. Please note that lost tickets are difficult and time consuming to replace. If invoices are received for payment by the business office prior to the signed purchase order marked “Complete”, it will be assumed that the goods and or services have not been received. In such case, the invoice will be forwarded to the department and or campus listed on the invoice. In such case, the person receiving the document should promptly respond back to the business office with the status of the order. At this point, the business office will accept an e-mail from the campus secretary stating that the order has been received in full, noting the purchase order number, the vendor name, and the date received, until the purchase order can be forwarded to the business office. If a partial shipment has been received, a copy of the purchase order marked “Incomplete” along with the signed invoice must be returned to the business office. If goods or services have not been received in relation to the invoice, an e-mail should be sent noting such. Verification that a response has been made to the business office is the responsibility of the person assigned for receiving by the director/principal. The business office will not make payment without some form of verification of receipt or acceptance.

If the accuracy of an invoice is questioned, the originator or appropriate department personnel should make contact with the vendor to attempt reconciliation. If reconciliation is unreachable at this point, the business office should be contacted with the details of the discrepancy. Appropriate business office personnel will then attempt to resolve the differences. If it is determined that the cost to protest the difference will exceed the difference or that the vendor has a valid point of contention, the original budget code will be charged. Complete notation of the incident will be placed in the vendor’s file for future reference.