

TOPEKA PUBLIC SCHOOLS	REGULATION NUMBER: 2575-1
SUBJECT: PURCHASING PROCEDURE	DATE OF ISSUE: 06/18/80 <hr/> REVISIONS: 06/03/93; 02/07/97; 08/08/08; 06/25/18 <hr/> PREPARING OFFICE: BUSINESS SERVICES

I. PURPOSE:

Topeka Public Schools (TPS) requires the practice of ethical, responsible, and reasonable procedures related to purchasing. The policies in this section describe the principles and procedures that all staff shall adhere to in the completion of their designed responsibilities. The regulation applies to all purchases made by TPS, including those involving school activity funds.

The goal of the purchasing procedure is to ensure that goods and services are obtained in an effective manner and in compliance with the provisions of applicable statutes of the state of Kansas, applicable federal statutes and grant requirements. Conflicts between TPS regulations and federal or state statutes will be resolved in favor of the statutes.

II. RESPONSIBILITIES:

TPS generates purchase orders on an electronic system. Designated employees shall have the authority to initiate purchases within the guidelines described here and in compliance with TPS's computer and electronic security policies and regulations.

Responsible staff shall ensure that the purchases are allowable, allocable and reasonable. The business office shall be responsible for processing purchase orders. Other positions with purchasing responsibilities are as follows:

A. Board of Education

The Board of Education shall approve all policies related to the purchasing system of the district. In addition, they shall:

1. Give prior approval for purchases of \$20,000 or more. This provision includes school activity funds;
2. Approve for payment those liquidated claims that have been audited and approved;
3. Review audits by competent outside authorities to assure compliance with established Board policies related to purchasing; and

4. Question specific situations brought to their attention, to secure adequate factual explanations of circumstances surrounding the purchases for goods and services required by the school system.

B. Superintendent of Schools

The Superintendent of Schools shall administer the policies of the Board of Education as they pertain to purchasing services. In addition, the Superintendent:

1. Shall require that efficient business practices govern all purchases for construction, reconstruction or remodeling; goods and services required in the operation of the school system;
2. Shall ensure that established Board of Education policies are put into effect;
3. Shall initiate administrative practices and procedures which, when implemented, shall efficiently fulfill the educational objectives of the school system; and
4. May sign contracts as authorized by state law and Board of Education policy.

C. Deputy Superintendent of Operations

The Deputy Superintendent of Operations shall administer the practices and procedures established to implement the policies of the Board of Education. In addition, the Deputy Superintendent of Operations shall:

1. Shall supervise the General Director of Fiscal Services; and
2. Review and approve all purchases \$20,000 or more for placement on the board agenda for Board of Education discussion and action.

D. General Director of Fiscal Services

The General Director of Fiscal Services shall administer the practices and procedures established to implement the policies of the Board of Education. S/he shall discharge all responsibilities delegated by the Superintendent of Schools pertaining to purchasing services and shall coordinate the purchasing services activities as they relate to the business function. In addition, s/he shall:

1. Give prior approval for purchases in excess of \$10,000 but less than \$20,000, including school activity funds.
2. Ensure that all statutory requirements are observed in the operation of the purchasing system;
3. Supervise the director of purchasing services; and
4. Recommend changes in policies, practices, or procedures to the Superintendent of Schools or Deputy Superintendent of Operations.

E. Director of Purchasing Services

The Director of Purchasing Services shall administer the purchasing procedures and practices for all purchasing activities of TPS. S/he shall identify and recommend changes in policies, practices, or procedures to the General Director of Fiscal Services and supervise the buyer(s). In addition, s/he shall:

1. Issue or approve for issue purchase orders up to and including \$10,000;
2. Review purchasing activities, records, and documentation for appropriateness and compliance with policies, procedures, and acceptable purchasing practices;
3. Participate with district departments in the development of purchasing specifications, the determination of service improvements and the resolution of supply problems; and
4. Determine the proper receiving station at the time of issuance of a purchase order and assign shipment to the receiving station.

F. Buyer(s)

The buyer(s) shall be responsible for the purchase of goods and services. In addition, s/he shall:

1. Issue or approve requisition orders up to and including \$7,000.
2. Participate with appropriate district staff in the development of purchasing specifications, the determination of service improvements and resolution of supply problems.

G. Center and Grant Managers

Center and grant managers are responsible for the initial requisition, s/he shall:

1. Review and approve the initial entry of a requisition for their center or grant/ and
2. Ensure there is sufficient budget for allowable, allocable and reasonable purchases.

H. Center Administrators for Activity Funds and Petty Cash

Center administrators shall approve purchases from the activity funds up to and including \$5,000. Individual purchase of items with a total net price of \$50 or less can be made using authorized petty cash funds.

I. General Director of Information Technology

The General Director of Information Technology shall administer the computer and electronic security responsibilities and procedures for use of the district network, AS400 computer system and installed applications as related to

purchasing procedures.

III. CODE OF CONDUCT IN PURCHASING:

Ethical conduct in managing TPS's purchasing activities is absolutely essential. Staff must always be mindful that they represent the Board of Education and share a professional trust with other staff. Therefore, the following protocols will be followed:

- Staff shall discourage the offer of, and decline, individual gifts or gratuities of value in any way that might influence the purchase of supplies, equipment, and/or services;
- Staff shall notify their immediate supervisor if they are offered gifts;
- No board member, employee or agent shall participate in the selection or administration of a contract if a real or apparent conflict of interest would be involved; and
- Board members, employees and agents shall neither solicit nor accept gratuities, favors or anything of monetary value from vendors or parties to sub-agreements.

Unsolicited gifts with a value of \$5.00 or less may be accepted. Food or meals obtained during a scheduled conference or presentation included in paid registration may be accepted. Any meals provided by a vendor for TPS staff shall be reviewed and approved by the Director of Purchasing. Staff should contact the Director of Purchasing for guidance prior to accepting any offered meals or free travel from a vendor or contractor.

IV. COMPETITION: :

In order to promote open and full competition, purchasers will:

- Be alert to any internal potential conflicts of interest;
- Be alert to noncompetitive practices among contractors that may restrict, eliminate, or restrain trade;
- Not permit contractors who are paid to develop specifications, requirements, or proposals to bid on such procurements;
- Award contracts to bidders whose product or service is most advantageous in terms of price, quality and other considerations;
- Issue requests for proposals that clearly set forth all requirements to be evaluated;
- Reserve the right to reject any and all bids when it is in TPS's best interest; and
- Use "name brand or equivalent" as a means to define the performance or requirements.

V. NONDISCRIMINATION POLICY:

All vendors or contractors who are the recipients of TPS's funds or who propose to perform any work or furnish any goods under agreements with TPS shall agree to TPS's policy on Nondiscriminatory Employment by Contractors.

VI. PROCUREMENT PROCEDURES:

The following are TPS's procurement procedures:

- A. TPS shall avoid purchasing items that are not necessary or duplicative for the performance of the district activities;
- B. Where appropriate, an analysis shall be made of lease and purchase alternatives to determine which would be the most economical and practical procurement;
- C. Purchasers are encouraged to utilize state of Kansas, local inter-governmental agreements and competitive bid cooperative controls where appropriate for procurement of use of common or shared goods and services;
- D. Purchasers are encouraged to use state of Kansas and federal excess and surplus property whenever such use is feasible and reduces costs;
- E. Documentation of the cost and price analysis associated with each procurement decision shall be retained in file;
- F. All pre-qualified list of persons, firms or products which are used in acquiring goods and services must be current and include enough qualified sources to ensure maximum open and full competition;
- G. TPS shall maintain records sufficient to detail the history of procurement, including:
 - 1. Rationale for the method of procurements,
 - 2. Selection of contract type,
 - 3. Contractor selection or rejection, and
 - 4. The basis of the contract price;
- H. TPS shall make all procurement files available for inspection upon request by a state or federal awarding agency; and
- I. TPS shall not utilize the cost-plus-a-percentage-of-costs method of contracting for construction projects utilizing federal funds.

VII. AUTHORIZATION AND PURCHASING LIMITS:

All purchase orders must have appropriate electronic approval. The following table lists required approval levels and solicitation process:

Amount of Purchase	Required Approvals	Required Solicitation	Required Documentation
Up to and including \$7,000	Center and Grant Managers Buyers	Evidence of solicitation not required but purchases should be distributed among qualified vendors	Purchase Order approved by Director of Purchasing
\$7,001 up to and including \$10,000	Center and Grant Managers Director of Purchasing	3 bids (catalogue, internet, written)	Purchase Order approved by Director of Purchasing
\$10,001 up to and including \$19,999	Center and Grant Managers Director of Purchasing General Director of Fiscal Services	3 bids (catalogue, internet, written)	Documentation of bids received and the award rationale
\$20,000 or more	Center and grant managers Director of Purchasing General Director of Fiscal Services Deputy Superintendent of Operations Board of Education	3 bids (request for proposal or invitation for bid)	Copy of request for proposal (RFP) or invitation for bid (IFB) Proposal evaluation, including who participated in the evaluation Evaluation of proposals, award recommendation and awarded contract

VIII. APPROVED VENDORS:

TPS encourages centers to develop lists of approved vendors that can be used throughout the year. The process to identify an approved vendor is as follows:

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- A. **Develop a list of similar, commonly purchased items that can be acquired from a single vendor (e.g., office and classroom supplies);**
- B. **Try to obtain 2 or 3 bids or proposals, depending on the level of expected spending for the year, including shipping costs;**
- C. **Evaluate the bids or proposals;**
- D. **The vendors with lowest prices and meeting specifications, including shipping, will be approved for use during the year; and**
- E. **This process could result in multiple approved vendors depending on district needs.**

IX. USE OF PURCHASE ORDERS:

TPS utilizes an electronic purchase order system. A properly completed purchase order shall be required for each purchase decision (i.e. total amount of goods and services, not unit price) with the exception of travel advances and expense reimbursements. A properly completed purchase order shall contain the following information, at a minimum:

- A. **Specifications or statement of services required;**
- B. **Contractor name, address, point of contact and phone number;**
- C. **Source of funding;**
- D. **Delivery of performance schedule;**
- E. **Delivery, packing and transportation requirements;**
- F. **Special conditions (if applicable)**
- G. **Catalog number, page number, etc. (if applicable)**
- H. **Net price per unit, less discount if any**
- I. **Total amount of order**
- J. **Authorized signature**
- K. **Date purchase order was prepared**

Purchase orders shall be kept in a secure area in the Business Office and assigned a unique number through the electronic purchasing system, when issued upon request from an authorized purchaser.

X. REQUIRED SOLICITATION OF QUOTATIONS FROM CONTRACTORS:

Solicitations for goods and services should provide for all of the following:

- A. A clear and accurate description of the technical requirements for the goods or services to be procured, but descriptions shall not contain features which unduly restrict competition;**
- B. Requirements which the bidder/offer must fulfill and all other factors to be used in evaluating bids or proposals;**
- C. Technical requirements in terms of functions to be performed or performance required, including the range of acceptable characteristics or minimum acceptable standards;**
- D. The specific features of “brand name or equal” descriptions that bidders are required to meet when appropriate;**
- E. A description of the format, if any, in which proposals must be submitted, including the name of the person to whom proposals should be sent;**
- F. The date by which proposals are due;**
- G. Required delivery or performance dates/schedules; and**
- H. Clear indications of the quantity(ies) requested and unit(s) of measure.**

XI. EXTENSION OF DUE DATES AND RECEIPT OF LATE PROPOSALS:

Solicitations should provide for sufficient time to permit the preparation and submission of offers before the specified due date.

Contractor proposals are considered late if received after the due date and time specified in the solicitation. Late proposals shall be so marked on the outside of the envelope and retained, unopened in the procurement folder, unless the vendor requests return of late bid. Contractors that submit late proposals shall be notified that their proposal was late and could not be considered for award.

XII. EVALUATION AND ACCEPTANCE OF CONTRACTORS:

A bid for an anticipated purchase shall be submitted on approved documents in a sealed envelope marked with the firm name, bid control, the bid opening date and the bid opening time. Bid opening time shall be defined as the time specified when valid bids must be in the hands of the Director of Purchasing or his/her designee at the address designated on the bid request. No attempts shall be made to provide special internal mail service to such documents. Bids must be submitted at the location specified in the bid request document.

Prospective bidders shall have a copy of the bid request forms available to them. The tab sheets and other required forms are to be returned to the Purchasing Department on or before the time specified for bids to be returned. The public opening of bids shall be at the time designated under the condition of the bid.

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A tabulation of bidders will be made prior to the time purchase orders are authorized and issued. Supporting data shall be made accessible to qualified bidders in those instances where there is a best bid or a low bid meeting specifications. The complete tabulation of bids will be available for inspection at the district office. The Board of Education shall reserve the right to reject any or all bids or quotations.

The “total price” is defined as that price quoted for the quantity offered for bid in accordance with the published terms, delivered to the address indicated.

In that instance where one or more suppliers shall offer goods or services at an identical “total price,” preference shall be given such suppliers in the following order:

<u>Preference</u>	<u>Supplier Classification</u>
First	Local
Second	Regional
Third	Others

However, in determining whether one or more suppliers have submitted bids with an identical “total price,” the applicable Kansas statutes shall be taken into consideration in that any bid by a supplier domiciled outside the state of Kansas, to be successful, must be the same percent less than the lowest responsible bid submitted by a Kansas supplier as would be required of the Kansas domiciled supplier to succeed over the supplier domiciled outside Kansas on a like contract let in his domiciliary state.

Except for purchases for construction, reconstruction or remodeling, if the low bidder is not a local supplier and the total net price bid of a local supplier is within one percent of that low total net price bid, the local supplier may be given 24 hours (or a time as determined necessary by the Director of Purchasing) in which to match that low total net price bid. The 24 hours shall begin at the time that the local supplier is given notification by the Director of Purchasing.

In those instances where two or more suppliers in the same supplier classification submit identical total net prices for the same item, it shall be the responsibility of the Director of Purchasing to select the supplier who shall be awarded the purchase contract, based upon considerations of each supplier’s past performance such as meeting delivery deadlines, product warranties and specifications. If the past performance of the suppliers is equal, then the selections shall be by means of a coin toss conducted by the Director of Purchasing (of his/her designee) and witnessed by another individual. Such coin toss shall be documented and signed by Director of Purchasing (or designee) and other witness.

XIII. NONDISCRIMINATORY EMPLOYMENT BY CONTRACTOR:

Every contract entered into by Unified School District No. 501 shall observe nondiscriminatory practices.

XIV. AVAILABILITY OF PROCUREMENT RECORDS:

The files, records, and related data of the Purchasing Department shall be available for inspection in accordance with the Kansas Open Records Act and implementing regulations of the district. Files, records and related data shall also be available for federal and state grant awarding agencies, per applicable grant requirements.

XV. SPECIAL PURCHASING CONDITIONS:

Emergencies

Where goods or services are needed, quotations will not be necessary if the health, welfare, safety, etc. of staff, student or protection of TPS property is involved. The reasons for such purchases will be documented in the procurement files.

Single Distributor/Source

Sole source purchases contractors may be made when one or more of the following conditions apply:

- A. The item or service is only available from one source;
- B. The situation is an emergency and will not permit a delay resulting from competitive solicitation;
- C. The awarding agency expressly authorizes noncompetitive proposals in response to a written request; or
- D. After solicitation, competition is deemed inadequate (insufficient bidders)

Approval from the Director of Purchasing or General Director of Financial Services is required.

XVI. RIGHT TO AUDIT CLAUSE:

TPS requires a "Right to Audit" clause in all contracts between TPS and vendors that either:

- A. Take any form of temporary possession of assets directed for TPS, or
- B. Process data that will be used in any financial function of TPS.

This Right to Audit clause shall permit access to and review of all documentation and processes related to the contractor's operations that apply to TPS, as well as all documents maintained or processed on behalf of TPS, for a period of three years. That clause shall state that such audit procedures may be performed by TPS employees or any outside auditor or contractor designated by TPS.

XVII. CONTRACTORS FILES AND REQUIRED DOCUMENTATION

The Purchasing Department requires all vendors to complete a Topeka Public School

Vendor registration online with the necessary information, including tax identification number, address, contact person, phone number, fax number and e-mail address. The information is stored electronically within the district's computerized purchasing system before any payment is issued to a vendor.

The Purchasing Department requires vendors to visit the public online bid site being utilized to review current bid postings they may wish to bid on.

The Purchasing Department shall mail a blank Form W-9 or equivalent, substitute information to a new contractor and request that the contractor complete, sign, and return the W-9 to TPS. Completed and signed Form W-9's or substitute documentation shall be kept on file by the Purchasing Department.

XVIII. PROCUREMENT GRIEVANCE PROCEDURES

Any bidder may file a grievance with TPS following a competitive bidding process. Once competitive bid results are made public, bidders have three working days to raise questions of methodology and award to the Director of Purchasing in writing. Grievances are limited to violations of state or federal laws or regulations, or failure of TPS to follow its own purchasing policies.

XIX. RECEIPT AND ACCEPTANCE OF GOODS

Designated employees shall inspect all goods received. Upon receipt of an item from a contractor, the following actions shall immediately be taken:

- A. Review bill of lading for correct delivery point;
- B. Verify the quantity of boxes/containers with the bill of lading;
- C. Examine box/containers for exterior damage and note on the bill of lading any discrepancies (missing or damaged boxes/containers, etc.)
- D. Sign and date the bill of lading;
- E. Remove the packing slip from each box/container;
- F. Compare the description and quantity of goods per the purchase order to the packing slip;
- G. Examine good for physical damage;
- H. Count or weigh items, if appropriate, and record the counts on the purchase order; and
- I. Notify the vendor and purchasing department immediately of any discrepancies or damage.

This inspection must be performed in a timely manner to facilitate prompt return of goods and/or communication with contractors.

XX. CONTRACT ADMINISTRATION

Contract managers will adhere to the following procedures:

- A. Files shall be maintained:**
 - 1. In a separate file for each contract greater than \$20,000;**
 - 2. In a single file for contracts less than \$20,000.**

- B. Contract administration files shall contain:**
 - 1. The required documentation specified in the authorizations and purchasing limits table for the original scope of work and for all amendments; and**
 - 2. The identification and scope of the work contained in the award or budget and all approved changes where the contract work is identified in a grant award or budget.**

- C. Authorization of work:**
 - 1. No work shall be authorized until the contract for the work has been approved and fully executed;**
 - 2. No change in the work shall be authorized until an amendment to the contract for the work has been approved and fully executed; and**
 - 3. No amendment of a contract for work shall be executed until it has been approved and authorized as required in the authorizations and purchasing limits table.**

- D. Conformance of work:**
 - 1. For each contract, based on the applicable laws, regulations and grant provisions, the Center or Grant Manager shall establish and maintain a system to reasonably assure contractor:**
 - a. Conformance with the terms, condition, and specifications of the contract, and**
 - b. Timely follow up of all purchases to assure such conformance and adequate documentation.**

- E. The Center or Grant Manager will authorize payment of invoices to contracts after final approval of work products.**