

Katy Independent School District	Procedures Manual
Purchasing Department	Revised July 2010
Regina Stephenson, Director	

KATY ISD PURCHASING PROCEDURES MANUAL

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Forward

The Purchasing Department of the Katy Independent School District is a part of the Support Services Department and responsible for the organization and administration of the purchasing/procurement functions for the District in accordance with the authority delegated by the Superintendent and Board of Trustees.

The primary function of the District’s Purchasing Department is to meet the products and service needs of the District by:

1. Obtaining the best product at the lowest cost to the taxpayer while complying with all federal, state and local laws as well as District policies and guidelines.
2. Achieving a reliable and timely delivery for the requesting school or department.
3. Promoting competition among bidders.
4. Insuring an equal opportunity for all vendors to secure District business.
5. Educating and informing all vendors about District rules, regulations, and methodology that for the basis for bid awards.

As a support organization of the District charged with the acquisition of goods and services requested by instructional and administrative departments, The Purchasing Department will function in a manner consistent with applicable laws, School Board policies, the Uniform Commercial Code and other sound business practices.

The Purchasing Department shares with the Business Office and other fiscal offices the responsibility of expending District funds in such a manner that will meet all requirements of the State, Federal, and District procurement regulations and safeguard the public trust.

Effective purchasing is a cooperative venture between the Purchasing Department and the schools and other departments within the District. The purpose of this manual is to provide guidelines and procedures for the Purchasing Department staff and others involved in the procurement process throughout the District.

Situations will undoubtedly arise which are not fully covered by these procedures. The Purchasing Department staff is available to discuss and/or assist in any special situations or needs and will facilitate a solution in the best interest of the students and staff of Katy ISD.

The purchasing procedures contained in the document are intended to comply with all applicable laws, policies, and procedures. In the event of conflict, the appropriate law or policy shall prevail.

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General Standards & Ethics

Ethics relating to conflicts of interest, financial interests in firms conducting business with the district, kickbacks, gratuities and improper use of a position or confidential information are clearly communicated throughout the District.

Additionally, District personnel should be aware that under the Education Code, Chapter 44.031, as well as other state or federal statutes regarding the expenditure of public funds, there are penalties for violations of purchasing processes which can include criminal prosecution and loss of employment opportunities.

There are certain common standards of ethics which govern the conduct of employees involved in the purchasing function. The fundamental standards for the Katy ISD purchasing processes are as follows:

1. It is a breach of ethics to attempt to realize personal gain through employment with a public school district by any conduct inconsistent with the proper discharge of the employee's duties.
2. It is a breach of ethics to attempt to influence any public employee of a district to breach the standards of ethical conduct set forth in this code.
3. It is a breach of ethics for any employee of a district to participate directly or indirectly in a procurement when the employee knows:
 - a. The employee or any member of the employee's immediate family has a financial interest pertaining to the procurement.
 - b. 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
 - c. 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.

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Integrity

Fairness and impartiality in all phases of the process are an essential part of any transaction in public purchasing. Dealings with vendors and peers must be open, honest, and objective.

Like all service functions, the Purchasing Department's objective is to provide quality service for the District's schools and departments. The process cannot be both effective and self-serving; the two are incompatible.

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Purchasing Department Code of Ethics

Endeavor to obtain the greatest value for every District dollar expended but conducting business in a manner consistent with exemplary business practices, district policies, and legal statutes.

Give prompt and courteous reception to all District staff and legitimate business representatives.

Provide support to the District's schools and departments charged with the responsibility of creating an educational environment of excellence.

Insure that all responsible bidders receive equal consideration and the assurance of unbiased judgment in determining whether their products meet the educational and/or operational needs of the District.

Always consider the interests of the District and the enhancement of its educational programs first.

Strive for a thorough knowledge and understanding of the District's equipment and supplies in order to assist in the Best Value evaluation for the products and services purchased.

Work to identify and implement strategies and techniques that will preserve the integrity of the department while enhancing the level of service provided by the department.

Never accept gifts or favors which might influence, or be construed to influence, the purchase of goods and services.

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Purchasing Authority

Katy ISD Board Policy Manual lists the following under CH (LEGAL) and CH (LOCAL):

- The Board may adopt rules and procedures for the acquisition of goods and services. Education Code 44.031(d).
- The Board may delegate its authority its authority regarding an action authorized or required to be taken by the District by Education Code Chapter 44, Subchapter B to a designated person, representative, or committee.
- The Board may not delegate the authority to act regarding an action authorized or required to be taken by the Board by Education Code Chapter 44, Subchapter B.
- Authorized District employees in charge of a department or school budget may purchase items included in their approved budget, in accordance with administrative procedures.
- The Board shall assume responsibility for debts incurred in the name of the District so long as those debts are for purchases made in accordance with adopted Board policy and current administrative procedures. The Board shall not be responsible for debts incurred by persons or organizations not directly under Board control; **persons making unauthorized purchases shall assume full responsibility for all such debts.**
- All purchase commitments shall be made by the Superintendent or designee on a properly drawn and issued purchase order, in accordance with administrative procedures.

Accordingly the District has established the Katy ISD Purchasing Department under the direction of the Superintendent to assist the Board in the procurement function, and to assure such function is within compliance of all applicable statutes, Board policies, and Administrative Regulations.

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Purchasing Limits

Education Code, Chapter 44 defines the methods of procurement to be utilized by school districts based on the level of expenditure during a twelve month period. All expenditures are looked at in the aggregate, that is all locations in the District are considered as one unit.

There are different categories of purchases including personal property, services, construction, and real property. Personal property is defined as including, but not limited to, any item or thing that can be moved from one location to another or is consumable and does not include real property such as land, buildings, and repair or renovations to buildings. Services can include both professional and non-professional services. Professional services are generally defined as those for which a special qualifications or licensing is required.

In order to determine the level of expenditures, the Purchasing Department has developed a grouping of commodity categories based on those listed in Texas Education Agency Financial Accountability System Resource Guide. These commodities include, but are not limited to:

- Athletic Supplies
- Awards
- Teaching and Instructional Materials
- Cabling Services
- Furniture
- General Merchandise and Groceries
- Musical Instruments
- Musical and Performing Arts Equipment and Supplies
- Police Equipment and Supplies
- Portable Buildings

These commodities are grouped so that contracts for the purchases of these items can be awarded in a competitively awarded process to assure that the schools and departments are receiving Best Value for their budget expenditures and are in compliance with all statutes, policies, and procedures. A complete listing of all commodity groupings and current procurement contracts is posted on the Katy ISD website at www.katyisd.org/Purchasing.

District transactions are monitored within the Purchasing Department so that procurements can be grouped as needed and required under these guidelines. All procurements must be classified within a designated commodity code. Procurements not covered under current commodity groupings and competitively bid contract may be delayed in order to satisfy these requirements.

Schools and departments are encouraged to purchase from established contracts to prevent such delay.

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School District Personal Property Purchases Up to \$50,000 in the Aggregate

Schools and departments are encouraged to use vendors currently under contract with the District for all procurements. If the District does not have a current contract for the commodity or service needed, the following procedures apply.

For purchases of personal property or services totaling less than \$50,000 in the aggregate for the fiscal year, schools and departments will be allowed to purchase using the Best Value criteria for the individual transaction, with the following guidelines:

- Purchases up to \$500 may be made in the most expeditious manner possible in order to meet the needs of the schools and departments. Although encouraged to utilize vendors within the system, new vendors may be entered as needed.
- For purchases \$501 to \$5,000, schools and departments must include a written quotation with the requisition. All should seek assistance from the Purchasing Department to obtain lists of interested vendors.
- Purchases \$5,001 to \$49,999, three written quotes are required. The requisition will not be processed until written documentation of the quotes is provided. The Purchasing Department maintains lists of vendors who have expressed interest in doing business with the District. All are recommended to seek assistance from the Purchasing Department in obtaining information on potential vendors.
- For any purchases over \$50,000, the Purchasing Department should be contacted so that a formal competitive procedure can be followed in the procurement process. The Purchasing Department will assist the campus or department in following the statute requirements for competitive procurements and in preparing the contract recommendations for Board consideration. The Purchasing Department maintains lists of potential vendors for this purpose. The Purchasing Department can assist the campus or department by identifying any potential problems or pitfalls that might occur with the procurement.

Failure to follow these guidelines could result in a delay in processing your request. For assistance in this process, or obtaining quotes, please contact the Purchasing Department.

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School District Purchases Personal Property or Services Valued at \$50,000 or More in the Aggregate

As directed in School Code, Section 44.031, Subchapter A, with the exception of produce or fuel, all District contracts valued at \$50,000 or more in the aggregate for the 12 month period must be procured by use of one of the following methods:

- 1) Competitive Bidding
- 2) Competitive Sealed Proposals
- 3) A Request for Proposals, for Services other than Construction Services
- 4) An Interlocal Contract
- 5) A Design/Build Contract
- 6) A Contract to Contract to Construct, Rehabilitate, Alter, or Repair Facilities that involves the use of a Construction Manager
- 7) A Job Order Contract for the Minor Construction, Repair, Rehabilitation, or Alteration of a Facility
- 8) The Reverse Auction Procedure Defined in Government Code, Section 2155.062
- 9) The Formation of a Political Subdivision Corporation under Local Government Code, Section 304.001.

This applies to all personal property, services, and construction contracts, with the exception of those categories listed in the following section.

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Exceptions to Competitive Procurement Requirements

Produce and Fuel

There is an exception for produce and fuel that allows the District to use any method listed above or those in School Code, 44.034 for these purchases.

Cooperative Purchase Programs

All items and services available through a Board approved cooperative have satisfied all procurement regulations for competitive procurement. These items or services do not require further bidding before being procured.

Professional Services

An additional exception applies to professional services as defined under Government Code, Section 2254.003. These services include, but are not limited to, professionals such as attorneys, architects, fiscal agents, or licensed medical professionals. Contracts for professional services are not procured through competitive bids. Rather such services are chosen through a process of selection involving the review of professional qualifications.

Sole Source Exception

As allowed under School Code, 44.031, the District is allowed to purchase items available from a single source without complying with the competitive procurement provisions.

Sole source items are defined as follows:

- 1) An item for which competition is precluded because of the existence of a patent, copyright, secret process, or monopoly;
- 2) A film, manuscript, or book;
- 3) A utility service, including electricity, gas, water (if available through a single source) or;
- 4) A captive replacement part of component for equipment.

These exceptions do not apply to main-frame data-processing equipment and peripheral attachments with a single-item purchase price of \$15,000 or more.

Vendors claiming sole source status will be asked to provide written and signed documentation stating the reason. Departments or schools may be requested to document the reason why the particular product is required.

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Emergency Damage or Destruction

If school equipment, a school facility, or a portion of a school facility or personal property is destroyed or severely damaged or, as a result of an unforeseen catastrophe or emergency, undergoes major operational or structural failure, and the Board determines the delay posed by the methods for procurement listed School Code Chapter 44.031 would prevent or substantially impair the District’s ability to conduct classes or other essential school activities, then other procurement methods may be utilized as needed.

School Bus Purchases

Any contract for the purchase or lease of one or more school buses must be submitted to competitive bidding when the contract is valued at \$20,000 or more.

Leases & Rentals

Any leases or rentals of personal property or services are subject to the procurement procedures outlined in this document. An exception may be made for lease of real property where sole-source limitations might apply due to location or building requirements.

However it is mandatory that any contracts for such transactions contain the time period for the contract, stating both the beginning and ending date. If the ending date extends past the current fiscal year ending date, a cancellation clause must be contained in the contract allowing cancellation for non-appropriation as listed in Government Code Sub –Chapter Z, 271.903.

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Bidding Process

If it is determined that the personal property or service needed will require either a Request for Bids or Request for Proposal process on the open market, the Purchasing Department will prepare the bid documents. The requesting department will be responsible for providing specifications of the products or services needed. Upon conclusion of the bidding process, the Purchasing Department will open, tabulate, and provide the school or department with written documentation of the results. The school or department will be asked to evaluate and score the results, and provide a written recommendation for award. The Purchasing Department will review and prepare an Agenda Item for Board approval and submit it for consideration. If approved and awarded by the Board, the Purchasing Department will notify the using school or department as well as all vendors involved in the process.

Notices of the time and place when the bids or proposals or other responses to a request for qualification may be examined must be published once a week for at least two weeks before the deadline for receipt. This notice must include the notice as to where the bids shall be opened as well as the date and time due. Such notice must be published in the county where the District’s administrative office is located.

Bids or Proposals will be opened in a public meeting by the Purchasing Department. All such openings are open to the general public or any interested party.

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Contract Time Period

Katy ISD staff may only use funds appropriated by the Board in the approved budgets. Therefore the staff does not have the authority to commit funds in future budgets. While contracts may be issued for any time period as agreed to by the District and the vendor, if the contract extends beyond the end of the current fiscal year, it must contain a cancellation clause as defined by Local Government Code, Chapter 271.903. This clause permits the district to cancel, without penalty, any contract for which the Board does not allocate funding in the sequential year’s budget.

If a competitive procurement process is utilized such as a Request for Bid (RFB) or Request for Proposal (RFP) the contract time period must be clearly defined.

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Best Value

In evaluating procurement decisions the District will always apply best business practices. In doing so, the District will always consider the Best Value criteria as listed below. When seeking a competitively procured contract, the District will state the Best Value criteria listed below as well as any additional criteria to be considered within the bid or proposal document.

Best Value criteria to be considered shall include:

- 1) The purchase price
- 2) The reputation of the vendor and of the vendor's goods or services;
- 3) The quality of the vendor's goods and services;
- 4) The extent to which the goods or services meet the district's needs;
- 5) The vendor's past relationship with the district;
- 6) The impact on the ability of the District to comply with laws and rules relating to historically underutilized businesses;
- 7) The total long-term cost to the District to acquire the vendor's goods or services,
- 8) Any other relevant factor specifically listed in the request for bids or proposals.

Schools or departments will be asked to provide evaluation on all criteria included in the bid documents. All such evaluations will be maintained in the Purchasing Department files and may be presented to the Board with the contract award recommendation.

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Cooperative Purchasing Contracts

To conserve and coordinate the use of public funds, a school district may enter into agreements for the cooperative purchase of goods and services between itself and other local governments or agencies (interlocal agreement).

Such contracts, if competitively bid by the cooperative administration, satisfy the requirement for competitive procurements listed under Education Code, Chapter 44.031.

Participation is allowed through the execution of an Interlocal Agreement between the Katy ISD Board of Trustees and the administration of the Cooperative. Currently, Katy ISD is an active member in a number of Purchasing Cooperatives. These include, but are not limited to:

- 1) Texas Procurement and Support Services (TPASS)
- 2) Region V Purchasing Cooperative
- 3) The Cooperative Purchasing Network (TCPN)
- 4) Houston –Galveston Area Council (HGAC)
- 5) Region VIII TIPS Cooperative (TIPS)
- 6) Harris County Department of Education (HCDE)
- 7) Gulf Coast Food Purchasing Cooperative
- 8) The Texas Association of School Boards Buyboard Cooperative (BUYBOARD)
- 9) HCDE Choice Facility Cooperative

Purchases under these contracts can expedite the procurement process for District departments and schools.

Links to these cooperatives can be found on the Purchasing Department website at www.katyisd.org/DistrictServices/Purchasing/links. For additional information regarding available commodities or services, please contact the Purchasing Department.

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Independent Contractors

From time to time, District departments or schools will contract with individuals or companies for certain services or programs. The term “independent contractor” is used in these instances to denote Non-District personnel performing such services or programs on District property or on behalf of the District. Depending on the value of the services or program to be provided the award of such contract may be subject to competitive procurement procedures. As soon as the requirement for the desired services or program is identified, the school or department should contact the Purchasing Department to determine the proper procurement procedure.

All independent contractors will be required to sign an Independent Contractor’s Contract and either provide proof of insurance at the levels recommended by the District or a Bodily Injury and Property Damage Waiver. Additionally Independent Contractors are required by statute to provide a Criminal History Certification by Independent Contractor/Subcontractor affidavit certifying that the statute requirements have been met and will be monitored by the Contractor.

These procedures are detailed in the Katy ISD Administrative Regulation CJ.

Required Background Checks for Independent Contractors

Effective January 1, 2008, Texas Education Code Chapter 22, Subchapter C requires service contractors to school districts in Texas to obtain criminal history record information regarding covered employees and to certify to school districts that they have done so. Covered employees with disqualifying convictions are prohibited from performing services at a school district. As defined by Texas Education Code, Chapter 22, disqualifying convictions include any of the following, if at the time of the offense, the victim was under 18 or enrolled in a public school:

1. A felony offense under Title 5, Texas Penal Code;
2. An offense for which a defendant is required to register as a sex offender under Chapter 62, Texas code of Criminal Procedure; or
3. An equivalent offense under federal law or the laws of another state.

Service contractors must obtain the criminal history record information on all new or existing employees who will have continuing duties relating to the contract and will have direct contact with students. Covered employees employed by a contractor before January 1, 2008, are subject to name-based criminal history reviews and contractors must obtain the criminal history record information as soon as practical. Covered employees employed by a contractor employed on or after January 1, 2008, are

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subject to fingerprint-based criminal history reviews and contractors must obtain the criminal history record information before or immediately after securing the services of the covered employees.

Contractors must contact the Texas Department of Public Safety (DPS) directly to establish an account to obtain criminal histories. Instructions for the performance of this requirement by this contractor can be obtained from the Purchasing Department. Fingerprints are conducted through the DPS vendor, Integrated Biometric Technology. The contractor must certify to the school district that it has performed the required criminal history reviews.

Insurance Requirements

State law requires that any contractor entering into a construction contract must certify in writing that he provides worker’s compensation insurance coverage for each employee of the contractor employed on the public project. This extends to any subcontractors. All certificates must be on file at the District before work commences.

The District has chosen to extend this requirement to any contractor of the District. Additionally, general liability and automobile coverage is required for any contractor performing services on District property. Insurance certificates listing Katy ISD as an additional insured should be on file at the District before work commences.

Failure to produce proof of satisfactory insurance coverage will be a consideration for non-award or contract termination.

Bonding

In order to protect the District’s investment in public work projects, the District will require performance or payment bonds as required under current State law. State law requires that the school district require performance bonds for any public works projects \$100,000 or more in value, and requires payment bonds for any public works projects \$25,000 or more in value.

The District also has the right to request a bid bond. This is typically used for high value contracts with complex bidding processes. The vendor is required to provide a bond of 5% of the project value to guarantee that it is ready to contract with the District upon award and this is a responsible bidder.

Bonding requirements are outlined in Texas Government Code, Chapter 2253.

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Specifications

The District’s end user or department is responsible for the development of specifications for the items or services needed. Specifications cannot be used that preclude competition in the marketplace on comparable items or services. The use of any brand name or manufacturer’s reference should be descriptive, not restrictive, and should merely indicate the type and quality of the items desired. Detailed specifications are desired, but, at the least, all specifications should include the minimum acceptable requirements or features. Alternate bids may be considered for award if in the best interest of the District.

The Purchasing Department staff is available to assist in this area as needed.

Standardization

The District has standardized on certain equipment and materials to maintain the integrity of the District’s network operations and instructional processes. For computer related items, there is a list on the Technology Standards page on Katy Net. Standardization regarding instructional items will be communicated from the District’s Curriculum Department. Items meeting the District’s standards will be processed upon receipt in the Purchasing Department. Any items requested that are not on the approved standards list will require review by the Purchasing and Technology or Curriculum Department before processing.

Impermissible Practices

School Code 44.031 prohibits the separate sequential or component purchases to avoid the purchasing limit requirements as set forth in this document. Violations of this or other provisions of the procurement statutes can result in criminal charges, removal from office, and/or termination of employment.

Personal Purchases

District employees shall not be permitted to purchase supplies or equipment for personal use with District funds. All items purchased are the property of Katy ISD. Personalized items and items not used in the performance of Katy ISD duties or responsibilities cannot be purchased with District funds.

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Conflict of Interest

Local Government Code Chapter 176 provides information regarding conflict of interest statements to be filed by vendors and certain school district employees.

The Texas Conflict of Interest statutes apply to the District’s officers and elected officials. There are specific rules regarding what constitutes a conflict of interest in regards to a business transaction or real property transaction. For more information, please review the information provided on the Texas Ethics Commission website, www.ethics.state.tx.us.

For expenditures from federal funds, District employees should be aware that the rules regarding conflict of interest are more stringent than the State requirements. For federal fund expenditures the rules state that neither an employee administering, directing or authorizing the expenditure of federal funds, nor members of the employee’s immediate family, can have a financial interest in a vendor involved in the procurement transaction involving these funds.

Tax Exempt Status

The District is a political subdivision of the State of Texas and as such is exempt from state sales tax under Chapter 20, Title 122A, Revised Statutes of Texas.

Items or services purchased for which tax exemption status is claimed must be used within the performance of the District’s business.

It is a criminal offense to utilize this tax exempt status for any other purpose.

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Vendor Relations

Katy ISD is committed to maintaining an open and equitable opportunity to all interested vendors. Katy ISD will seek to competitively procure goods and services whenever possible or as required by policies or statutes. Vendors awarded contracts by Katy ISD are placed on the approved vendor list maintained by the Purchasing Department. This list includes the names and contact information for all vendors with currently active Katy ISD contract.

Additionally, Katy ISD will maintain a potential vendor list of all interested vendors. Vendors will be solicited for quotes as well as formal bids or proposals in their area of interest as opportunities are developed.

Katy ISD does not discriminate on the basis of sex, race, disability, color or national origin in its business practices.

Local Vendor Initiative (LVI)

In 2009 Katy ISD initiated a program to encourage its schools and departments to purchase items locally where it was fiscally prudent and within the established statutes, policies, and rules for public school procurement. The term local was defined in the LVI as those vendors within the Katy ISD school district boundaries. Accordingly all schools and departments are encouraged to purchase items or services locally whenever possible.

On-Site or Telephone Sales Calls

Vendors and their representatives are strictly prohibited from contacting, either in person or by telephone, instructional or support personnel during instructional periods, without the prior approval of the principal or department director.

All vendors calling on school buildings are required to follow the proper check-in procedures for each location. This includes the presentation of a picture identification card. Vendors cleared for entry into the school will receive a visitor’s badge which must be worn while on the premises.

Vendors may make appointments with the Purchasing Department to discuss opportunities with Katy ISD.

Gifts from Vendors

Vendors are prohibited from offering gifts or favors that could influence, or that could be perceived to influence, purchases utilizing District funds. Any such offers should be refused by the employee and immediately reported to their principal or department director. The principal or department director should then report such activity directly to the Purchasing Department.

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Such gifts could include meals, trips, tickets for entertainment, or electronics. Employees should note that acceptance of such gifts can be a violation of state statutes, and a basis for criminal prosecution.

It is permissible to accept small incidental advertising items with a value of less than \$10 retail. These items must be clearly identified as marketing items with the company's name or logo clearly displayed. Such items may be accepted by staff or distributed to campus staff, as desired. These items include, but are not restricted to, coffee mugs, calendars, notepads, pens, and pencils. Care should be taken that the display of such items is not done in such a manner that would give the perception of vendor preference.

Complaints Regarding Vendors and Evaluations

When problems are encountered with a vendor regarding products or service, it is important that the problem be documented. All pertinent information should be noted – date, time, location, problem details. The vendor should then be contacted by phone or in writing notifying of the problem and the resolution desired. A record of all such communication should be kept. If the problem cannot be resolved or continues, the Purchasing Department should be notified. All details of the problem should be provided, including the history of all previous communication regarding the problem.

The Purchasing Department will then take appropriate action which may include written notification to the vendor outlining the problem and the potential breach of contract. All record of the problem and action taken will be kept on file and used in future vendor evaluations.

Fundraising Vendors

The Purchasing Department has the responsibility of reviewing and approving all fundraising vendors used by the schools and departments. Fundraising vendors are those who provide a product(s) directly to the students, parents, or patrons, through a catalog or order form sale. Vendors are paid directly for the goods and the schools receive or organizations receive a commission from the sales.

Vendors interested in providing this type of program to be used by the schools or organizations for fundraising activities must submit an application with background information for the District's review. Once approved, the vendor is placed on the Fundraising Vendor List for the current fiscal year. All applications must be renewed annually.

School Store Sales or Direct Sales by Students

Schools and organizations purchasing and selling products direct to their customers (as in a school store) do not have to receive approval for their suppliers. Examples of this would be the produce supplier from whom pumpkins would be purchased for an annual pumpkin patch activity. However, all such supplies should be purchased through awarded contract vendors whenever possible.

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Donations

The Purchasing Department is responsible for tracking donations to the District. This list is forwarded to the Superintendent’s Office monthly. Donations are reviewed and accepted by the Board of Trustees at the Regular Business Meeting. A letter of appreciation and acknowledgement of the donation is mailed from the Superintendent to the Donor.

All donations from patrons or outside organizations should be submitted to the Purchasing Department on the Request for Acceptance of Donated Items. This form is located on the Katy Net under Purchasing. Schools and departments should include all applicable information on the form. It is important to include the contact information and a complete mailing address. All donations whether monetary or tangible items should not be placed into use until the donation is officially accepted.

If purchasing fixed assets with donated funds (from outside donations or any activity fund donations) , the source of the donation should be listed in the Printed Comments section of the requisition. Further instructions on properly recording the donation through a journal voucher and information required to track the donation through the purchasing process can be found in the District’s Finance Procedures Manual on the Katy Net webpage, on pages 107-110.

If using the funds to purchase goods or services that will in any way be attached to the building or become a permanent fixture on the grounds, you must include an approved Building Modification form. This form can be found on Katy Net under Purchasing. Purchase Orders for these types of items or services cannot be processed until all required approvals have been obtained.

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Regina Stephenson, Director	

Frequently Asked Questions

Why all the rules? Whose money is it?

School District funding comes from two major sources – Local Taxes

State Taxes

As “keepers” of the taxpayers’ money, we have a responsibility to be “fiscally” responsible – to document that we have received good value for the dollars spent.

Why do we have to apply purchasing rules to vending machine funds or the Principal’s Activity fund?

Effective in September 2009, Education Code 44.908 defined these funds as revenue over which the District maintains direct control, thus making these funds subject to the same laws and rules as all other District funding. The only exception is those funds raised by student activities and controlled by the student organizations – identified as Student Activity Funds.

Where are all the rules?

State statutes

Katy ISD Board Policies

Katy ISD Administrative Procedures

Texas Education Agency Financial Accountability System Resource Guide (FASRG)

What does the Purchasing Department do?

School district spending is looked at in the aggregate. That means that we must look at what the district is spending as a whole. We cannot look at one department or school independently. Therefore the Purchasing Department monitors the spending of the schools and departments to ensure compliance with all of the state statutes and local policies. Additionally, and of equal importance, we bid and/or negotiate contracts to obtain better pricing or service. Our goal is to assist you in obtaining better value for your budget dollars.

I can buy these items for much lower prices. Why does the District pay more?

There is a cost to doing business with a school district. Companies must process a large number of documents to become an awarded vendor for the school district. They must also agree to abide by the District’s terms and conditions. They must deliver and bill correctly so that the expenditure can be tracked properly. We have strict hours of operation and often even stricter requirements on deliveries. All of this can add to a vendor’s cost. Some vendors refuse to bid to school districts because of this. Unfortunately when this happens, it leaves the District in a position of being unable to do business with that vendor. It can also mean that we may pay more to an awarded vendor than we might have paid to another one who is not an approved vendor.

The Purchasing Department works very closely with vendors to encourage their participation in our bid or contracting processes. We also work hard to obtain the best possible pricing from our vendors.

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How do I know what type of contracts Katy ISD has in place?

Katy ISD Purchasing Department posts all awarded contracts on the K-Drive in the Purchasing Dept folder. However, if you have questions, please contact the Purchasing Department at 281-396-6260. We will be happy to guide you to the correct current contract or assist you with obtaining pricing.