

Administrators Procurement Services Manual



Office of Finance & Technology Services
Department of Purchasing & Central Services
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FOREWORD

The purpose of this handbook is to provide the basic information necessary for School District employees to accomplish their purchasing requirements in accordance with the rules and procedures that have been established for public agencies.

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INTRODUCTION

It has been said that public purchasing is getting the right item to the right place at the right time and at the right price. And while that is an oversimplification of the role of the purchasing department, it is the essence of what we do. Public agencies have a central purchasing system for many reasons.

First, it is a means for managing the public funds that have been entrusted to each school and department by ensuring that no indebtedness beyond the budgeted amount is created.

Second, it offers the opportunity to achieve economies of scale by being able to buy, in bulk, many of our day-to-day necessities.

Third, it ensures that the vendor will be paid for the products or services that have been sold to the District by providing the means to account for each purchase that has been made.

Fourth, it provides a focal point on which vendors can concentrate; minimizing misinformation and reducing the number of people with whom they have to deal.

Fifth, it reduces the potential for vendors trying to establish unethical relationships with District employees.

Sixth, it serves as a resource for employees to utilize in meeting their needs for goods and services.

What follows is the way the School District of Indian River County conducts its purchasing business and what is required of employees in the conduct of that business.

Chapter 1 – Purchasing Introduction

Purpose

The purpose of this purchasing manual is to provide information necessary to procure goods and services in support of Indian River County Public Schools.

Authority

Indian River County School Board Policies 6320, 6322, 6330, and 7450 govern most purchasing activities within the School District.

Applicability

The School Board Purchasing Policy addresses all aspects of materials management to include the: acquisition of goods, services, professional, and consultant services; construction contracting; contract administration; and property accountability and disposal.

Policy

The School Board is dedicated to ensuring the following:

- The District purchases high quality goods and services at reasonable cost.
- The District conducts all purchasing actions in a fair and impartial manner with no impropriety or appearance thereof.
- All qualified vendors have access to School District business. The maximum feasible degree of competition is achieved.

Definitions

Bid - An offer by a vendor to sell a product or service for a specific price that is based on the specifications of the purchaser. When the District solicits bids, vendors must submit them in sealed envelopes that are opened on a specific date, time, and place.

Bid Threshold - The dollar amount above which sealed bids are required. The threshold is set by Florida Statute for most commodities and services currently stands at \$50,000.00.

Budget Strip - Our terminology for a budget line item. It consists of Fund, Function, Object Code, Center, Project, and Program.

Competitive Sealed Bidding - A formal method of selecting the lowest responsible and responsive bidder. It includes the issuance of a written Invitation to Bid (ITB), a public bid opening, and evaluation based on the requirements stated in the ITB.

Request for Proposal - A formal method of selecting the top-rated offeror. It includes the issuance of a written Request for Proposal (RFP), public notice, and evaluation based on the criteria stated in the RFP, and allows negotiation with the top-rated offeror (s).

Confirming Purchase Order - A Confirming Purchase Order (P.O.) is a P.O. that is released after goods and services have already been rendered. Confirming Purchase Orders are only authorized in the event of a declared emergency as defined by this policy.

Contract - A binding agreement between two parties that consists of an offer and an acceptance, both of which must be in writing.

Delivery Ticket - Also known as packing slip, bill of lading, or freight bill. This document is signed by the receiving party to acknowledge receipt of the goods. In some instances, it may also be the invoice.

Department Heads - Those positions within District that have staff supervision responsibility, but that are not administrative positions.

Director of Purchasing - The administrator authorized by the District to act as its agent in matters of procurement.

Emergency - When a breakdown in machinery and/or a threatened termination of essential services or a dangerous condition develops or when unforeseen circumstances arise that cause a loss or reduction of essential services or items that pose a threat to public health and safety.

Encumbrance - The commitment of budgeted funds that occurs when a purchase order is entered into the accounting system.

Firm - Any individual, partnership, corporation, association, or other legal entity permitted by law to practice in Florida or any other individual, firm, partnership, corporation, association, or other legal entity qualified to perform professional services.

Fixed Asset - Buildings, and equipment which is a part of, or attached to, a building or building system.

Goods - All material, equipment, supplies, printing, textbooks, and automated data processing hardware and software, including computers.

Invitation to Bid - A document containing specifications for goods or services which is sent to vendors inviting them to offer their prices for the goods or services they provide.

Immediate Family - A spouse, and any other person residing in the same household as the employee, who is a dependent of the employee, or of whom the employee is a dependent.

Non-public Funds - Those funds raised directly by a school through its various activities, such as ticket sales, fund-raising, and certain vocational education programs - also known as internal funds.

Responsible Bidder or Proposer - An individual, company, firm, corporation, partnership or other organization who has the capability in all respects to fully perform the contract requirements and the moral and business integrity and reliability that will assure good faith performance.

Responsive Bidder or Proposer - An individual, company, firm, corporation, partnership, or other organizations that has submitted a bid or offer that conforms in all material respects to the Invitations to Bid or the Request for Proposal.

Services - Any work performed by an independent contractor wherein the service provided does not consist primarily of buying equipment or materials or renting equipment, materials, and supplies.

Sole Source - A method of procurement that is used when a situation exists in which only one source is practicably available for that which is to be bought.

Spamming - is the abuse of electronic messaging systems to indiscriminately send unsolicited bulk messages.

Surplus Property - Such property that is no longer of use to the District.

Tangible Personal Property - A tangible item (not a component) that has an expected useful life of at least one year and a dollar value in excess of the amount set for Tangible Personal Property, Section 274.02, Florida Statutes.

FOCUS - The finance system utilized by the District.

Exemption

The policies and procedures discussed in this manual do not apply to the services of architects and engineers. Purchase of these services is conducted under the provisions of Section 287.055, Florida Statutes, entitled the Consultants' Competitive Negotiation Act (CCNA).

Responsibilities

The Superintendent of Schools exercises overall responsibility for the School District of Indian River County's purchasing processes. This responsibility is managed through the Director of Purchasing and Warehousing, the principal public purchasing official of the School District of Indian River County who is responsible for all non-construction-related procurement and for all construction-related procurement.

Principals and department managers are responsible for their procurement activities in accordance with School Board policies, administrative rules, and statutes.

Any purchase or contract entered into by any School District official or employee that violates the provisions of School Board resolution, policy, or regulation shall be the personal responsibility of that individual.

Chapter 2 - Principals & District Administrators Quick Reference

Concepts and Procedures outlined in this chapter are covered in detail throughout this manual. The purpose of this section is to provide basic information that you may need to conduct daily routine business.

The Purchasing Department follows School Board Policy 6320 for the procurement of all goods and services excluding employment contracts, professional services as outlined in School Board Policy 6330, and audit services. Additionally, School Board Policy 6320 identifies all commodities and services that are exempt from competitive procurement.

Please keep in mind that School Board approval is required for all Purchase Orders that exceed \$50,000.00.

Routine Purchases of Commodities and Services up to and including \$5000.00

- a. Enter a requisition in FOCUS or place order using a PCard if authorized by the P-card Manual.
- b. Quotes are not necessary; however, Purchasing may request informal quote solicitation if an opportunity to save money exists.
- c. If you need assistance sourcing a particular product or service, contact the Purchasing Department. We have term contracts established for most common items and services.
- d. Post your requisition in FOCUS.

Routine Purchases of Commodities and Services \$5,000.01 and \$50,000.00

- a. Solicit a written price quote from 3 different sources if possible. The Purchasing Department can waive this requirement and note the justification in FOCUS. If the School Board already has an approved term contract from a vendor that can provide the desired goods or services, then multiple quote solicitation would not be required.
- b. If you need assistance sourcing a particular product or service, contact the Purchasing Department. We have term contracts established for most common items and services.

- c. Enter a requisition in FOCUS for either the term contract vendor or the vendor that provided the lowest responsive and responsible quote.
- d. Remember that requisitions that exceed \$50,000.00 require School Board approval unless they are in accordance with a previously approved term contract or bid award.

Routine Purchases of Goods and Services in excess of \$50,000.00 (Also Reference Chapter 4)

- a. Obtain a written quote from a School Board-Approved term contract vendor. The Purchasing Department can assist with making this determination.
- b. If no term contract exists for the desired commodity or service, contact the Director of Purchasing. The Director of Purchasing will provide instructions on how to develop the Scope of Services and/or the Technical Specifications. The Purchasing Director will also provide you with a realistic timeline for final award recommendation.
- c. Formal bid request will be released to the public.
- d. Bids will be received and reviewed.
- e. Award recommendation will be presented to the School Board.
- f. Requisition for goods or services will be entered in FOCUS.
- g. Purchase order will be released to the awarded vendor.

Chapter 3 - Procurement Overview

General

The Purchasing Cycle is a series of activities that are undertaken to assure that we receive the goods and services needed to support School District programs in a timely, safe, and economical manner. This cycle consists of the following steps:

- Step 1:** Recognition of the need for goods or services.
- Step 2:** Preparation of specifications of needed goods or services.
- Step 3:** Preparation of requisition (if being purchased through the Purchasing Department).
- Step 4:** Determination of proper procurement method (small purchase, competitive bid, Piggyback, Sole Source, and emergency).
- Step 5:** Preparation of solicitation document.
- Step 6:** Receipt of bids or proposals.
- Step 7:** Review of bids for the lowest responsible and responsive bidder or selection of proposal that is most advantageous to the School District of Indian River County.
- Step 8:** Submit an award recommendation to the School Board for approval.
- Step 9:** Issuance of purchase order, contract, or negotiation of contract with selected offeror.
- Step 10:** Receipt of goods or services.
- Step 11:** Payment to vendor and Contract administration to ensure vendor compliance with the terms and conditions of the contract or purchase order.

Purchasing Ethics

Public confidence in the integrity of the School District's purchasing activities is critical. Improprieties, or even the appearance of improprieties, can undermine this confidence with very negative consequences. Erosion of trust by Indian River County taxpayers could result in decreased community support and revenues. Lack of trust by the vendor community could result in contract award protests or an unwillingness to submit bids, thus decreasing competition and potentially increasing the cost of goods or services.

Policy

Chapter 112, Part III, Florida Statutes, Code of Ethics for Public Officers and Employee governs ethics in procurement within the School District of Indian River County.

Policy Definitions

Personal Interest - Any personal financial benefit or liability accruing to a School District employee, his or her spouse, or any other relative residing in the same household.

Contract - Any agreement in which the School District of Indian River County is a party.

Immediate Family - A spouse, and any other person residing in the same household as the employee, who is a dependent of the employee, or of whom the employee is a dependent.

Transaction - Any matter considered by the Indian River County School Board on which official action is contemplated or taken.

Prohibited Conduct

No School District employee having official responsibility for a procurement transaction shall participate in that transaction on behalf of School District when the employee knows any or the following:

- The employee is contemporaneously employed by a bidder, offeror, or contractor involved in the procurement transaction.
- The employee, the employee's partner, or any member of the employee's immediate family holds a position with a bidder, offeror, or contractor such as an officer, director, trustee, partner or the like, or is employed in a capacity involving personal and substantial participation in the procurement transaction, or owns or controls an interest of more than five percent.
- The employee, the employee's partner, or any member of the employee's immediate family has a pecuniary interest arising from the procurement transaction.
- The employee, the employee's partner, or any member of the employee's immediate family is negotiating or has an arrangement concerning prospective employment with a bidder, offeror, or contractor.
- No School District employee having official responsibility for a procurement transaction shall solicit, accept, or agree to accept from a bidder, offeror, contractor, or subcontractor any payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal or minimal value, in the present or promised in the future.

- No bidder, offeror, contractor, or subcontractor shall confer upon any School District employee having official responsibility for a procurement transaction any payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value is exchanged.
- No bidder, offeror, contractor, subcontractor or vendor will be allowed to email spam School District employees.
- No bidder, offeror, contractor, subcontractor or vendor will be allowed to promote their product during School District Board meetings.

Penalty for Violation

District Staff who knowingly violate district Purchasing Policies and Procedures will be subject to punishment in accordance with applicable School Board Policies. Punishment for willful violations may include but not be limited to termination of employment.

Chapter 4 - Contracting Process Competitive Bidding

General

Competitive sealed bidding is the preferred method of acquisition due to its non- subjective nature. This method of procurement is used to establish School District annual requirement contracts.

Authority

The School District of Indian River County's Policy 6320 requires Competitive sealed bidding for purchases of goods and services estimated to cost in excess of \$50,000.00.

Competitive Sealed Bid

A competitive sealed bid is a method of source selection for a purchase estimated to be in excess of \$50,000.00. Award is made to the lowest responsible and responsive bidder.

Procedures

- Issue a written Invitation To Bid (ITB) or Request for Proposal (RFP).
- Provide public notice of the bid by posting it on Demandstar and advertise in the local newspaper.
- Open to public at the date and time advertised and announcement of all bids received. Evaluate bids based on the requirements set forth in the ITB or RFP.
- The School Board of Indian River County awards a contract to the lowest responsive and responsible bidder meeting the specifications.

Responsibilities

Schools, Centers, and Offices

Determination of the need for goods and services starts with the requesting department/school. Once the requestor has identified a requirement, he or she should consult with the Purchasing Department to determine if an existing contract is available. If no such contract exists, the requestor must submit written specifications describing the design or performance characteristics to the Purchasing Department. The originating school, center, or office is typically involved in evaluating products for which bids have been submitted in response to the ITB or RFP.

Purchasing Department

The Purchasing Department is responsible for preparing the bid document based on the written specifications that a requestor provides. Once the document is prepared, the Purchasing Department issues the ITB/RFP and receives the vendors' bids. After

receiving the bids, the Purchasing Department tabulates them to determine the lowest bids. The products that are offered at the best prices are evaluated to ensure that they comply with the specifications (responsiveness). After this process is complete, award recommendations are made to the School Board for award and execution of the contract.

Processing Times

The following estimated timeline should be considered for the successful completion of a formal competitive bid. This timeline assumes that the Purchasing Department is provided with reasonably acceptable specifications.

1. Bid Preparation takes approximately 1 week depending upon the complexity.
2. Bid Posting and Release takes 4-6 business days due to legal advertisement lead time.
3. Bids must be posted for at least 2 weeks to ensure that participants have sufficient time to respond. Complex solicitations may require additional time that typically does not exceed one (1) month. The Purchasing Director can extend a due date and time through a written addendum.
4. Award recommendations must be approved by the School Board at regular meetings which occur once a month.

During the planning phase of all bid solicitations, the Purchasing Department plans the schedule by working back from the next scheduled Regular Board Meeting. This methodology ensures that the process is completed in a timely manner.

Clearly, some bids will have to be completed more quickly than the above timeline and some bids may take significantly longer. The requesting department/school should consult with the Purchasing Department once they have identified a requirement to establish a reasonable timeline for each specific acquisition process. This will take into account the complexity of the solicitation, how many different products and services are being requested, how many vendors are expected to respond, etc.

Bid Evaluation Process

Once the bids are opened and tabulated, copies of responsive bids are provided to the user department for evaluation. For bidders who have offered the specified product, there is typically no need to perform an evaluation of the product to ensure that it meets School District requirements. However, the low bids are often for alternative products. When this occurs, the Purchasing Department staff members work with the requestor to conduct the product evaluation. In some cases, this involves reading descriptive literature. In other cases, it requires that the Purchasing Department or Requesting Department's staff members test and evaluate samples. For each line item, the evaluation starts with the low bid and continues until an acceptable product is

identified. Documentation must be maintained that supports the rejection of low bid products, and this documentation is forwarded to the School Board along with the actual award recommendations.

Determination of Non-responsiveness

The following list below are examples of situations (not an all-inclusive list) in which a bid may be declared non-responsive:

- The bidder failed to sign the bid.
- The bidder did not provide an original signature on the bid form. The bidder failed to complete required forms and certificates.
- The bidder changed delivery terms e.g. the bidder changed "FOB destination" to "FOB shipping point."
- The bidder did not offer the goods or services that complied with the bid specifications. The bidder did not offer firm prices.

Determination of Non-Responsibility

The following are examples of situations in which a bidder may be declared non-responsible:

- The bidder is not a regular dealer or supplier of the goods or services offered.
- The bidder does not have the ability to comply with the required delivery or performance schedule.
- The bidder does not have a satisfactory record of performance as documented prior to the receipt of bids.
- The bidder does not have a satisfactory record of integrity, or the bidder is currently debarred or suspended by the School District of Indian River County or another Florida jurisdiction.
- The bidder does not have the necessary facilities, organization, experience, technical skills, or financial resources to fulfill the terms of the purchase order or contract.

Lobbying

Proposers are hereby advised that lobbying is not permitted with any district personnel or Board members related to or involved with this proposal until the administration's recommendation for award has been made.

Lobbying is defined as any action taken by an individual, firm, association, joint venture, partnership, syndicate, corporation, and all other groups who seek to influence the decision of a Board member or District personnel after advertisement and prior to the recommendation of this contract.

Any proposer or any individuals that lobby on behalf of the proposer during the timeframe of this proposal will result in the rejection/disqualification of said proposal.

Confidentiality

Submittals that are the result of a Request for Proposal (RFP) or Invitation to Bid (ITB) are not subject to public review until either 20 days after the due date and time or a recommendation is made to the Board, whichever comes first.

If a bidder makes a request to inspect bid records prior to award, information designated as trade secrets or proprietary information by the bidder will not be disclosed and is exempt from disclosure under the Freedom of Information Act (FOIA) provisions.

Specifications

The term "specification" refers to that portion of a solicitation that describes the characteristics of a required product or service. A specification may include requirements for samples, descriptive literature, inspection, testing, warranty, and packaging.

Types of Specifications

Several types of specifications exist. The development, selection, and use of a particular type are dependent on an employee situation, time frame, information available, and needs.

Performance Specifications

Performance specifications (also known as Functional Specifications) are preferred since they communicate a product's function, rather than how it is to be built. Performance specification should include the following:

- A general description.
- Required performance characteristics (minimum/maximum) to include speed, storage, production capacity, usage, ability to perform a specific function.
- Operational requirements, such as limitations on environment, water or air cooling, electrical requirements.
- Site preparation requirements for which the contractor will be responsible, such as electricity, plumbing, or for the School District which will be responsible.
- Compatibility requirements with existing equipment or programs.
- Conversion requirements for maintaining a current equipment or system until switching to the new equipment or system.
- Installation requirements, maintenance requirements, supplies and parts requirements, quantity, and method of pricing.
- Warranty and service location and response time.

Brand Name or Equal:

Brand name or equal is the most commonly used type of specification. As a standard for purchase, the following requirement is included when brand name or equal specifications are used:

"Unless otherwise provided in the Invitation to Bid, the name of a certain brand, make, or manufacturer does not restrict bidders to the specific brand, make, or manufacturer named; it conveys the general style, type, character, and quality of the article desired, and any article which the public body in its sole discretion determines to be the equal of that which has been specified, considering quality, workmanship, economy of operation, and suitability for the purpose intended, shall be accepted."

An equal product can be defined as being similar in form, fit, and function and may be substituted for the required items, with no advantage or disadvantage.

The most important part of preparing brand name bid specifications is the use of the product's salient features. Salient features are the inherent qualities of the product that are required for the product to perform its intended application. These characteristics should be stated in the specification, and the equal product must meet these requirements to be acceptable. Not all characteristics of a product can be typically categorized as salient features, so it is important to identify those that are truly critical to the product's acceptability.

Samples

If a bid is issued with the specifications of a brand name or equal, it is recommended that consideration be given to requiring that vendors who are bidding an alternative "equal" product must submit a sample of their product for evaluation purposes. Failure to submit a requested sample will result in the rejection of the bid. At a minimum, descriptive literature should be required for any alternative products.

It also is recommended that if the award is made for an alternative product based on the evaluation of a sample, the sample should be retained to compare the sample to the actual delivered items when they arrive.

No Substitutes

It is possible to specify a brand name and to state "no substitutes"; however, this is only acceptable if it can be justified.

For example: a high school may desire to replace a percentage of their football uniforms. These uniforms are from a specific manufacturer and are of a specific style and color. It is unlikely that a uniform from another manufacturer could exactly match

the existing uniforms. Under these circumstances, it would be acceptable to specify the existing manufacturer, style, and color, and to state "no substitutes."

Scope of Work for Services

The following is a list of the types of information that should be included in a scope of work for professional or other services:

1. General Requirements

Describe the contractor's responsibility to provide a service or produce a specific study, design, or report.

2. Specific Requirements

Address the specific tasks, subtasks, parameters, and limitations that must be considered in producing the service or final project. The following factors should be included:

- Details of work environment minimum or desired qualifications amount of service needed, and location of service.
- Definition of service unit time limitations.
- Travel regulations or restrictions, and special equipment required.
- Other factors affecting working environment.

3. School District Provided Materials or Services. List any plans, reports, statistics, space, personnel, or other School District-provided items that the contractor must use.

4. Deliverables, Reports, and Delivery Dates

Identify the specific delivery dates for all documentation or other products the contractor must furnish. Be clear about the expectations for the contractor's performance.

Contracts

A contract is a mutually binding legal relationship obligating the seller to furnish the supplies or services and the buyer to pay for them. Any contract with a value greater than \$500 must meet the following criteria to be legally binding:

- It must be in writing.
- There must be consideration, i.e., something of value given or done as recompense that is exchanged by two parties.
- All persons must have the ability or capacity to make a valid contract, and that which is being performed under the contract must be legal.

- Both parties must have legal escape if a substantial disagreement occurs.
- Both parties have an obligation to do or to permit something to be done in consideration for the act of the other.

Types of Contracts

There are numerous types of contracts. The following types of contracts are those the District most commonly uses:

Annual Requirement Contracts

Annual requirement contracts are established through a competitive bidding process for recurring demand products. Buyers in the Purchasing Department work with schools and departments to develop product specifications and to estimate annual needs.

Buyers, schools and departments evaluate vendor bids to ensure that award is made to the lowest responsible and responsive bidders. Vendors are required to supply these products at a fixed price in whatever quantities are requested throughout the year regardless of the original estimated quantities. Under this type of contract, the vendor assumes certain risks because the actual quantities bought may be greater or less than the original estimate, and any product cost increase to the vendor typically cannot be passed on to the District.

Examples of the products that are purchased under an annual requirement contract include most instructional supplies, custodial cleaning supplies, and classroom furniture.

Percent-off List Price Contracts

An ITB is issued to request vendors to submit bids that offer percent discounts from list prices. Purchasing certain products in this way can be advantageous to the School District.

Under this type of contract, the School District assumes the risk of price increases to list prices while the vendors assume the risk regarding the quantities of the products.

Examples of the products that are purchased under a percent off list price contract include science supplies, Hewlett-Packard microcomputers/printers, and office furniture.

Personal Service Contracts

The Indian River County School Board often enters into agreements with individuals to perform a variety of services. These agreements may or may not need to be bid competitively, depending on the cost and type of service being provided. A Board approved agreement and a proper purchase order must be issued/executed prior to the rendering of these services.

District Administrators and Principals should submit personal service contract requirements to the Purchasing Department along with all relevant information.

Time and Materials Contracts

Using the competitive bid process, a time and materials will be established when it is not possible or practical to obtain the needed services and/or materials at a fixed price. This type of contract specifies the fixed hourly rate and establishes how materials will be charged. **The obvious disadvantage of this type of contract is that it requires careful oversight because there is no positive incentive for the vendor to control costs.**

An example of a time and materials contract is the Plumbing Services and Repair contract.

Origins of Contracts

Contracts are established based on specific requests or based on the knowledge of recurring demand. The Purchasing Department works with the schools/departments to identify products that are newly required or that are no longer needed due to changes in technology, curriculum, etc.

Requests for the creation of a contract should be submitted in writing to the Purchasing Department.

Contract Approval

The Director of Purchasing must approve all procurement contracts involving appropriated funds.

Principals are authorized to sign contracts involving the use of non-public funds. Non-public Funds are funds raised directly by a school through its various activities, such as ticket sales, fund-raising, and certain vocational education programs.

Contract Administration

It is necessary that contracts be administered to ensure that vendors are complying with the terms and conditions of the contract. The Purchasing Department is responsible for the administration of contracts. Problems with vendor performance should be reported to that office in writing at the onset of the issue.

Vendor Performance - General

All contracts and purchase orders contain vendor performance requirements. These requirements typically include price, quantity, quality, delivery location, and delivery date. An important part of the purchasing cycle is to ensure that the vendor's performance is consistent with these requirements.

Non-Compliance

If vendors fail to meet their contractual obligations, administrators should notify the Purchasing Department immediately. This office will assume responsibility for trying to resolve the problem and for documenting the situation in the contract file if warranted by the circumstances. If a vendor consistently fails to perform, it may result in cancellation of the contract. Under certain circumstances, vendors may be suspended or debarred by the Purchasing Department from doing business with the School District.

Cone of Silence

- A. "Cone of Silence" means a prohibition on any communication regarding a particular Request for Proposals (RFP), bid, or other competitive solicitation between the following list below:
1. Any person who seeks an award therefrom, including a potential vendor or vendor's representative; and;
 2. Any School Board member or the member's staff, the Superintendent, Assistant Superintendent and their respective support staff, or any person appointed by the School Board to evaluate or recommend selection in such procurement process. The Cone of Silence shall not apply to communication with the School Board Attorney or his or her staff, or with designated school district staff who are not serving on the particular Procurement Committee, to obtain clarification or information concerning the subject solicitation. For purposes of this section, "vendor's representative" means an employee, partner, director, or officer of a potential vendor, or consultant, lobbyist, or actual or potential subcontractor or sub-consultant of a vendor, or any other individual acting through or on behalf of any person seeking an award.
- B. A Cone of Silence shall be applicable to each RFP, ITB, or other competitive solicitation during the solicitation and review of bid proposals.
1. The Cone of Silence shall terminate at the time the School Board of Indian River County accepts the recommendation to award and approves a contract, or otherwise takes action which ends the solicitation and review process.
 2. Nothing contained herein shall prohibit any potential vendor or vendor's representative:
 3. From making public presentations at duly noticed pre-bid conferences or before duly noticed selection and negotiation committee meetings;
 4. From engaging in contract negotiations during any duly noticed public meeting;

5. From making a public presentation to the School Board during any duly noticed public meeting; or;
 6. From communicating in writing with any school district employee or official for purposes of seeking clarification or additional information, subject to the provisions of the applicable RFP, or bid documents.
- C. Nothing contained herein shall prohibit the Procurement Committee's representative from initiating contact with a potential vendor or vendor's representative and subsequent communication related thereto for the purposes of obtaining further clarifying information regarding a response to an RFP, or competitive solicitation. Such contact shall be in writing and shall be provided to the members of the applicable Procurement Committee, including any response thereto.
- D. Any violation of this rule shall be investigated by the Director of Purchasing and may result in any recommendation for award, or any RFP award, or bid award to said potential vendor or vendor's representative being deemed void or voidable. The potential vendor or vendor's representative determined to have violated this rule, shall be subject to debarment. In addition to any other penalty provided by law, violation of this rule by a school district employee may subject the employee to disciplinary action. Specific Authority: 1001.41(1)(2); 1001.42(22); 1001.43(10) F.S.
- Law Implemented, Interpreted or Made Specific: 1001.43(10); 1001.51(14) F.S.

Chapter 5 - Purchasing Process

Purchase Requisitions

General

Purchase requisitions are used to begin the process of buying goods and services. Employees enter purchase requisitions into FOCUS.

The purpose of a requisition is to communicate requirements to the Purchasing Department. It is important that this communication include all relevant information, so that the requisition can be processed in a timely manner. It also is important to understand the different time periods required to process a requisition depending upon the dollar value of the procurement.

Non-Construction Commodities and Services as outlined in School Board Policy 6320

\$5,000.00 or less:

Purchases of \$5,000.00 or less do not require quotes, although competition is encouraged whenever practical. Purchasing Staff will direct end users to obtaining multiple quotes for these purchases anytime an opportunity presents itself.

\$5,000.01 to \$50,000.00:

Purchases up to \$50,000.00 are below the formal bid level established by the School Board. "Informal" competition is required. For purchases up to \$50,000.00, written quotes from three firms are required unless waived by the Purchasing Director or a single quote is received that is in accordance with a valid bid or contract awarded by another public agency. The Purchasing Department can waive this requirement and note the justification in FOCUS.

\$50,000.01 and above:

Purchases of this value are considered formal and require that the school system follow the procedures governing competitive sealed bidding. Once requirements are provided to the Purchasing Department, a Request for Proposals (RFP) will be prepared. The Purchasing Department reviews, issues, and receives responses to the solicitation. Copies of bids or proposals are provided to the user department for review and recommendation. Award recommendations are returned to the Purchasing Department for final review by the Director of Purchasing. Formal bid solicitation may not be required when written proposals are in accordance with a valid bid or contract awarded by another public agency.

Construction Related Services as outlined in School Board Policy 6322

\$0.00 to \$35,000.00:

Direct Negotiation is authorized for construction projects costing \$35,000.00 or less.

\$35,000.01 to \$100,000:

Construction projects within this range require the solicitation of three (3) written quotes.

\$100,000.01 and above:

Construction projects that exceed \$100,000.00 require formal bid solicitation.

Electrical Projects outlined in School Board Policy 6322

\$0.00 to \$35,000.00:

Direct Negotiation is authorized for construction projects costing \$35,000.00 or less.

\$35,000.01 to \$75,000:

Electrical projects within this range require the solicitation of three (3) written quotes.

\$75,000.01 and Above:

Electrical projects that exceed \$75,000.00 require formal bid solicitation.

Purchase Orders

Purpose

Purchase orders (P.O.) provide written authorization for vendors to provide the goods and/or services described on the order. The product or service description, delivery conditions, quantity, and price are all specified on the order. Payment terms are also listed. The purchase order also confirms to vendors that funds have been encumbered to ensure payment after the goods or services have been received.

Signature

All P.O.s issued on behalf of the School District must be authorized and signed by the Director of Purchasing.

Preparation

Purchase Orders are created in FOCUS after the requestor has entered a purchase requisition. After all approvals are complete, the Purchasing Department processes the approved requisition and it then becomes a Purchase Order. P.O's are printed each day and are mailed immediately to vendors by the Purchasing Department. Copies are sent to the originating school/department and the Finance Department.

Processing Receipts for Payment

Purpose

It is vital that receiving copies of the PO be sent to the Finance Department as soon as goods or services have been rendered.

Vendors cannot be paid until the receiver copy of the P.O. is signed by the receiving Department head or Principal. Prompt payment of invoices is vital to vendor relations.

Accounts Payable

The Accounts Payable Section of the Finance Department is responsible for processing vendor payments. This task is accomplished by matching purchase orders and vendor invoices. If all documents match, payment is made. If mismatches occur, Accounts Payable must research and resolve the mismatch before processing the payment. The current practice is that Accounts Payable receives an invoice and checks to determine if a pink copy has been processed. If it has not, they notify the school/department asking for the status of the receipt. Once the School or Department verifies receipt by sending the Pink Copy, the payment is processed. This is done to ensure that vendors are only paid for goods and services which have been received.

Emergency and Sole Source Purchasing - General

Emergency and Sole Source purchases are two acceptable methods of procurement that exempt the district from seeking competition, but they should only be used when fully justified. Emergency Purchases are only issued when authorized by the Superintendent or Designee.

Emergency Purchases

Emergency purchases can be used to buy critically needed goods or services in order to address dangerous conditions or the potential termination or reduction of essential services. If such a situation occurs, an employee should contact the Purchasing Department to consult with the Director of Purchasing. Written justification will be required.

Even if an emergency occurs, a school/department should attempt to obtain competition if at all possible.

If the emergency occurs after normal business hours, a school/department should document the situation and his or her actions and provide this information to the Director of Purchasing on the next business day.

Sole Source Purchases

Sole Source purchases are used when only one source is practicably available for a needed product or service. If there is reason to believe that such a situation exists, the employee should consult with the purchasing staff in the Purchasing Department. If agreement is reached that a Sole Source situation may exist, written justification will be required.

Chapter 6 - Purchasing Cards

General

When schools desire to purchase materials using public funds, they can do so using a District-issued Purchasing Card (PCard).

Authority

The Purchasing Department activates procurement cards. The procurement card is a credit card issued by a financial institution for the purpose of enabling employees to acquire needed materials. Procurement cards represent one of several "tools" that is available to support the District's purchasing activities. Use of these cards can simplify and expedite the ordering process for many types of products.

Use and Limitations

Procurement cards will be used in accordance with established procurement regulations as outlined in the PCard Manual.

PCard cannot be used for the following purposes:

- Purchases of items specifically prohibited by policy Purchases that exceed the Purchasing Card limits not reporting lost or stolen cards.
- Purchases from vendors that create a conflict of interest inadequate record keeping and/or documentation of purchases Acceptance of cash in lieu of a credit to the statement.
- Splitting or staggering of purchases within the single purchase limit Cash advances.
- Entertainment Personal purchases.

Documentation

The financial institution sends monthly statements to each PCard holder. The holder is responsible for verifying the accuracy of the statement and for authorizing payment. Detailed instructions for Monthly PCard Reconciliation are outlined in the PCard Manual.

Chapter 7 - Warehouse

General

The Warehouse is operated by the Purchasing Department. The primary functions of the warehouse include receiving, storing, and delivering recurring demand materials.

Warehouse Requisitions are used to acquire stocked items in the Warehouse. These requisitions are entered into FOCUS.

The Warehouse will process Warehouse Requisitions for stocked items. The Warehouse prints pick lists each day to begin the process of picking, packing, and delivering these items. The goal is to deliver stocked items within 3 days of approval of the requisition.

Return for Credit Policy

Schools and Departments can return stocked items purchased during the current fiscal year for full credit by submitting a written request to the Warehouse Foreman. Moreover, they must also initiate the return in FOCUS. The items will be picked up as soon as possible. After the items are returned, the appropriate budget will be credited in the FOCUS system.

Please note that only items from the current fiscal year may be returned. No returns of a partial case, package or box will be accepted, and these items must be unused.

Chapter 8 - Property Management

General

The Purchasing Department is responsible for the accountability of all capitalized furniture, fixtures and equipment. The Property Specialist tags and creates an inventory record for each asset with an acquisition cost of \$1000.00 or more. This department is also responsible for maintaining a subsidiary ledger by location for all capitalized furniture, fixtures, and equipment.

Property Acquisition

When a school or site receives capitalized furniture fixtures, and equipment, they should contact the Property Records Coordinator as soon as payment is made to arrange for tagging.

The Property Records Coordinator will record all descriptive data at the time of tagging. This data will be entered into FOCUS.

Annual Physical Inventory of Assets

All district cost centers that are assigned fixed assets are required to conduct an annual physical inventory of all property. Inventories shall be conducted per written letter of instruction which is issued in September of each year. Departments and Schools have one month to complete the inventory by their respective deadline. **It is imperative there is no delay, as the schedule for their inventory processing is tight.** Please plan accordingly.

Disposal of Property (Property Disposition)

Unserviceable Non-Assets

Unserviceable non-assets can be disposed of locally. Cost Center administrators have the authority to make this determination. These items can only be thrown away when they are of no educational or residual value.

Unserviceable assets

Unserviceable assets must be returned to the warehouse and declared as surplus by the School Board prior to disposition.

Serviceable and/or Obsolete Items

Serviceable and or Obsolete Items must be returned to the warehouse so that appropriate measures to re-purpose the items can be taken. If all efforts to re-purpose fail, then the items will be declared surplus and disposed of in accordance with F.S. 274.

Property Losses from Fire, Theft, Vandalism, or Disposal without Authorization

Any property that has been destroyed, stolen or vandalized must be reported to the Risk Management Department and the Property Management Department by using the Plant Security Report as soon as possible after the discovery of the theft/vandalism. An additional police report may be required. A copy of the police report must be attached to the Plant Security Report in all theft and vandalism cases.

Destroyed, damaged, lost and stolen property will be removed from the School or Department records upon Board approval.

Recovery of any losses should be reported to the Property Management any time property is returned to a location. Include the following information:

1. Cross-reference to the Plant Security Report.
2. A brief explanation of the re-appearance.
3. The status of interim replacements.

Property records will be adjusted based on the information found in the recovery report.

Temporary Loan of School District Equipment

The use of equipment must align with the District's education goals and policies. The equipment should only be used by the employee to whom it was issued. Responsibilities for receiving a District-owned asset is a privilege, not a right. Inappropriate use will result in the immediate surrender of the item. By accepting the equipment, the employee agrees to keep the item in his/her possession or to secure the item when it is not in use. District property should not be loaned out to the others, including family members. It is the employee's responsibility to safeguard the equipment from inappropriate use. The District will not be responsible for any damages the employee may suffer, including the loss of data. Please contact Property Management for more information, or if you have any questions.

Schools and Departments who need a temporary loan of School District equipment must complete the form and submit it to Property Management. The form must also be filed with the individual responsible for inventory control at your site.

Disposal without Authorization

A form must be completed if an employee disposes or destroys the property without following procedure.

**** Please contact Property Management for assistance with the necessary forms and procedures for District property and equipment.**