

CENTRAL UNIFIED SCHOOL DISTRICT PURCHASING HANDBOOK



4605 N. POLK

FRESNO, CA 93722

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**PURCHASING HANDBOOK
CENTRAL UNIFIED SCHOOL DISTRICT
INTRODUCTION**

The purpose of this handbook is to provide information about the policies and operating procedures for procurement, competitive bidding and related services in support of the educational goals for Central Unified School District. Policies and procedures identified in this handbook comply with laws of the State of California, Federal Regulations, Policies and Procedures of the District’s Governing Board, best business and purchasing practices applicable to school districts and other governmental agencies throughout California. The handbook also serves as the “purchasing procedures” as stated in Board Policy 3300 and as mandated under the Government Code of the State of California, sections 54202 and 54204, which state the following:

54202: Every local agency shall adopt policies and procedures, including bidding regulations, governing purchases of supplies and equipment by the local agency. Purchases of supplies and equipment by the local agency shall be in accordance with said duly adopted policies and in accordance with all provisions of law governing same. No policy, procedure, or regulation shall be adopted which is inconsistent or in conflict with this statute.

54204: If the local agency is other than a city, county, or city and county, the policies provided for in Section 54202 shall be adopted by means of a written rule or regulation, copies of which shall be available for public distribution

Procurement is one of the business responsibilities of the Governing Board; the prudent expenditure of tax dollars is a major policy function. All purchase orders and formal contracts must be approved and or ratified by the Governing Board. Each transaction between the District and any other entity or person involving property transfer, encumbrance or the rendering of a service is a contract, and all contracts are subject to the approval of the Governing Board.

Governing Boards may delegate the power to contract to the District Superintendent or to a designated agent. The delegation of power may be limited as to time, money, or subject matter or may be a blanket authorization in advance of its exercise. However, contracts pursuant to such delegation shall not be an enforceable obligation against the District until ratified by the Governing Board. (Ed Code 17604-5, 35161)

The Board delegates the power to contract (Ed Code 17604 -17605) and purchase materials, supplies, equipment, and services as follows:

Central Unified Authorized Agents & Limits:

Authorized Agent	Purchase Orders & Contract Authorization Levels
Superintendent	All Contracts & Purchase Orders < \$50,000
Assistant Superintendent Business	All Contracts & Purchase Orders < \$50,000
Director Fiscal Services	All Contracts & Purchase Orders < \$50,000

PURCHASING HANDBOOK
CENTRAL UNIFIED SCHOOL DISTRICT
PURCHASING DEPARTMENT OVERVIEW

Under the supervision of the Assistant Superintendent of Business and the Director of Fiscal Services, the Purchasing Department consists of the Purchasing /Warehouse Manager, Purchasing /Warehouse Specialist and an Account Clerk III. Collectively, the main focus of the department is to ensure Purchase Orders are delivered to the school sites / departments as quickly as possible to support the educational goals of the District.

The Purchasing Department provides service through the purchase order process via the Everest financial system. Sites and departments enter requisitions into Everest to initiate the procurement process. All required approvals for a requisition are obtained electronically through email and the Everest system. The Purchasing Department will process all requisitions and issue a purchase order for goods and services requested. The average time to generate a signed purchase order is one to two days. Emergency Purchase Orders may be generated immediately when necessary and accompanied by the appropriate documentation and approvals.

As part of the Purchase Order process, Purchasing staff must be sure to review each requisition carefully to ensure conformity to applicable rules, regulations, laws, procedures, policies, statutes and funding sources and uphold the instruction, direction, policy and regulation of the Governing Board.

The Purchasing Department in part shall ensure:

- The best interest of the District is served in all transactions;
- All transactions serve a public purpose;
- All purchases are reasonable, appropriate, and cost-effective;
- Compliance with all applicable provisions of The Board of Education, District Adopted Policies and Regulations, State and Federal laws governing purchasing and regulations imposed by Fresno County Office of Education (FCOE);
- Purchases and contracts are executed without favoritism or prejudice;
- The Purchase of equipment, supplies and services are conducted on a competitive basis when required by law;
- Formal bids are solicited when required by law;
- Vendors are correctly added to the Everest database in accordance with procedures imposed by FCOE;
- Advertised bids are opened publicly at the prescribed time and place, when applicable;
- Timely processing of an approved requisition, purchase order, formal contract, or other written instrument, as applicable;
- Purchasing staff have the knowledge to keep others informed on current practices and procedures;
- Contracts and agreements are retained as prescribed by law;
- Contracts and agreements are submitted to the Board for ratification and/or approval.

PURCHASING HANDBOOK
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PURCHASING DEPARTMENT OVERVIEW

The proceeding information should be used as a general guide to District purchasing methods and practices.

The Purchasing Handbook provides reference information to assist the user in answering day-to-day questions pertaining to purchasing and related procurement activity.

Should the user require any clarification or have any questions concerning procurement, please contact the Purchasing / Warehouse Manager.

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GENERAL STAFF GUIDELINES

The following are generalized guidelines established to assist District employees in the procurement of goods and services. Adherence to these general guidelines will ensure proper compliance with Public Contract, Education and Government Codes of California and approved Board of Education policy.

- A. Pursuant to Government Code Sections 1090-1092, District employees must not have a financial interest in any contract with the district for goods and/or services under the following conditions:
 - 1. The contract is between the District and the employee.
 - 2. The contract is between the District and a partnership or unincorporated association of which the employee is a partner or in which he/she is the owner or holder, directly or indirectly, of a proprietorship interest; or
 - 3. The contract is between the district and a corporation in which any employee is the owner or holder, directly or indirectly, of five percent (5%) or more of the outstanding common stock.

- B. Employees shall not contract for services (workshops, assembly speakers, workshop purchases, etc.) without a signed Purchase Order and/or contract and applicable insurance requirements. Such communication is often considered legally binding and may place the employee in the position of potentially having to personally make payment for the goods or services provided.

- C. Items for purchase will be sent to the Purchasing Department via an approved District purchase requisition. The Purchasing Department will issue and forward a Purchase Order to the employee named in the “ship to” of the requisition. Purchase requisitions are not be used in place of a Purchase Order. District employees who contact vendors and authorize shipment of goods or supplies utilizing a purchase requisition number may be held financially responsible for such goods and/or services.

- D. Preference for a particular material or equipment is a prerogative of the requisitioner; however, the Purchasing Department may review the quality and kind of material or equipment requested and make recommendations relative to safety, health, economy, and substitute materials or equipment. Disagreements over materials that cannot be reconciled between the Purchasing Department and the requisitioner will be forwarded to the Assistant Superintendent of Business Services and/or Director of Fiscal Services for disposition.

- E. Employees should not answer telephone solicitations regarding free/trial of goods and services. Any solicitations should be immediately forwarded to the Purchasing Department as the solicitations are often fraudulent.

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- F. The Board shall authorize payment for actual and necessary travel expenses incurred by any employee performing authorized services for the district, whether within or outside district boundaries. (Education Code 44032).

An employee shall obtain approval from the Superintendent or designee prior to traveling. The Superintendent or designee may approve travel requests in accordance with the adopted budget and upon determining that the travel is authorized or assigned by the employee's supervisor, is necessary to attend a conference or other staff development opportunity that will enhance employee performance, and/or is otherwise necessary to the performance of the employee's duties (BP3350).

- G. All operating expenses will be charged to the fiscal year in which they are incurred (BP3420).

**PURCHASING HANDBOOK
CENTRAL UNIFIED SCHOOL DISTRICT
REQUISITIONS AND PURCHASE ORDERS**

POLICY

Systematic business procedures shall be established for the purchase of supplies and equipment and for the payment for services (BP3412).

The normal procedure for purchasing will be through the use of the Purchase Order form. Any deviation from this procedure must have the approval of the Superintendent (BP3412)

All transactions entered into by the Superintendent or designee on behalf of the Board shall be reviewed by the Board every 60 days (Education Code 17605).

The Board shall not recognize obligations incurred contrary to Board policy and administrative regulations (BP3300).

No direct purchase of any materials, or equipment may be made by District employees other than those purchases designated in writing, in advance, by those persons specifically authorized by the Governing Board.(BP3412)

REQUISITION PROCESS (AR3314)

Items needed by schools and other district office departments are to be ordered by a requisition process rather than issuing a purchase order at the site. The requisitions themselves are not usable as a purchasing instrument since they do not have an authorized signature.

The requisitions are created by the end user, usually a secretary or finance clerk, and approved by the principal or vice principal. If the requisition is for the disbursement of restricted/categorical funds the requisition will be forwarded to the administrator in charge of program compliance for additional approval. If the requisition is not for the disbursement of restricted/categorical funds the requisition will be forwarded to an administrator appointed by the respective Assistant Superintendent of that department for additional approval.

Once approved, the requisition shall be forwarded to the purchasing department to be entered into the Everest financial system.

- Technology

The Director of Technology oversees the operation and management of all district equipment concerning technology. The Director ensures compliance with PCC 20118.2 in addition to ensuring that all technology items purchased are in alliance with the District's Technology Plan.

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REQUISITIONS AND PURCHASE ORDERS**

All requisitions for technology and related equipment such as computers, tablets, cellular phones, cameras, printers, projectors and the like require the additional approval of the Director of Technology.

- Books
To ensure consistency and appropriateness at school sites, the additional approval of the Supervisor of Library Services is required for the purchase of novels and related reading material.

PURCHASE ORDERS (AR3314)

Payment will be made to vendors via a purchase order that has been reviewed and signed by the appropriate staff. Adjustments made to the purchase orders will be honored only if the following conditions are met:

- The vendor had to make last minute substitutions for the items listed on the purchase order as long as the total purchase order amount is not exceeded by 10% and there is sufficient budget to cover any price increases.
- Adjustments made cause the purchase order amount to be for less or equal to the original purchase order amount.
- The funds being spent are not from restricted sources, or if funds are being spent from restricted sources the adjustment/substitution item(s) must inherently be the same as the original items listed on the original purchase order. (i.e. Changing from one math book to another higher priced math book is a substitution that is inherently the same as the original time ordered.) All other adjustments made on purchase orders concerning content and or price must go through the process as an additional or Supplemental purchase order.

PURCHASING DEPARTMENT REVIEW

It is not the intent of the Purchasing Department to stop requisitions or prevent services, but rather to protect the District from any potential conflicts that could arise from a perceived violation of current Purchasing Laws, Governing Board Policies and directives or regulations imposed by the Fresno County Office of Education.

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REQUISITIONS AND PURCHASE ORDERS**

The Purchasing Department cannot modify requisitions. Upon receipt of an approved requisition, purchasing staff will review required key components prior to approving and forwarding the purchase order for signature. Below is a list of the most commonly reviewed items.

- a. Funding- does the fund, goal, function, object code etc. align with the purchase? Are sufficient funds available to complete the purchase?
- b. Wording- does the first line of the requisition contain the “who, what and why” as requested by Board members? Example: *Fiscal Services- Supplies for Training*. The first line of the requisition is what is printed on the warrant list and Board report.
- c. Type- does the type of requisition match the documentation provided?
- d. Amount- is the amount within the confinements of the law? Is the amount in line with Board Policy and Administrative Regulation? Does the requisition break out tax, freight and/or shipping charges?
- e. Compliance- does the request violate any known law, code, policy, procedure? Example: Food and Flower Policy, Board Policy, Ed Code, Public Contract Code etc.
- f. Approval- does the requisition contain the required approvals? Additional approvals are required for technology and some instructional materials. Board approval is required for any expense \$50,000.00 and above.
- g. Documentation- does the supporting documentation attached to the requisition support the purchase request? Is it transparent to the signor, accounts payable, auditors, Governing Board and Fresno County Office of Education? Is the documentation complete and accurate? Does it contain necessary signatures, insurance documents, contract documents etc.?
- h. Board Approval- is the requisition \$50,000 or above, if so it must be Board Approved. Are the minutes attached illustrating the Board Approval date? Is the Board Approval date on the requisition itself?
- i. Authorization- does the requisition contain the required pre-approval under Ed Code 42632, PCC code 20111, Board Policy 3412, Board Policy 3300, Board Regulation 3314? If the requisition is for travel does it comply with the approvals under Board Policy 3350? Was the expense pre-authorized in writing by the Governing Board, Superintendent, Assistant Superintendent of Business and/or Director of Fiscal Services?

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REQUISITIONS AND PURCHASE ORDERS**

- j. Best Interest- does the requisition support the education of students? Does it serve a public purpose? Is it cost effective and reasonable?

A Purchase Order will be generated after the requisition has met all of the requirements.

The purchasing Department will print purchase orders from the Everest Financial System for review and final approval by staff designated by the Governing Board.

When signed, the purchase order will be returned to the requesting site/department for use as a procurement instrument.

**PURCHASING HANDBOOK
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OPEN / BLANKET PURCHASE ORDERS**

In order to facilitate the purchase of low cost items, generally of a disposable nature, the district will allow "Blanket Purchase Orders." These orders will be for such items as stationery items, child nutrition food items, auto parts and hardware items for the facilities, maintenance, operations, grounds and transportation departments (AR3314).

Open purchase orders are valid only for the time period stated and the amount stipulated on the purchase order. The purchase order number must be indicated on all invoices. Open purchase orders may not be used for the purchase of furniture, equipment or any single item that has a value over \$500.00. Blanket Purchase orders are not to exceed \$5,000.00 at any given time (AR3314)

Invoices that are generated from using an open purchase order must have the following:

1. Be itemized, extended and totaled with sales taxes.
2. Include the purchase order number.
3. Include those items received at the time the material is picked up. Back orders should be invoiced at the time they are delivered or picked up.
4. Receipts and receivers should be signed, dated and forwarded to accounts payable as quickly as possible.

Keep open purchase orders to a minimum. The entire amount of the open purchase order will be encumbered and will not be available for other purchases.

If you are using an open purchase order for use at Home Depot, Save Mart, or Sears you must check out the respective credit card from the purchasing department. The card is to be returned immediately after each use as other sites and departments may require use of the cards. In no event shall a card be kept over a weekend or holiday.

**PURCHASING HANDBOOK
CENTRAL UNIFIED SCHOOL DISTRICT
VENDOR RELATIONS / NEW VENDORS**

To maintain a professional and courteous relationship with vendors, while complying with current practices and mandates, including those imposed by Fresno County Office of Education, the following procedures are necessary and should be adhered to by District staff. In doing so, the District will promote healthy business relationships and maintain integrity.

VENDOR RELATIONS (AR3315)

1. Staff will not extend favoritism to any vendor. Each order is to be placed on the basis of quality, price, service and delivery, with past performance being a factor if all other considerations are equal.
2. No District employee or Governing Board member shall accept personal gifts, commissions or expense-paid trips from individuals or companies selling equipment, materials or services required in the operation of District programs. This policy does not prohibit employees from accepting promotional or advertising items such as calendars, desk pads, notebooks or other office supplies, or attending informative lunches and seminars, which are offered by businesses free to all as part of their public relations and information programs.
3. In order to eliminate favoritism to vendors, purchasing staff will not generate any personal relationships with any vendor that does business with the District.
4. Authorized staff may visit a vendor's place of business to acquaint themselves with a product line and to determine the company's capability to serve the District.
5. Sales personnel are not permitted in schools for the purpose of making sales. If it is necessary to contact a company representative regarding details of their products, schools should make such arrangements only for informational purposes.
6. Unless pre-approved in writing by an employee authorized by the Governing Board, vendors are required to obtain a valid purchase order from a District employee prior to conducting any service or supplying any materials or equipment.

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VENDOR RELATIONS / NEW VENDORS**

NEW VENDORS

1. New Vendor requests should be kept to a minimum. Every effort should be made to utilize current vendors that have an established business relationship with the District. Out of Country Vendors are typically not permissible.
2. New Vendor Requests must accompany a requisition.
3. Purchasing Staff will gather required tax documents, provide vendor with District terms and conditions of doing business and complete vendor setup in the Everest Financial system according to regulations imposed by the IRS, California Franchise Tax Board, California State Board of Equalization and Fresno County Office of Education.

**PURCHASING HANDBOOK
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UNAUTHORIZED PURCHASES**

In accordance with California Education Code 42632 and Governing Board Policy, only authorized individuals appointed by the Governing Board may financially obligate Central Unified School District. The District requires issuance of a signed purchase order or contract to a vendor prior to furnishing any services or shipping materials.

Governing Board Regulation and Policy states in part; (AR3315 / BP3412):

- A. The District may not pay for purchases made by district personnel without prior authorization from the Purchasing Department if the purchase was not properly processed or authorized. The person ordering the item may be personally liable for any commitments made to vendors caused by their actions.
- B. The normal procedure for purchasing will be through the use of the Purchase Order form. Any deviation from this procedure must have the approval of the Superintendent.

In essence, purchases made in the name of the District without an authorized purchase order may be considered an obligation of the person making the purchase, and not an obligation of the District. Deliveries of materials or performance of services, which are made without a purchase order or contract, are made at the seller / providers risk.

If a vendor provides a service or supply without a valid purchase order, the vendor will be notified of the violation. After three notifications, the vendor will be removed from the Everest Financial system for future use.

Staff cooperation is imperative to conducive business relationships with vendors. On occasion, employees of the District have placed orders without proper authorization. This practice has resulted in duplicate orders, delays in payments to vendors, unnecessary time spent verifying the order, and it violates Board Policy and state law under Education Code section 42632.

PURCHASING HANDBOOK
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EMERGENCY PURCHASES

In case of an emergency affecting the operation of the District, the Superintendent and/or Assistant Superintendent of Business may authorize issuance of a Purchase Order exceeding bid thresholds. *An emergency is defined as a safety issue that presents danger to the health and safety of students and/or employees or the inability of a department or school site to carry out their assigned responsibilities because of the loss of critical equipment.*

In the case of an Emergency Purchase exceeding bid requirements, the following procedure shall be followed:

1. The emergency will be identified and submitted in writing to the Superintendent and/or Assistant Superintendent of Business for approval.
2. A requisition will be generated and include proper account numbers. The requisition will be forwarded to the Purchasing Department for processing.
3. The Purchasing Department will issue a Purchase Order/Contract and obtain signature from the Superintendent or Assistant Superintendent of Business and will forward it to the requesting department. In the event that Purchasing Department staff is not available for issuance of a Purchase Order, verbal authorization from the Superintendent and or Assistant Superintendent of Business will suffice.
4. The Contract/Purchase Order / Expense must be placed on the next Governing Board meeting agenda for ratification/approval.
5. The Governing Board must receive status information at each Board meeting thereafter until such time as the Contract is fulfilled and/or project is completed.

Purchases for convenience will not be considered as an emergency.

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SOLE SOURCE PURCHASING

The Legislature finds and declares that the intent of sole source purchases is to encourage contractors and manufacturers to develop and implement new and ingenious materials, products, and services that function as well, in all essential respects, as materials, products, and services that are required by a contract, but at a lower cost to taxpayers (Public Contract Code 3400).

Sole Source/Sole Brand purchases are not encouraged, however, where competitive bidding does not produce an advantage, or it is nearly impossible to obtain what is required, specifications for contracts may designate a product by brand or trade name (sole sourcing) when one or more of the following conditions apply:

1. The product is designated to match others in use on a particular public improvement that has been completed or is in the course of completion.
2. One product has a unique application required to be used in the public interest.
3. Only one brand or trade name is known.
4. Upon a resolution of the Board of Education, where the Board of Education makes a finding that the item sought is the subject of a field test to determine its suitability for future use.
5. In order to respond to an emergency declared by a local agency, but only if the declaration is approved by a four-fifths vote of the governing board of the local agency issuing the invitation for bid or request for proposals.
6. In order to respond to an emergency declared by the state, a state agency, or political subdivision of the state, but only if the facts setting forth the reasons for the finding of the emergency are contained in the public records of the authority issuing the invitation for bid or request for proposals.

Legal Counsel should always provide an opinion prior to declaring an item or service a “sole source”.

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PIGGYBACK PURCHASING

The District shall act in accordance with Public Contract Code 20118 in regards to Piggyback Purchasing. Public Contract Code 20118 reads as follows:

Notwithstanding sections 20111 and 20112, the governing board of any school district without advertising for bids, if the board has determined it to be in the best interests of the district, may authorize by contract, lease, requisition, or purchase order, any public corporation or agency, including any county, city, town, or district, to lease data-processing equipment, purchase materials, supplies, equipment, automotive vehicles, tractors, and other personal property for the district in the manner in which the public corporation or agency is authorized by law to make the leases or purchases. Upon receipt of any such personal property, provided the property complies with the specifications set forth in the contract, lease, requisition, or purchase order, the school district may draw a warrant in favor of the public corporation or agency for the amount of the approved invoice, including the reasonable costs to the public corporation or agency for furnishing the services incidental to the lease or purchase of the personal property.

Piggyback Purchasing is permissible for purchases involving Equipment, Materials and Supplies. The items being purchased must be identical to those items shown on the original awarded contract. The District may piggyback off any approved cooperative, approved JPA, State, School District or City bid that has a contract issued against the bid, this includes the State of California multiple award schedule. In order for the District to participate in the bid, the following must conditions must be met (Required by Fresno County Office of Education):

1. Authority to participate in the contract must be given by the Board of Education.
2. The contract from the originating agency must have been approved by their governing board or authorizing member for a specific time period and contain a piggyback clause.
3. The items being purchased must be identical to the items listed in the bid. Options must also be listed in the original bid as an “add on”.
4. A Purchase Order will be issued to the vendor shown on the originating agencies bid, listing the items as described in the bid. The Purchase Order must contain;
 - The contract/bid number.
 - Attached as backup a copy of the bid and any extensions, a copy of the advertisement issued by the awarding body, a copy of the awarding bodies approval, certificate of insurance if applicable, payment and performance bonds if applicable.
 - Prices stated on the Purchase Order must be tied back to the bid documents attached as backup.

**PURCHASING HANDBOOK
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ORDERING MATERIALS FOR PREVIEW**

When materials are to be ordered for preview, normal purchase order procedures are to be followed.

A standard purchase order for the entire purchase amount should be fully completed and approved by all approvers. The purchase order should include;

1. The duration of the preview period
2. The words "For Preview only"
3. Backup showing the allotted time from the vendor for preview and the full sale amount should the item be retained.

If preview items are not returned within the time frame agreed upon with the vendor, then it is assumed that the order is acceptable and the requisitioning department will be responsible for payment in full.

If items are to be returned to vendor, please contact the Purchasing Department to void the purchase order and unencumber the funds. Proof of return of the item is required.

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ADVANCE PAYMENTS

Occasionally there is a need to secure services, equipment or supplies from vendors who will not accept a purchase order. Unfortunately, the District is typically not permitted, under regulations imposed by Fresno County Office of Education, to pre-pay for materials or services.

Exceptions to the regulation are as follows;

1. Where the Board of Education has approved the pre-payment for items or services;
2. Institutional Memberships (personal memberships are not typically permitted except for Assistant Superintendents and the Superintendent);
3. Lodging accommodations for travel. A copy of the approved travel request form as well as the reservation must be attached;
4. Registration fees;
5. Electronic Licenses where a purchase order is not accepted;
6. Mandated instructional materials from a specified vendor who does not accept a Purchase Order;
7. Utilities;
8. Fees imposed by a State, City, District, Municipal Corporation or any other Government entity where an advanced payment is required;
9. Postage, permits, admission tickets for student field trips, services provided by other Governmental agencies, rentals of real property, lease payments and subscriptions.

Advance Payments for the above mentioned items are permitted only when a vendor will not accept a purchase order. The standard requisition process will still apply, however the requisition type should be "Advance-Prepay".

PURCHASING HANDBOOK
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FEDERAL RESOURCE PURCHASES

The Governing Board recognizes the district's responsibility to maintain fiscal integrity and transparency in the use of all funds awarded through federal grants. The district shall comply with all requirements detailed in any grant agreement with an awarding agency and with the Federal Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards specified in 2 CFR 200.0-200.521 and any stricter state laws and district policy.

Any goods or services purchased with federal funds shall be reasonable in cost and necessary for the proper and efficient performance or administration of the program (BP 3230) (CFR 200.0 – 200.521)

The procurement of goods or services with federal funds shall be conducted in a manner that provides full and open competition in accordance with state laws and district regulations and the following requirements (AR 3230):

1. Any purchase of supplies or services that does not exceed the "micro-purchase" threshold specified in 48 CFR 2.101 may be awarded without soliciting competitive quotes, provided that the district considers the price to be reasonable and maintains written evidence of this reasonableness in the record of all micro-purchases. (2 CFR 200.67, 200.320). See *Procurement Chart for further reference.*
2. For any purchase that exceeds the micro-purchase threshold but is less than the bid limit required by Public Contract Code 20111, the Superintendent or designee shall utilize "small-purchase" procedures that include obtaining price or rate quotes from an adequate number of qualified sources. (2 CFR 200.320). See *Procurement Chart for further reference.*
3. Contracts for goods or services over the bid limits required by Public Contract Code 20111 shall be awarded pursuant to California law and AR 3311 - Unless exempt from bidding under the law. See *Procurement Chart for further reference.*
4. If a purchase is exempt from bidding and the district's solicitation is by a request for proposals, the award may be made by either a fixed-price or cost-reimbursement type contract awarded to the entity whose proposal is most advantageous to the program, with price and other factors considered (2 CFR 200.320). See *Procurement Chart for further reference.*
5. Procurement by noncompetitive proposals (sole sourcing) may be used only when the item is available from a single source, the need or emergency will not permit a delay resulting from competitive solicitation, the awarding agency expressly authorizes sole sourcing in response to the district's request, and/or competition is determined inadequate after solicitation of a number of sources (2 CFR 200.320).

PURCHASING HANDBOOK
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FEDERAL RESOURCE PURCHASES

6. Time and materials type contracts may be used only after a determination that no other contract is suitable and if the contract includes a ceiling price that the contractor exceeds at its own risk. Time and materials type contract means a contract whose cost is the sum of the actual cost of materials and direct labor hours charged at fixed hourly rates that reflect wages, general administrative expenses, and profit (2 CFR 200.328).

To process a requisition using Federal Monies (resource codes 3000-5999), staff shall perform the following procedures:

1. Non-federal entities are subject to the non-procurement debarment and suspension regulations implementing Executive Orders 12549 and 12689, 2 CFR part 180. These regulations restrict awards, sub-awards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs or activities (2 CFR 200.213). To check if a vendor is debarred or suspended;
 - a. Go to the website at www.sam.gov (you do not need to register).
 - b. Verify the status of the vendor by performing the following:
 - Click on the search records icon on the top left of the screen.
 - Use the “quick search” box and enter the vendor’s name (leave remaining classifications blank)
 - c. Click search at the bottom of the web page.
 - d. Print a copy of the search results including results if a vendor was not found.
 - e. If the vendor is not debarred, note on the requisition and/or contract if applicable, that the vendor has been checked in the SAM system and is not debarred. Include a copy of the printed page with the requisition.
 - f. If a vendor search produces no results, print the page and attach as supporting documentation to the requisition. Note on the requisition and/or contract if applicable that the vendor has been checked in the SAM system.

****The District is prohibited from doing business with a vendor or individual that is debarred or suspended.
2. The Superintendent or designee shall obtain prior written approval from the awarding agency before using federal funds to make capital expenditures (\$5,000.00+), including the acquisition of land, facilities, equipment, and intellectual property and expenditures to make additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations, or alterations to capital assets that materially increase their value or useful life. (2 CFR 200.12, 200.13, 200.20, 200.33, 200.48, 200.58, 200.89, 200.313, 200.439)
 - a. Prior approval must be obtained from the California Department of Education or alternate awarding agency (ex: Fresno County Office of Education, Cal Trans, and SJVACD etc.).
 - b. Attach a copy of the authorization as supporting documentation to the requisition.

**PURCHASING HANDBOOK
CENTRAL UNIFIED SCHOOL DISTRICT
FEDERAL RESOURCE PURCHASES**

PROCUREMENT CHART FEDERAL PURCHASES

PROCUREMENT THRESHOLDS (Services and Supplies)	PROCUREMENT PROCESS (Services and Supplies)
1. \$0.01 - \$3,500.00 MICRO-PURCHASE	At least One (1) written proposal, but more is optimal to save on pricing and satisfy the requirement to have “written evidence of reasonableness”. Requisitions must include all information obtained. Verbal quotes should have company name, name of person who provided the quote, items / services requested, and amounts quoted as backup to the requisition. If websites were visited to obtain quotes, a print out of each websites name, items / services requested and advertised amounts need to be added as backup to the requisition.
2. \$3501.00 to \$88,300.00* SMALL PURCHASE <i>*\$88,300 adjusted annually under PCC</i> <i>**\$50,000+ requires Board Approval</i> <i>***\$5,000+ (Capital Expense) require awarding agency approval</i>	At least Three (3) written proposals must be obtained and submitted with requisition. Requisitions must include all information obtained. Verbal quotes should have company name, name of person who provided the quote items/services requested, and amounts quoted as backup to the requisition. If websites were visited to obtain quotes, a print out of each websites name, items/services requested and advertised amounts need to be added as backup to the requisition.
3. \$88,300* and above <i>*\$88,300 adjusted annually under PCC</i>	Formal bidding process required for goods and services <u>not</u> exempted under Government Code 503060.
4. \$88,300* and above <i>*\$88,300 adjusted annually under PCC</i>	RFP Process required for goods/services exempted under Government Code 503060 and pertinent Ed Code.

**PURCHASING HANDBOOK
CENTRAL UNIFIED SCHOOL DISTRICT
BIDDING REQUIREMENTS – NON PUBLIC WORKS**

This section applies to all equipment, materials, or supplies, whether patented or otherwise and services. This section shall not apply to specialized professional services or advice, insurance services, public works, or any other purchase or service otherwise exempt from this section, or to any work done by day labor or by force account pursuant to Public Contract Code section 20114.

Public Contract Code section 20111(a) with which the District will act in accordance reads in part as follows:

The governing board of any school district, in accordance with any requirement established by that governing board, shall let any contracts involving an expenditure of more than fifty thousand dollars (\$50,000- \$88,300 as of 1/1/17) for any of the following:*

- (1) The purchase of equipment, materials, or supplies to be furnished, sold, or leased to the District.*
- (2) Services, except construction services.*
- (3) Repairs, including maintenance as defined in section 20115, that are not a public project as defined in subdivision (c) of section 22002.*

The contract shall be let to the lowest responsible bidder who shall give security as the Governing Board requires, or else reject all bids.

**Commencing January 1, 1997, the Superintendent of Public Instruction shall annually adjust the dollar amounts specified in subdivision (a) to reflect the percentage change in the annual average value of the Implicit Price Deflator for State and Local Government Purchases of Goods and Services for the United States, as published by the United States Department of Commerce for the 12-month period ending in the prior fiscal year. The annual adjustments shall be rounded to the nearest one hundred dollars (\$100). The formal bid process for the 2017 calendar year for goods and services is set at \$88,300.00*

The Purchasing Department will ensure adherence to the established District policies, Public Contract Code, Education or Government Codes, and regulations pertaining to bidding and quotation solicitation. The District must formally bid all equipment, materials, supplies, and services, unless exempted, with a gross value of \$88,300* *adjusted annually* and above.

Purchasing will be accomplished through competitive bidding or solicited quotations, if allowable (RFP Process), with awards made to the lowest responsible bidder or qualified proposer meeting all District specifications, instructions and conditions.

**PURCHASING HANDBOOK
CENTRAL UNIFIED SCHOOL DISTRICT
BIDDING REQUIREMENTS – NON PUBLIC WORKS**

PROCUREMENT CHART

To be used for Materials, Supplies, Non-Capitalized Equipment, Equipment, Equipment Replacement and Services, except those exempted under law and public works. This section does not apply to federal resource purchases or blanket/open purchase orders:

PROCUREMENT THRESHOLDS	PROCUREMENT PROCESS (Non-Federal Resources)
1. \$0.01 to \$10,000.00	At least One (1) written proposal, but more is optimal to save on pricing.
2. \$10,001.00 to \$49,999.00	At least Two (2) written proposals should be obtained and submitted with the requisition for purchase of the item.
3. \$50,000.00 - \$88,299.99* <i>(\$88,300 adjusted annually)</i>	Requires Board Approval (2 Board Meetings) At least three (3) written proposals should be obtained and submitted as a part of the agenda item. RFP Process is encouraged.
4. \$88,300.00* and above <i>(\$88,300 adjusted annually)</i>	Formal bidding/RFP process required

**PURCHASING HANDBOOK
CENTRAL UNIFIED SCHOOL DISTRICT
BIDDING REQUIREMENTS - PUBLIC WORKS**

CALIFORNIA UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING PROCEDURES

The California Legislature passed the California Uniform Public Construction Cost Accounting Act *CUPCCA* (Public Contract Code 22000 et seq.) to promote uniformity of bidding procedures and cost accounting standards on construction projects performed and contracted by public entities in the State. The act is an excellent tool for local public agencies which want to:

- raise their bidding thresholds to \$45,000.00;
- simplify the bidding process for projects valued at less than \$175,000.00;
- increase the likelihood of receiving bids from responsible contractors;
- minimize limits on using employees for public works.

In awarding contracts for public works projects involving district facilities, the Governing Board desires to obtain the best value to the district and ensure the qualifications of contractors to complete the project in a satisfactory manner.

The Board has, by resolution, adopted the procedures set forth in the Uniform Public Construction Cost Accounting Act pursuant to Public Contract Code 22030-22045, including the informal bidding procedures when allowed by law (BP 3311.1).

No work, project, service, or purchase shall be split or separated into smaller work orders or projects for the purpose of evading legal requirements for competitive bidding (Public Contract Code 22033).

Projects awarded through the UPCCAA shall be subject to the cost accounting procedures established by the California Uniform Construction Cost Accounting Commission (Public Contract Code 22030).

Procedures for awarding contracts for public works projects shall be determined on the basis of the amount of the project, as follows:

PROCUREMENT THRESHOLDS	PROCUREMENT PROCESS
1. \$0.01 to \$45,000.00	Project may be performed by employees /force labor account, by negotiated contract or Purchase Order.
2. \$45,001.00 to \$49,999.00	Informal Bid Required- Project must be submitted to trade journals specified in PCC 22036 and awarded to lowest responsive bidder.
3. \$50,000.01 - \$175,000.00	Informal Bid Required- Board approval required - (2 Board Meetings) - Project must be submitted to trade journals specified in PCC 22036 and awarded to lowest responsive bidder. In the event all responses exceed \$175,000.00, the Governing Board may award a contract not to exceed \$187,500.00
4. \$175,000.00+	Formal bidding process required- Requires Board Approval (2 Board Meetings)

**PURCHASING HANDBOOK
CENTRAL UNIFIED SCHOOL DISTRICT
BIDDING REQUIREMENTS - PUBLIC WORKS**

PROJECTS \$45,000 and BELOW

Public projects of \$45,000 or less may be performed by district employees by force account, negotiated contract, or purchase order (Public Contract Code 22032).

INFORMAL BIDS

Projects that exceed \$45,000.00 but not more than \$175,000.00 in value must be informally bid. Projects that are informally bid should adhere to the following procedures, although the District can make certain procedures optional.

- a. The Superintendent or designee shall maintain a list of qualified contractors, identified according to categories of work.
- b. The Superintendent or designee shall prepare a notice inviting informal bids which describes the project in general terms, explains how to obtain more information about the project, and states the time and place for submission of bids. The notice shall be disseminated by mail, fax, or email to all contractors on the district's list for the category of work being bid, unless the product or service is proprietary, at least 10 calendar days before bids are due. In addition, the Superintendent or designee may mail, fax, or email a notice inviting informal bids to all construction trade journals identified pursuant to Public Contract Code 22036.
- c. Plans and specifications are only required if DSA approval is necessary. However, it is the District's option to develop plans and specifications for construction projects that the District deems necessary.
- d. Newspaper publication is not a requirement for informal bids. The District may publish a notice inviting bids to attract additional contractors to bid on the job.
- e. Informal bid notices must be sent to contractors on the District's bid list or to all construction trade journals designated by the UPCCA Commission.
- f. Informal bid notices sent to contractors should describe the project in general terms, describe how to obtain more detailed information on the project, time and place for the submission of bids, estimated cost of project, work to be performed, bonding requirements and other pertinent information.

The district shall review the informal bids and award the contract, except that:

- a. If all bids received through the informal process are in excess of \$175,000, the contract may be awarded to the lowest responsible bidder, provided that the Governing Board adopts a resolution with a four-fifths vote to award the contract at \$187,500 or less and the Board determines the district's cost estimate is reasonable.
- b. If no bids are received through the informal bid procedure, the project may be performed by district employees by force account or negotiated contract.

Any contract exceeding \$50,000 requires Board Approval.

**PURCHASING HANDBOOK
CENTRAL UNIFIED SCHOOL DISTRICT
BIDDING REQUIREMENTS - PUBLIC WORKS**

FORMAL BIDS

Public projects of more than \$175,000 shall, except as otherwise provided by law, be subject to formal bidding procedures, as follows (Public Contract Code 22032, 22037, 22038):

- a. Pre-Approval of the project by the Governing Board.
- b. Notice inviting formal bids shall state the time and place for receiving and opening sealed bids and distinctly describe the project. The notice shall be disseminated in both of the following ways;
 1. Through publication in a newspaper of general circulation in the district's jurisdiction or, if there is no such newspaper, then by posting the notice in at least three places designated by the district as places for posting its notices. Such notice shall be published at least 14 calendar days before the date that bids will be opened.
 2. By mail and electronically, if available, by either fax or email, to all construction trade journals identified pursuant to Public Contract Code 22036. Such notice shall be sent at least 15 calendar days before the date that bids will be opened.
- c. Notice inviting formal bids shall state the time and place for receiving and opening sealed bids and distinctly describe the project.

The Governing Board shall let any contract for a public project, as defined in Public Contract Code section 22000, involving an expenditure of One Hundred Seventy Five Thousand Dollars (\$175,000.00) or more, to the lowest responsible bidder who shall give security as the board requires, or else reject all bids. The district shall award the contract as follows:

- a. The contract shall be awarded to the lowest responsible bidder. If two or more bids are the same and the lowest, the district may accept the one it chooses.
- b. At its discretion, the district may reject all bids presented and declare that the project can be more economically performed by district employees, provided that the district notifies an apparent low bidder, in writing, of the district's intention to reject the bid. Such notice shall be mailed at least two business days prior to the hearing at which the district intends to reject the bids.
- c. If no bids are received through the formal bid procedure, the project may be performed by district employees by force account or negotiated contract.

**PURCHASING HANDBOOK
CENTRAL UNIFIED SCHOOL DISTRICT
BIDDING REQUIREMENTS - PUBLIC WORKS**

All bids, whether formal or informal, for construction work shall be presented under sealed cover and shall be accompanied by one of the following forms of bidder's security:

- (1) Cash.
- (2) A cashier's check made payable to the School District.
- (3) A certified check made payable to the School District.
- (4) A bidder's bond executed by an admitted surety insurer, made payable to the School District.

Upon an award to the lowest bidder, the security of an unsuccessful bidder shall be returned in a reasonable period of time, but in no event shall that security be held by the School District beyond sixty (60) days from the time the award is made.

PROFESSIONAL SERVICES

In accordance with Government Code sections 4528 and 53060, certain professional services concerning public works are exempt from competitive bidding.

The District at its discretion may from time to time publish a Request for Proposal to the firms requesting qualifications and pricing for comparison. These services may include:

1. Architectural firms.
2. Landscape architectural firms.
3. Engineering firms.
4. Land survey firms.
5. Program management firms.
6. Construction management firms.
7. Inspection firms.

**PURCHASING HANDBOOK
CENTRAL UNIFIED SCHOOL DISTRICT
FORMAL BID PROCESS**

The Governing Board is committed to promoting public accountability and ensuring prudent use of public funds. When leasing, purchasing, or contracting for equipment, materials, supplies, or services for the district, including when contracting for public projects involving district facilities, the Board shall explore lawful opportunities to obtain the greatest possible value for its expenditure of public funds. When required by law, or if the Board determines that it is in the best interest of the district, such contracts shall be made using competitive bidding (BP3311).

1. *The Governing Board shall call for bids by advertising in a local newspaper of general circulation, or if no such paper exists, then in some newspaper of general circulation, circulated in the county, at least once per week for two consecutive weeks for equipment and materials bids, and at least one week for formal construction bids. The notice shall state the work to be done or materials or supplies to be furnished, and the time and place where bids shall be opened (PCC 20112). In addition, the Notice Inviting Bids may be posted on the District's website.*
 - a. *The notice shall contain the time, date and location of any mandatory pre-bid conference, site visit or meeting. The notice shall also contain when and where the project documents, including final plans and specifications are available. Any such mandatory conference, site visit or meeting shall not occur within a minimum five (5) calendar days of the publication of the initial notice (PCC 6610).*

2. Bid instructions and specifications shall include the following requirements and information
 - a. All formal bids shall be presented under sealed cover and shall be accompanied by one of the following forms of bidders' security (PCC 20107, 20111):
 - Cash
 - A cashier's check made payable to the District
 - A certified check made payable to the District
 - A bidder's bond executed by an admitted surety insurer and made payable to the District.

The security of the unsuccessful bidders shall be returned in a reasonable period of time, but no later than 60 days after the bid is awarded (PCC 20111).

3. Bids shall not be accepted after the advertised bid opening time, regardless of whether the bids are actually opened at that time (PCC 20112).

PURCHASING HANDBOOK
CENTRAL UNIFIED SCHOOL DISTRICT
FORMAL BID PROCESS

4. When two or more identical low and responsible bids are received, the Governing Board may determine which bid will be accepted by lot of the Governing Board's choosing (PCC 20117).
5. If the District requires that the bid include prices for items that may be added to or deducted from the scope of work in the contract, depending on the availability of funds, the bid solicitation shall specify which one of the following methods will be used to determine the lowest bid. In the absence of such a specification, only the method provided in item (a) below will be used (PCC 20103.8):
 - a. The lowest bid shall be the lowest bid price on the base contract without consideration of the prices on the additive or deductive items that were specifically identified in the bid solicitation as being used for the purpose of determining the lowest bid price.
 - b. The lowest bid shall be the lowest total of the bid prices on the base contract and those additive or deductive items that when taken in order from a specifically identified list of those items in the solicitation, and added to, or subtracted from, the base contract, are less than, or equal to, a funding amount disclosed by the District before the first bid is opened.
 - c. The lowest bid shall be determined in a manner that prevents any information that would identify any of the bidders or proposed subcontractors or suppliers from being revealed to the public entity before the ranking of all bidders from lowest to highest has been determined.
6. Any subsequent change or alteration of a contract shall be governed by the provisions of Public Contract Code section 20118.4.
7. After being opened, all submitted bids become public records pursuant to Government Code Section 6252 and shall be made available upon request pursuant to the law.

PURCHASING HANDBOOK
CENTRAL UNIFIED SCHOOL DISTRICT
REQUEST FOR PROPOSALS

The Purchasing Department will issue Request For Proposals (RFP's) on service items that meet the requirements of Public Contract Code 20111, Government Code sections 4528, 53060, and Education Code sections 35204 and 35205, which are not required to be formally bid. Procedures for the issuance of a Request For Proposal are as follows:

1. The requesting department will notify and request authorization from the Assistant Superintendent of Business to solicit proposals from all vendors for a specific service.
2. After review and approval from the Assistant Superintendent of Business, the request will be forwarded to the Purchasing / Warehouse Manager for issuance.
3. The Purchasing / Warehouse manager will draft the Request For Proposal including any product specifications and forward to Assistant Superintendent of Business for review, modification and approval to advertise.
4. The Purchasing / Warehouse manager will advertise the Request for Proposal and forward a copy to those companies who may be qualified to perform the requested services for the District.
5. The Purchasing / Warehouse manager will receive and inventory received proposals and forward to the pre-determined selection committee for review and evaluation.
6. The District will award to the Vendor whose offer is the most advantageous to the District from the standpoint of suitability to purpose, quality, service, previous experience, price, ability to deliver equipment and services, or for any other reason deemed by the District to be in their best interest and as such, will not be determined by price alone. The District is not obligated to make an award and is not obligated to accept the lowest priced proposal, but will make any award in the best interest of the District after all factors have been evaluated.
7. The Board of Trustees reserves the right to accept or reject any or all proposals, alternate proposals, or unit price, in whole or in part, or waive any formalities, technical defect, clerical error, or irregularity in any proposal received, and to be the sole judge of the responsibility of any proposer and of the suitability of the services offered.
8. All contracts executed as a result of a RFP are subject to Board Approval regardless of dollar amount.

**PURCHASING HANDBOOK
CENTRAL UNIFIED SCHOOL DISTRICT
BID PROTEST PROCEDURES**

A bidder may protest a bid award if he/she believes that the award is not in compliance with law, Board policy or the bid specification. A protest must be filed in writing with the Superintendent or designee within five (5) working days after receipt of notification of the contract award and shall include all documents supporting or justifying the protest. A bidder's failure to file the protest documents in a timely manner shall constitute a waiver of his/her right to protest the award of the contract.

The Superintendent or designee shall review the documents submitted with the bidder's claims and render a decision in writing within 30 working days. The Superintendent or designee also may convene a meeting with the bidder in order to attempt to resolve the problem.

The bidder may appeal the Superintendent or designee's decision to the Board. The Superintendent or designee shall provide notice to the bidder of the date and time for Board consideration of the protest at least three (3) business days before the Board meeting. The Board's decision shall be final.

**PURCHASING HANDBOOK
CENTRAL UNIFIED SCHOOL DISTRICT
NON- DISCRIMINATION IN CONTRACTING**

In compliance with Article I, Section 31 of the California Constitution, the District will not "discriminate against, or grant preferential treatment to, any individual or group on the basis of race, sex, color, ethnicity, national origin, marital status, sexual preference, creed, ancestry, or medical condition in the operation of public employment, public education, or public contracting."

**PURCHASING HANDBOOK
CENTRAL UNIFIED SCHOOL DISTRICT
PREQUALIFICATION OF CONTRACTORS**

PREQUALIFICATION (PCC 2011.5)

For any contract for which bids are legally required, the Governing Board may require that each prospective bidder complete and submit a standardized questionnaire and financial statement. For this purpose, the Assistant Superintendent of Business or his/her designee shall supply a form which requires a complete statement of the bidder's financial ability and experience in performing public works. Prospective bidders shall submit the questionnaire and financial statement at least ten (10) days before the date fixed for public opening of sealed bids. The information shall be verified under oath in the manner in which civil law pleadings are verified. The questionnaires and financial statements shall not be public records and shall not be open to public inspection.

The Assistant Superintendent of Business or its designee shall establish a uniform system for rating bidders on the basis of completed questionnaires and financial statements in order to determine the size of contracts on which each bidder is qualified to bid. Bidders must be deemed prequalified by the District at least one (1) day before the fixed bid-opening date. (Public Contract Code section 20111.5)

The Assistant Superintendent of Business or its designee shall furnish each qualified bidder with a standardized proposal form. Bids not presented on the standard form shall be disregarded. (Public Contract Code section 20111.5)

MANDATORY PREQUALIFICATION (PCC 201116)

Commencing on January 1, 2014, prequalification became mandatory for school districts with an average daily attendance of at least 2,500 when they are awarding a construction project of \$1,000,000 or more that will be funded in whole or in part with state bond funds.

Contractors who must prequalify for such projects include general contractors, as well as mechanical, electrical, and plumbing ("MEP") subcontractors. School districts subject to this mandatory prequalification requirement may elect to prequalify contractors or subcontractors on a project by-project basis, or establish a process for prequalifying prospective bidders on a quarterly or annual basis, in which case contractors that satisfactorily prequalify will remain prequalified for one year. Some districts also adopt 'rolling' prequalification, where contractors and subcontractors may prequalify throughout the year and remain prequalified for one year from the date of their prequalification. (Public Contract Code Section 20111.6).

Mandatory contractor prequalification must include the submission of a standardized prequalification questionnaire and financial statement verified under oath, and a uniform system for rating the bidders on the basis of the questionnaire and financial statement. The questionnaire, financial statement, and bidder rating system must at a minimum include the issues covered by the standardized questionnaire and model guidelines for rating bidders developed by the Department of Industrial Relations (DIR). Also, the questionnaire should include a statement that prequalification of a prospective bidder

**PURCHASING HANDBOOK
CENTRAL UNIFIED SCHOOL DISTRICT
PREQUALIFICATION OF CONTRACTORS**

does not preclude a district's subsequent consideration of a prequalified bidder's responsibility on factors other than financial qualifications. The questionnaires and financial statements are not public records open to public inspection. (Public Contract Code Section 20111.6(b), (c), (d)).

A district must also provide prospective bidders with a standardized proposal form, which must be submitted as the bid. A school district cannot accept a proposal form from a contractor if the contractor or any of the contractor's listed subcontractors who are required to prequalify has failed to submit a completed standardized questionnaire and financial statement within ten business days prior to the bid opening date, or has not been prequalified for at least five business days prior to the bid opening date. School districts are also expressly authorized to require submissions at an earlier date, and to set a longer time before the bid for prequalification to be completed. A school district must also make available to all bidders a list of district prequalified general contractors and MEP subcontractors at least five business days prior to the bid opening date (Public Contract Code Section 20111.6(e), (f), (j)).

For projects awarded on or after January 1, 2015, general contractors and MEP subcontractors on lease-leaseback contracts must meet the prequalification requirements of section 20111.6.

Although school districts are authorized to prequalify contractors on competitively bid projects on a per-project, quarterly, or annual basis, school districts are required to prequalify lease-leaseback contractors on a quarterly or annual basis only.

The mandatory prequalification requirements expire on January 1, 2019, unless that date is modified by the Legislature.

**PURCHASING HANDBOOK
CENTRAL UNIFIED SCHOOL DISTRICT
FINGERPRINT CERTIFICATION**

Contractors who are performing work on District property will be subject to the fingerprint requirements under Education Code sections 45125.1 and 45125.2.

Education Code section 45125.1 requires all persons providing certain services to the District to submit fingerprints to the Department of Justice (DOJ), except in certain situations where the District determines employees will have “limited contact” with students.

Alternatively, section 45125.2 specifically addresses entities providing construction services to a School District and does not require fingerprinting if one or more of the following methods are used:

1. Installation of a physical barrier at the worksite to limit contact with students.
2. Continual supervision and monitoring of all employees of the entity by an employee of the entity whom DOJ has determined has not been convicted of a violent or serious felony as defined by the California State Penal Code.
3. Surveillance of the employees of the contractor by District personnel.

In addition to the safeguards listed above, the District could also require all contractors’ employees to wear identifying name tags and to enter and exit the campus from a separate area not used by students. Additionally, the District could inform all staff of the presence of the contractors and advise them to keep students away from the construction area. Staff could also immediately report any contractor’s employee who is observed outside the working area.

If the District has any concerns regarding the safety of any students during a construction project, the District may require fingerprinting of all workers in addition to any or all of the three methods listed above. Under Education Code Section 45125.1(d), a District may determine, on a case by case basis to require any entity providing any school site service to comply with the fingerprinting requirement.

**PURCHASING HANDBOOK
CENTRAL UNIFIED SCHOOL DISTRICT
PREVAILING WAGE**

Labor Code sections 1770, et seq., requires the payment of prevailing wages to all workers employed on public works projects. The Director of the Department of Industrial Relations (DIR) is generally tasked with monitoring and enforcing compliance with the state's prevailing wage law for any public works project paid for in whole or in part out of public funds.

Senate Bill (SB) 854 was enacted during the 2014/15 fiscal year. SB 854's requirements apply to all public works projects, not just those supported by state funds. SB 854 requires all contractors and subcontractors intending to bid or perform work on public works projects to annually register and pay a fee to the DIR for purposes of monitoring and enforcing compliance with the state's prevailing wage laws.

Through registration, the DIR will collect fees directly from contractors and subcontractors to fund the DIR's duties, including oversight of the state's prevailing wage law, compliance monitoring and enforcement, determinations of prevailing wage and public works coverage, and enforcement appeals hearings. The current fee is \$300 (*as of 1/1/2017*), though the Director of the DIR has the authority annually to adjust the fee. Contractors and subcontractors are also required to meet minimum qualifications to register, allowing them to bid and work on public works projects. The DIR maintains a list of registered contractors and subcontractors on its website.

As of April 1, 2015, awarding bodies must ensure that public works contracts are awarded only to contractors and subcontractors registered with the DIR.

The District must adhere to the following compliance requirements:

1. Awarding bodies must submit a contract award notice to the DIR within five days of the award on form "PWC 100";
2. Awarding bodies must post – or require the prime contractor to post – job site notices;
3. Awarding bodies must specify in the call for bids and contract documents that the public works project is subject to compliance monitoring and enforcement by the DIR;
4. After completion of the contract, awarding bodies must update and close the form "PWC-100".

To ensure adherence to the above compliance requirements, all purchase requests that involve construction, alteration, demolition, assembly, disassembly, installation, or repair work done under contract as defined by labor code 1720, shall be requested through the SAR process (*Facilities Department*) or by work order through the maintenance department.

Purchases involving the installation of school site technology equipment will be reported to the DIR by the Purchasing / Warehouse department.

**PURCHASING HANDBOOK
CENTRAL UNIFIED SCHOOL DISTRICT
PREVAILING WAGE**

Furniture assembly and/or disassembly, dependent of technical specifications, may be classified public works under California Assembly Bill (AB) 1598 and therefore subject to prevailing wage. To ensure compliance, when furniture is needed the following matrix should be used for procurement:

CLASSROOM FURNITURE (INCLUDING TEACHER DESKS)	CONTACT M.O.T DEPARTMENT
OFFICE FURNITURE (NOT IN A CLASSROOM)	CONTACT FACILITIES DEPARTMENT
NEW CLASSROOM AND NEW OFFICE FURNITURE (GROWTH/CONSTRUCTION)	CONTACT FACILITIES DEPARTMENT
CHAIRS, FILING CABINETS, FREESTANDING BOOK CASES AND OTHER FURNITURE OF LIKE NATURE WHERE ASSEMBLY WILL BE COMPLETED BY DISTRICT STAFF	NORMAL REQUISITION PROCESS- <i>CONTACT MOT TO PLACE A WORKORDER FOR ASSEMBLY</i>

**PURCHASING HANDBOOK
CENTRAL UNIFIED SCHOOL DISTRICT
CONTRACTS**

Whenever state law invests the Governing Board with the power to enter into contracts on behalf of the district, the Governing Board may, by a majority vote, delegate this power to the Superintendent or designee. To be valid or to constitute an enforceable obligation against the district, all contracts must be approved and/or ratified by the Board. (Education Code 17604) (BP3312).

All contracts between the district and outside agencies shall conform to standards required by law and shall be prepared under the direction of the Superintendent or designee (BP 3412).

The district shall not enter into a contract that prohibits a school employee from disparaging the goods or services of the contracting party. (Education Code 35182.5)

Legal Considerations

1. The requirement of Public Contract Code section 20111 to bid contracts for services and or supplies, contains an exception which in part states “This section shall not apply to professional services or advice, insurance services, or any other purchase or service otherwise exempt from this section, or to any work done by day labor or by force account.” Government code 53060 defines services as “financial, economic, accounting, engineering, legal, or administrative matters.”
2. Education Code 45103 -45104 limits the ability to contract for services by requiring “The governing board of any school district shall employ persons for positions not requiring certification qualifications.” The ability to contract for services is permissible so long as the District can meet all criteria for savings as defined in Education Code 45103.1.
3. Contracts should never contain an automatic renewal provision. Education Code 17565 states; “contracts for work to be done, services to be performed, or for apparatus or equipment to be furnished, sold, built, installed, or repaired for the district, or for materials or supplies to be furnished or sold to the district may be made with an accepted vendor as follows: for work or services, or for apparatus or equipment, not to exceed five years; for materials or supplies, not to exceed three years.”
4. Only those authorized by the Governing Board shall enter into a contract. In summary Education Code 17605 states; In the event of misconduct or wrongdoing in office, the officer or employee invested with the authority to contract for purchases will be held personally liable to the employing school district for any and all moneys of the district, paid out as a result of the misconduct or wrongdoing. This liability for misconduct or wrongdoing also extends to the board's designee for purchasing supplies, materials, apparatus, equipment and services authorized in the absence of a bidding requirement.

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5. Public Contract Code section 20118.4/20659 authorizes the change or alteration of a contract governed by Education Code Sections 17595, et seq., to be made without competitive bidding if the cost agreed upon in writing between the governing board and the contractor does not exceed the greater of the following: (a) the amount specified in Public Contract Code sections 20111/20651 or 20114/20655, whichever is applicable to the original contract, or (b) ten percent of the original contract price.
6. Pursuant to Public Contract Code 20118.2, School districts may procure by a detailed request for proposal and competitive negotiation process computers, software, telecommunications equipment, microwave equipment, and other related electronic equipment and apparatus provided that the contracts are not for construction or for the procurement of any product that is available in substantial quantities to the general public. Published notice is required.
7. Pursuant to Public Contract Code 20118.3 the District may contract for the purchase of supplementary textbooks, library books, educational films, audiovisual materials, test materials, workbooks, instructional computer software packages, or periodicals in any amount needed for the operation of its schools without taking estimates or advertising for bids.
8. The district shall not contract for consulting services that can be performed without charge by a public agency or official unless these services are unavailable from the public source for reasons beyond the district's control (BP3600).
9. When employees of a public university, county office of education or other public agency serve as consultant or resource persons for the district, they shall certify as part of the consultant agreement that they will not receive salary or remuneration other than vacation pay from any other public agency for the specific days when they work for this district.

Independent Contractors / Consultants

1. The Governing Board authorizes the use of consultants to provide expert professional advice or specialized technical or training services which are not needed on a continuing basis and which cannot be provided by district staff because of limitations of time, experience or knowledge. Individuals, firms or organizations employed as consultants may assist management with decisions and/or project development related to financial, economic, accounting, engineering, legal, administrative, instructional or other matters.

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2. As part of the contract process, the Superintendent or designee shall determine, in accordance with Internal Revenue Service guidelines, that the consultant is properly classified as an independent contractor. District employees who perform extra-duty consultant services shall not be retained as independent contractors. They shall be considered employees for all purposes, even if the additional services are not related to their regular duties (BP3600).

Contracts for Services (non-public works)

Contracts below \$50,000:

1. The Board has delegated its power to enter into agreements below \$50,000 to the Superintendent, Assistant Superintendent–CBO, and/or Director of Fiscal Services.
2. All Contracts below \$50,000 must be ratified by the Board. To ratify a contract the following process should be followed;
 - a. An administrator must review the contract and its terms;
 - i. Under the signatory lines, the reviewing administrator must mark a handwritten notation stating “reviewed by” followed by their signature;
 - b. A requisition in the full amount of the contract must be processed;
 - c. Attach a copy of the agreement as backup documentation to the requisition;
 - d. Attach a copy of the approved insurance documents as backup documentation to the requisition;
3. Once the approved agreement and requisition are received by the Purchasing Department, both the purchase order and agreement will be submitted for signature. The PO and the contract will be signed concurrently.
4. A copy of the signed agreement and purchase order is forwarded by the Purchasing Department to the Executive Secretary II of Executive Services. The Executive Secretary II will place the contract on the Board agenda for ratification.

Contracts \$50,000 to \$88,300* (adjusted annually):

1. Contracts above \$50,000 require Board Approval (Two (2) Board Meetings) and cannot be signed in advance.
2. To obtain Board Approval, the requesting party shall work with the Executive Secretary II and/or Assistant Superintendent who represents the requestor site/department.
3. Once authorized, the respective Executive Secretary II will place the contract on the Board agenda for information and again for action.

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4. Upon Board approval of the agreement, a requisition in the amount of the contract should be processed. The requisition should be in the full amount of the contract or reflective of contract terms;
 - a. Attach a copy of the agreement as backup to the requisition;
 - b. Attach a copy of the approved insurance documents as backup to the requisition;
 - c. Attach a copy of the Board approval as backup to the requisition;
5. Once the approved agreement and requisition are received by the Purchasing Department, both the purchase order and agreement will be submitted for signature and signed concurrently.

Contracts \$88,300* and above (adjusted annually):

1. Unless exempted by law or statute, contracts above \$88,300 require competitive solicitation / formal bid process.

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INSURANCE REQUIREMENTS**

In an effort to protect the District from legal liability, vendors who perform a service on District property or provide rental equipment for use on District property shall provide evidence of authorized insurance in the following capacities;

Certificate of Insurance: The contractor/renter/vendor must provide the district with a signed Certificate of insurance and a separate endorsement page from an insurance company admitted by the California State Department of insurance which sets forth the following:

1. Standard Coverage: Commercial general liability, automobile liability, in not less than the following amounts:
 - a. Commercial General Liability Occurrence Limit
\$1,000,000
 - b. General Aggregate Limit
\$2,000,000
 - c. Automobile Liability Combined Single Limit (any auto)
\$1,000,000
 - d. Workers' Compensation and employer's liability
\$1,000,000

2. High Risk Coverage: Commercial general liability, automobile liability, in not less than the following amounts: (Example: Bounce House, Pool Use, Etc.)
 - a. Commercial General Liability Occurrence Limit
\$2,000,000
 - b. General Aggregate Limit
\$4,000,000
 - c. Automobile Liability Combined Single Limit (any auto)
\$1,000,000
 - d. Workers' Compensation and employer's liability
\$1,000,000

3. Low Risk Coverage: Commercial general liability, automobile liability, in not less than the following amounts: (This only applies to Professional Development at District Office only with no student contact.)
 - a. Commercial General Liability Occurrence Limit
\$500,000
 - b. General Aggregate Limit
\$1,000,000
 - c. Automobile Liability Combined Single Limit (any auto)
\$500,000
 - d. Workers' Compensation and employer's liability
\$500,000

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List as the Additional Insured under Description of Operations:

Central Unified School District, members of the Governing Board, their agents, officers, and employees are made additional insured on the Commercial General Liability and Auto Liability Policies.

Endorsements:

1. Contractor/renter/vendor's Commercial General Liability and Auto Liability Policy shall be named Primary and Non Contributory coverage for Central Unified School District.
2. Commercial General Liability and Auto Liability carrier agrees to waive their rights to subrogate against Central Unified School District.
3. Workers' Comp Insurance Carrier agrees to waive their rights to subrogate against Central Unified School District.
4. The Commercial Liability and Umbrella Liability do not exclude bodily injury to participants and do not have a sub-limit of liability for bodily injury to a participant.

Event Description & Dates:

1. List the dates of the event. List individual events. Be sure to include set-up and take down dates.

Certificate Holder:

Attention: Central Unified School District
4605 N. Polk Avenue Fresno, CA 93722

Cancellation Notice:

1. A statement by the insurance company that it will not cancel or reduce said policy or policies without giving 30 days prior written notice to the named certificate holder.

**PURCHASING HANDBOOK
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FOOD, FLOWER, GIFT CARD and APPAREL**

The District often reviews and implements policies and procedures to better align itself with current federal, state and local policies and laws. Often times the purchase of food, flowers, gift cards or apparel can be mistaken for a gift of public funds, which is strictly prohibited by law. The law defines the purchase of such items as acceptable, so long as the expenditure(s) serve a public purpose in educating students. When promoting positive performance or good behavior for students, the District encourages the purchase of items such as pencils, stickers, erasers, and general items promoting school spirit as an alternative to food, beverage or gift cards. To avoid any possible misinterpretation, a policy concerning these items has been implemented. The policy is as follows;

GIFT CARD PROCEDURE

The District's school sites and departments may use gift cards for student awards and student attendance incentives. Gift cards should not be used by or for District staff. Since gift cards cannot be purchased in the District's name or in individuals' names, they are easily negotiable as cash, therefore, departments and sites need to be accountable with their gift card purchases and distribution.

- Purchase orders should always be used for gift card purchases. If a vendor will not accept a purchase order, please contact the Purchasing Department for further assistance.
- The purchase order should list the quantity of cards, denomination(s), program description or event date, purpose and names of the recipients if known.
- A maximum of \$10.00 per gift card, per student, is allowed.
- A maximum of 15 gift cards per purchase order is allowed.
- Gift card purchases on blanket purchase orders are not allowed.
- Once purchased, a detailed, itemized, original receipt should be submitted to accounts payable. The receipt should contain the quantity and denomination of each gift card.
- Gift cards should be carefully secured by the site /department prior to distribution.
- When gift cards are distributed, the "Gift Card Distribution Form" should be used and submitted to accounts payable (forms available on District website).
- All cards should be distributed in the fiscal year in which they are purchased. If at the end of the fiscal year, gift cards have yet to be distributed, then they must be surrendered along with the "Gift Card Distribution Form" to the purchasing department.

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FOOD AND FLOWER PROCEDURE

The purchase of refreshments should always serve a public purpose and be directly connected to the education of our students .The District must maintain a reasonable balance between providing support for meetings and trainings we conduct and the fiduciary responsibility to not make a gift of public funds. It is not the Districts responsibility to provide food for employees except under certain, approved, circumstances. The Superintendent, or designee, may conduct appropriate ceremonies where the purchase of food, beverages and decor may become necessary. Unless prior approval by the Superintendent or its delegated designee is granted, the purchase of food and/ or flowers will not be recognized by the District

- If food will be provided to District staff or visitors, using District funds or District Catering / Food Service, then an agenda or an explanation of the public purpose served, including expected number of participants must be provided to an approving official. When purchasing from an outside vendor or when an Employee is seeking personal reimbursement for food or flower purchase(s) they must A) be in possession of a valid District purchase order authorizing the expenditure(s) B) provide original itemized receipts C) provide a copy of the meeting agenda(s) for which the food or flowers were purchased. Cost should be minimal.
- In addition to the above, please take note that meetings, professional development, trainings etc. must be conducted for a minimum of two hours if food is to be provided. The required agenda should evidence the time requirement. Morning and afternoon meetings may include a beverage and a light snack. Meetings that are conducted from mid- afternoon (after 3:00 pm) past 6pm may include a beverage and a substantial snack, i.e. ½ deli sandwich.
- All day meetings / professional development, trainings etc., are to include a lunch break long enough to allow participants to leave for a meal on their own. Lunch is NOT to be provided and is the employee's responsibility. If constraints make a working lunch important to cover material or maintain focus, the Superintendent or its designee, may approve a working lunch.
- Food / Flower expenditures must be purchased through discretionary funds, donated funds, or PTA / PFC organizations.
- All other policies regarding food/flower purchases remain unchanged, i.e. meal reimbursements while traveling, policies surrounding child nutrition, snack bar, home economics or class supplies etc.

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STAFF APPAREL

Staff apparel can promote school culture and team building. On the contrary, purchasing staff apparel may also be construed as a gift of public funds. In an effort to balance the need for staff apparel while being cognizant to not make a gift of public funds, the following procedure should be followed;

- Staff apparel used to promote school culture, may be purchased using discretionary funds, so long as the shirts are treated as a uniform and are submitted back to the site for reuse when the staff member separates from the site or District.
- Staff apparel used for sporting events, where the staff member is required for identifying reasons to wear the article, may be purchased using donated / fundraised athletic funds so long as the item is treated as a uniform and is returned after use.
- Staff apparel that will be retained by employees should be purchased through PTA's / PFC's, connected organizations or by the staff member directly