

**DeSoto Parish School Board
Mansfield, Louisiana**

Purchasing Manual



Revised 2008

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DeSoto Parish School Board

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November 18, 2008

TO: Walter C. Lee, Superintendent
FROM: Steven Stanfield, Director of Business Services
SUBJECT: Purchasing Manual

I am pleased to present the latest edition of the Purchasing Manual for the DeSoto Parish School Board. **The changes to the prior edition are typed in red.**

The new edition of the Purchasing Manual contains guidelines that clarify and interpret the procedures governing all purchases of materials, supplies, textbooks, contracted services, furniture, equipment, and much more.

Without exception, no employee is allowed or authorized to make purchases for the DeSoto Parish School Board unless they have a valid signed purchase order from the Purchasing Department; therefore, all employees of the DeSoto Parish School Board should be familiar with this manual and must comply with the policies and procedures described.

Please review and approve by signing below the changes to the Purchasing Manual – Revised 2008.

APPROVED:

Walter C. Lee, Superintendent
DeSoto Parish Schools

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Section 1 – Introduction

1.1 Purpose of Manual

The purpose of the manual is to provide uniform procedures to all employees of DeSoto Parish School Board when purchasing goods and services. Employees are required to comply with the policies and procedures contained in this document as it applies to purchasing; otherwise, they could be held personally liable.

The Purchasing Manual also attempts to interpret and implement procedures regulated by the laws of the State of Louisiana, Office of Management and Budget (OMB) of the federal government, and DeSoto Parish School Board policies.

1.2 Purchasing Goals and Responsibilities

The Business Office developed several goals and has set up a centralized purchasing department to coordinate and manage every purchase of the DeSoto Parish School Board. The purchasing goals and responsibilities are

- Standardize, as much as possible, small and large purchases;
- Develop standardized specifications for commonly used items;
- Consolidate purchases of similar items to take advantage of volume purchase discounts whenever possible;
- Implement procedures to require requisitions and authorizations for all purchases of goods and services;
- Track and require that all emergency purchases be fully justified so abuses of the system are detectable;
- Purchase the proper good or service;
- Get the best possible price for the good or service;
- Have the good or service available where and when it is needed;
- Insure a continuing supply of needed goods and services;
- Guard against any misappropriation of assets procured by purchasing;
- Insure that responsible bidders are given a fair opportunity to compete;
- Insure public funds are safeguarded;
- Insure public spending is not used to enrich elected officials or to confer favors or favored constituents; and
- Insure businesses have an equal opportunity in the contract award process.

1.3 Purchasing Department

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Two employees of the Business Office have been assigned the responsibility of coordinating purchasing goods and services – a Purchasing Agent and a Purchasing Clerk.

The Purchasing Agent has sufficient authority and responsibility to approve routine or common purchases and is included in all of the stages of acquisition, from planning to order placement to delivery confirmation. All non-routine, unbudgeted and large purchases are discussed and coordinated with the Director of Business Services.

The Purchasing Clerk works under the direction of the Purchasing Agent and the Director of Business Services. Duties include typing purchase orders and forwarding them to the proper business or administrator, verifying delivery of items ordered, forwarding invoices and purchase orders to accounts payable for payment, and assisting the Purchasing Agent as needed.

1.4 Types of Purchases

There are several different types of purchases that require different approaches. Non-routine categories of purchases frequently will take longer to process and should be minimized.

- **Non-Stocked Items** – These items are not stocked or warehoused. They may or may not be a standardized item, but they are in such constant demand to be considered a supply or other stocked item.
- **Stocked or Warehouse Items** – These items are used constantly and are stocked routinely. Examples included textbooks, toilet paper, and duplicating paper.
- **Public Emergency Purchases** – Louisiana law defines a public emergency as “an unforeseen mischance bringing with it destruction or injury of life or property or the imminent threat of such destruction or injury.” A School Board resolution must be approved **or Superintendent Declaration to be published in the official journal.**
- **Sole Source Purchases** – Sole source purchases are goods and services available from only one supplier because of patents, copyrights or simply because the vendor is the only one which supplies that product or service. Generally speaking, these purchases are usually exempted from the purchasing requirement but require special documentation for auditing purposes. One example would be customized software for computers.

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- **Registrations** – Registrations for conferences, seminars and conventions are approved after permission to travel outside the parish has been authorized by the Superintendent or his designee.
- **Books, Magazines, and Newspapers** – These items include library books, magazines, periodicals and newspapers. Generally speaking, these purchases are usually exempted from Section 2 – Basic Purchasing Requirements.
- **Membership Dues** – Memberships in trade and professional organizations require special authorization from the Superintendent or his designee and must be justified.
- **Contracted Services** – Examples include computer repair technicians, plumbers, electricians, and carpenters.
- **Insurance** – This includes general liability insurance, property & casualty insurance, errors and omissions insurance, fleet insurance, medical insurance, dental insurance, etc. These purchases are usually exempted from Section 2 – Basic Purchasing Requirements.
- **Investments** – This includes the purchase of certificates of deposits, treasury notes, T-Bills, etc. These purchases are usually exempted from Section 2 – Basic Purchasing Requirements.
- **Professional Services** - Examples include receiving services from medical doctors, occupational therapists, physical therapists, auditors, accountants, and lawyers. These services are usually exempted from the purchasing requirements.
- **Maintenance & Transportation Purchases** – Use of field purchases by the maintenance & transportation department for items needed to prevent work stoppage due to unanticipated needs and to prevent substantial loss of on-site work time. Field purchases are monitored by the Maintenance & Transportation Supervisor and must be submitted to the Purchasing Department along with a purchase requisition within 3 working days.
- **Procurement Card Purchases** – A procurement card program is in place to reduce time and paperwork involved with small dollar purchases for the maintenance department. The Maintenance & Transportation Supervisor is responsible for and recommends who is authorized to use a procurement card. Those selected must complete a training process,

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review the “Procurement Card User Manual,” and sign a cardholder agreement.

- **Leases or Rentals** – Leases and rentals require authorization from the Superintendent or his designee, unless the lease or rental extends beyond the fiscal year. If the lease or rental extends beyond the school year, School Board approval is needed. Additional approval must be granted by the Louisiana State Bond Commission for Lease Purchase Contracts.
- **Vehicles and Buses** – Vehicles and buses can only be purchased on state contract or through formal competitive bidding **if the total cost exceeds \$19,999.99.**

1.5 Purchasing Ethics

The statutes governing local government purchasing impose criminal penalties for violating the provisions of various Acts enacted by the Louisiana Legislature to oversee purchasing. The DeSoto Parish School Board also requires ethical conduct for those who do business with the Board. There are several common standards that every employee must follow and are listed below.

- **Personal Gain** – It shall be a breach of ethics to attempt to realize personal gain by any conduct inconsistent with the proper discharge of the employee’s duties.
- **Influence** – It shall be a breach of ethics to attempt to influence any public employee to breach the standards of ethical conduct set forth in this section.
- **Gratuities** – It shall be a breach of ethics to accept, or agree to accept from another person a gratuity or an offer of employment in connection with a decision, approval, disapproval, or recommendation for a purchase or a contract with a vendor.
- **Kickbacks** – It shall be a breach of ethics for any payment, gratuity or offer of employment as an inducement for an award of a contract or purchase.
- **Conflicts of Interest** – It shall be a breach of ethics for any employee to participate directly or indirectly in the procurement of goods and services when the employee knows that

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- the employee or any member of the employee's immediate family has a financial interest pertaining to the procurement,
- a business or organization has any member of the employee's immediate family who has a financial interest pertaining to the procurement, or
- a school board member or any member of the school board member's immediate family who has a financial interest pertaining to the procurement.

1.6 Record Retention

All accounting records as it relates to purchasing should be retained a minimum number of years as shown below.

- Purchase requisitions, purchase orders, delivery tickets, invoices, cancelled checks, invoice histories – 3 years
- Formal Competitive Bids, Informal Competitive Quotations – 6 years

Appropriate security measures should be taken by the Purchasing Agent to protect these records from theft, loss, unauthorized entry, fire, water damage, etc. In the event a record becomes missing, the Purchasing Agent shall submit a written explanation to the Director of Business Services.

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Section 2 – Basic Purchasing Requirements

2.1 Price or Estimated Price Used to Determine Purchasing Method

Louisiana law and School Board Policy utilize one of the purchasing methods listed below to control the purchasing of goods and services. They are

- **Formal Competitive Bids** – If the amount of the purchase for materials, supplies and equipment exceeds \$19,999.99 or if the amount of the purchase for public works with and without materials exceeds \$99,999.99, formal competitive bids shall be advertised and awarded to the lowest **responsive &** responsible bidder as required by Louisiana Law.
- **Informal Competitive Quotations** – If the amount of the purchase for public works with materials is between \$24,999.99 and \$99,999.99, written invitations for quotations from at least three (3) bona fide qualified potential bidders that include a description of the work (labor and materials) to be performed are required.
- **Written Quotations** – If the purchase of materials, supplies and equipment is between \$10,000 and \$19,999.99, or if the amount of the purchase for public works with materials is less than \$25,000, three (3) written or facsimile quotations are required.
- **Telephone Quotations** – If the purchase of materials, supplies and equipment is between \$2,500 and \$9,999.99 at least three (3) telephone quotations are required.
- **Non-Competitive Purchase** – Purchases may be made without obtaining multiple price quotations if the purchase of materials, supplies and equipment is less than \$2,500.

Whichever method is chosen, the request to purchase is reviewed and approved by the Purchasing Agent.

2.2 Splitting Orders to Avoid Price Quotations or Bids

All specifications or requirements for purchases of goods and services, whether sealed bids or not, shall be drafted so as to promote competition while satisfying the Board's needs. Splitting orders to avoid the limit for telephone quotes, written quotes, informal competitive quotes, and formal competitive bids is prohibited.

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2.3 Purchases Exempt From Price Quotations or Bids

Louisiana Law allows the DeSoto Parish School Board to make purchases without the need to get price quotations and competitive bids. Some of these categories and examples are

- **Professional Services** – doctors, lawyers, engineers, architects, physical and occupational therapists, certified public accountants, land surveyors, **asbestos abatement, demolition services**, or real estate appraisers.
- **Books, Magazines, or Newspapers** – textbooks, library books, **periodicals**, magazines or newspapers.
- **Insurance** – general liability, property & casualty, errors & omissions, fleet, faithful performance bonds, student accident, medical, dental or life.
- **Dues & Fees** – registrations for conferences, seminars and workshops; membership in trade and professional organizations; processing fees for the Louisiana State Police to run background checks on prospective employees; election fees; sales tax collection fees; property tax collection fees; or fees to colleges and universities for teacher recruiting.
- **Labor Only Contracts** – computer repair technicians, carpenters, plumbers, painters, or electricians.
- **Sole Source Purchases** – Goods protected by Patents and Copyrights.
- **Public Emergency Purchases** as defined by Louisiana Law.
- **State Contract Purchases** – materials, supplies, equipment, furniture, or other items that are available from a State of Louisiana Contract.
- **Piggy Back Purchases** – Formal competitive bids by another School Board or other political subdivisions of the State of Louisiana.

2.4 Using Specific Brand Names

All purchases of goods and services, whether by sealed bid or without sealed bid, shall be drafted so as to promote competition while satisfying the School Board's needs. If a specific brand name is specified, it shall be stated that they are used only to convey the general style, type, character, and quality of the product desired; and that equivalents will be acceptable.

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2.5 Sole Source

A purchase or contract may be awarded for a required supply, service, or major repair without competition when it is determined that there is only one source for the required supply, service or major repair item. **Examples of circumstances which could necessitate sole source are**

- Procurement of public utility services;
- Procurement of required books, magazines or computer software; or
- Procurement where the compatibility of equipment, accessories or replacement parts is the paramount consideration and required.

All requests for a sole source purchase of a product or a service from a single vendor shall be documented and attached to the requisition that lists:

- An explanation in writing from the Supervisor making the request to purchase as to why no other vendor will be acceptable to meet the need; and/or
- A statement in writing from the Administrator making the request to purchase as to why the compatibility of equipment, accessories, or replacement parts is the paramount consideration and required; and/or
- A statement in writing or written evidence from the vendor as to why they believe their product is limited to a single vendor; and/or
- A list of similar products (if any) that may be available which are apparently equal, the reasons as to why these products will not meet the needs.

The determination as to whether the procurement shall be made as a sole source shall be made by the Purchasing Agent and/or the Director of Business Services. **In cases of reasonable doubt, competition should be solicited.**

2.6 Louisiana Product & Citizen Preferences

All requests for bids and invitations for proposals for any purchase of supplies, material or equipment shall contain the words,

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“Preference is hereby given to materials, supplies and provisions, produced, manufactured or grown in Louisiana, quality being equal to articles offered by competitors outside of the state.” (La. Rev. Stat. Ann. 38:2252)

In addition, preferences provided by La. Rev. Stat. Ann. 38:2184 and 38:2251 for goods or services that are produced and offered by Louisiana Citizens shall be allowed when a vendor claims an applicable preference. This preference is recognized only when two vendors or bidders offer an identical price for an item or service.

2.7 Excluded Parties List System (EPLS)

The EPLS is an electronic, web-based system that identifies those parties excluded from receiving Federal contracts, certain subcontracts, and certain types of Federal financial and non-financial assistance and benefits. The user is able to search, view, and download both current and archived exclusions.

Before a purchase order is written, the Purchasing Department is required by federal law to check the EPLS at <http://epls.arnet.gov> to verify if a person or company has been barred.

2.8 Public Emergency Purchases

In the event the DeSoto Parish School has a Public Emergency or Extreme Public Emergency, the Superintendent is authorized to acquire materials or supplies, or to make certain repairs necessary for the protection of life, property or continued function of the School Board.

A “**public emergency**” is defined by La. Rev. Stat. Ann. 38:2211 A.(6)(a) and is certified through DeSoto Parish School Board action. Under this type of an emergency, the Purchasing Department shall obtain telephone or other oral offers and a written confirmation of the accepted offer shall be obtained and made a part of the case file. **An example of public emergency resolution that the School Board would have to approve is shown as exhibit #4 in the back of this book.**

An “**extreme public emergency**” is defined by La. Rev. Stat. Ann. 38:2211 A.(6)(b) and is certified through the Superintendent who cannot obtain approval of the School Board because of the inability to obtain a quorum of members. Under this type of an emergency and to the extent practical, the Purchasing Department shall obtain telephone or other oral offers and a written confirmation of the accepted offer shall be obtained and made a part of the case file.

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2.9 Written Contracts and Bonds

A written contract is required for any public works that equals or exceeds \$5,000. Retainage in the amount of 10% of the contract price will be withheld from progress payments pending the receipt of a clear lien and privilege certificate from the DeSoto Parish Clerk of Court dated at least 46 days subsequent to the date of acceptance of the completion of the work by the Director of Business Services for the DeSoto Parish School Board.

Performance and Payment Bonds are required for a public works project that equals or exceeds \$25,000. The amount of the Performance and Payment Bonds should (a) not be less than 50% of the contract price for a public works project between \$25,000 and \$99,999, and (b) be equal to the contract price for a public works project that equals or exceeds \$100,000.

2.10 Architects and Engineers

The Purchasing Department is required by Board Policy DJE to hire a licensed architect and/or engineer for all public works projects when the cost of the project equals or exceeds \$100,000. The Superintendent will recommend approval of a written contract to the DeSoto Parish School Board after it has been submitted to the Board's attorney for approval and/or alterations.

2.11 Louisiana State Licensing Board for Contractors

A Louisiana State Contractor's License is required for all public work projects when the cost of the project equals or exceeds \$50,000. The Louisiana Contractor's License must be shown on the face of the sealed envelope of all formal competitive bids and all informal competitive quotations. If the license number is not shown on the face of the sealed envelope, the Purchasing Department is required to return the bid or quotation to the vendor unopened. Before a bid or quotation is awarded, the Purchasing Department shall also verify that the Louisiana State Contractor's License is in good standing by going to the following website address:
<http://www.lslbc.louisiana.gov/findcontractor.asp>.

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Section 3 – Requisition Process

3.1 Definition of Requisition

Requisitioning is formally requesting a purchase for a good or a service. It is the first step after the need for a good or service is recognized.

3.2 When is a Requisition Required

Requisitions are required for all purchases of goods and services that will be paid with School Board funds. Employee salaries and travel expense reimbursements **are exempt** from the requisition and purchase order process. The requisition gives the Purchasing Department pertinent information that contains

- the name of the Department and/or person making the request;
- the delivery destination;
- the vendor where the item(s) is(are) to be purchased;
- the total or estimated total amount to be spent;
- the justification or the purpose for the request;
- the description and quantity of the item or services;
- the budget account codes to track the purchase and to verify that funds are available;
- authorization from the administrator in charge of that budget line-item; and
- the date the requisition was submitted.

Preparations should be made far enough in advance of the date needed to allow the Purchasing Department and the vendor time to do their jobs properly.

3.3 Preparing the Requisition

Each school and administrative office will have blank pre-printed 4-part requisition forms (see exhibit #1 in back of this book). This 4-part requisition should be prepared by the employee or department requiring the good or service **prior to obtaining the good or service**. Instructions for completing each line on the requisition are as follows:

- **Date** – Please indicate the date you prepared the requisition and forwarded it to the Purchasing Office. This date is a control measure and tracks how long it took the requisition to reach the Purchasing Department.

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- **Purchase Order Number** – This section is reserved for the purchase order number assigned by the Purchasing Department.
- **Requisition Number** – This is not required but can be used by the originator of the requisition to keep track of the requisitions being submitted.
- **School/Building** – Enter the name of your school or building and the address to show where the requisition originated from.
- **Deliver To** – Enter the name of the school or building and the address to show the delivery destination.
- **Account Name** – This is reserved for the administrative staff member in charge of the budget area where the request will be funded.
- **Account Group** – This is reserved for the administrative staff member in charge of the budget area where the request will be funded.
- **Account Code** – This is reserved for the administrative staff member in charge of the budget area where the request will be funded.
- **Quantity** – Enter the number of items you are requesting.
- **Page Number** – If applicable, enter the page number of the catalog from which you are ordering.
- **Catalog Number** – If applicable, enter the catalog item number of the merchandise you are ordering.
- **Full Description** – Enter the full description of the item or service you are requesting.
- **Unit Price** – Enter the price for one item.
- **Amount** – Enter the total amount requested for each line. The amount listed in this column should equal the “quantity” times the “unit price.”
- **Total** – Enter the total cost of all items in the “Amount” column.
- **Justification** – Justification is required on all requisitions. The Purchasing Department may return a requisition if there is insufficient information or if a justification was left blank.

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- **Names and Addresses of Vendors** – One name and address is required. Additional vendor names and addresses are required if telephone and/or written quotes are required.
- **Requested by** – The person making the request should sign this line. Stamped or facsimile signatures will be rejected.
- **Approved by** – The person completing the requisition is required to obtain authorization from their principal or immediate supervisor before forwarding the requisition on. Stamped or facsimile signatures will be rejected.
- **Approved by** – The administrator in charge of the line-item of the budget must sign this line. Stamped or facsimile signatures will be rejected.
- **Purchasing Agent** – This line is not to be completed by the person submitting the requisition. The Purchasing Agent will approve the requisition and forward to the Purchasing Clerk if all lines of the requisition form are completed properly and if no additional procurement procedures are required.
- **Director of Finance** – This line is not to be completed by the person submitting the requisition.
- **Superintendent** – This line is not to be completed by the person submitting the requisition.

3.4 Routing the Requisition

After completing all of the line(s) on the 4-part requisition form, the requisition should be sent to your principal or immediate supervisor for authorization.

Principals and administrative staff members are encouraged to scrutinize and examine what goods or services are being requested. If they are in agreement, the principal or administrative staff member should sign the appropriate line and forward it to the next level of authorization. If they are not, the requisition should be returned to the person requesting the good or service along with a reason why the request was denied.

The next level of authorization requires the signature of the administrative staff member in charge of various line items of the budget. For example, maintenance and custodial needs should be forwarded to the Maintenance Supervisor. Again,

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administrative staff members are encouraged to scrutinize and examine what goods or services are being requested. If they are in agreement, they should complete the Account Name, Account Group, and Account Code sections in the upper right corner, sign on the appropriate line, and forward to the Purchasing Agent for approval.

3.5 Deadline to Submit Requisitions

Deadlines to submit purchase requisitions to the Purchasing Department are listed below. Requisitions submitted after the deadline will be returned to the person making the request.

- Schools – April 1st
- Central Office Administrators – May 1st
- State and Federal Grants – June 30
- Maintenance Department- June 30

3.6 Additional Requirements for Professional Service Contracts

State retirement laws for Louisiana and Internal Revenue Service guidelines determine when a professional service contract is paid through the Payroll Department or through the Purchasing Department. Therefore, the following documents must be submitted to the Director of Business Services.

- A signed written contract, and
- An IRS W-9 Request for Taxpayer Identification Number and Certification Form, and
- A purchase requisition, and
- A “Louisiana Public Retirement Questionnaire” form – This form must be completed and submitted by individuals (not required for a corporation, business or company). The DeSoto Parish School Board is required by state law to withhold the employee rate from the total contract. (This form is shown as exhibit #3 in the back of the book.)

The Director of Business Services must obtain written authorization from the Superintendent, and if necessary from the School Board. Once proper authorization has been given by the Superintendent, the necessary paperwork is forwarded to either the Payroll Department or the Purchasing Department.

The Purchasing Agent will not issue a purchase order without having a contract signed by the Superintendent.

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3.7 Reasons Why Requisitions are Delayed or Not Approved

Not all requisitions will be approved for purchases and some requisitions will be delayed. Possible reasons could include but are not limited to the following list:

- The requisition was submitted past the April 1st deadline.
- A justification was not provided or was too vague.
- Written or telephone quotes were required.
- The estimated amount to be spent exceeded the amount budgeted.
- The requisition was received after the goods or services were received.
- Authorization was not provided by the immediate supervisor or the administrative staff member in charge of the line item of the budget.
- The estimated amount requested required formal bids as prescribed by Louisiana law.
- The individual or company selected was an immediate family member of a school board member or the person making the request.
- Missing or additional documentation needed.
- Mathematical errors.
- Board approval and action is required.
- Purchases to give gifts or rewards to employees.

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Section 4 – Issuing Purchase Orders

4.1 Definition of a Purchase Order

A purchase order is a written authorization provided from the DeSoto Parish School Board to an individual or company to ship products or provide services. Acceptance of a properly authorized and approved purchase order gives the vendor authority to ship the goods and binds the DeSoto Parish School Board to pay them if they meet the purchase order specifications.

4.2 When is a Purchase Order Issued

Purchase Orders will be issued from the Purchasing Department after all the requirements contained in Board Policy DJE and the Purchasing Manual have been complied with.

4.3 What Constitutes a Valid DeSoto Parish School Board Purchase Order

Purchase Orders issued by the Purchasing Department for the DeSoto Parish School Board are printed on 8 ½ x 11 inch paper and would look exactly like the one shown in Appendix #2. A valid DeSoto Parish School Board Purchase Order is issued in four colors of paper. The color and purpose of each original purchase order are

- **White Copy** – Mailed, faxed or hand delivered to the vendor where the goods or services are purchased or to the employee who is listed on the “Requested by” line of the Purchase Requisition.
- **Pink Copy** – Retained by the Purchasing Office and filed numerically for easy reference.
- **Blue Copy** – Returned to the administrator in charge of the budget line-item.
- **Yellow Copy** – Retained by the Purchasing Office and filed alphabetically. The yellow copy of the purchase order is checked against the invoice(s) processed for payment. The yellow copy of purchase order is removed from alphabetical file, placed behind final invoice if all items and services have been delivered, and forwarded to the Accounts Payable Clerk for payment.

A valid DeSoto Parish School Board Purchase Order would also have an original signature of the Purchasing Clerk, Purchasing Agent, or Director of Business Services

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and would be sequentially numbered with preprinted information on the reverse side of the White and Yellow copies titled, "Purchase Order Conditions."

4.4 When Should Purchases be Made

Purchases should only be made after having received a signed Purchase Order from the Purchasing Department. Employees can be held personally liable for purchases that are not authorized by the Purchasing Department.

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Section 5 – Accounting for Purchases

5.1 Chart of Accounts

The basis for accounting of all purchases is the chart of accounts written by the Louisiana State Department of Education and approved by the Board of Elementary and Secondary Education titled, Louisiana Accounting and Uniform Governmental Handbook – Bulletin 1929. The DeSoto Parish School Board maintains in excess of 3,500 account codes in its chart of accounts. Each account code is an eleven (11) digit number that allows us to show how purchased goods and services are accounted for.

The chart below represents a basic overview of what each digit within the account code stands for and, when typed, appears as xx-xxx-xxxx-xx.

<u>Type of Account</u>	<u>xx</u>	<u>xxx</u>	<u>xxxx</u>	<u>xx</u>
Revenue or Other Source of Fund Code	A two digit number that represents the fund number.	Contains the three digit number 000 for all accounts.	A four digit number that represents the source code for revenues.	A two digit number that represents a school or central office location.
Expenditure or Other Use of Fund Code	A two digit number that represents the fund number.	A three digit number that represents the object code for expenditures.	A four digit number that represents the function code for expenditures.	A two digit number that represents a school or central office location.
Balance Sheet Code	A two digit number that represents the fund number.	A three digit number that represents an asset, liability, or fund balance code.	Contains the four digit number 0000 for all accounts.	Contains the two digit number 00 for all accounts.

5.2 Budgeting

The initial step in accounting for purchases is to record the budget. The Annual Operating Budget and all the requirements necessary to obtain approval from the DeSoto Parish School Board can be found in Board Policy DC – Annual Operating Budget.

Upon adoption, the budget then becomes the foundation to monitor and control purchases. From a purchasing perspective, this is done by assigning various budgetary line-items to members of the administrative staff. Administrators (a) must approve all purchase requisitions that are recorded to that line-item, and (b) are held responsible for seeing that expenditures stay within budget boundaries.

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Should any staff member encounter problems in any line-item after the budget has been adopted by the Board, the Director of Business Services should be promptly notified in order that adjustments can be made according to Board Policy and State Law.

5.3 Encumbrances

Every purchase order issued by the Business Department is recorded in the general ledger as an encumbrance. Encumbrances allow the DeSoto Parish School Board to set aside (encumber) monies to cover the future obligations once a purchase order has been issued and helps prevent over-spending by reducing the balance of money available for new commitments.

All encumbrances are removed and replaced with expenditures once payment has been made. If an encumbrance remains outstanding at June 30, the purchase order is closed and the encumbrance will lapse at fiscal year end.

5.4 Delivery and Receipt of Goods and Services

The principal or building level administrator at each school or central office location is responsible for receiving all supplies, materials, equipment, etc. at their location.

All items delivered should be inspected for condition, compared to the purchase order, and counted when received. Any damages, shortages, rejections, or items not listed on the purchase order should be reported to the Purchasing Office in writing and/or by phone. Principals and building level administrators may delegate this responsibility; however, they are still responsible for each delivery.

Delivery confirmation for items and services in excess of \$1,000 is required and must be sent to the Purchasing Office before payment can be made. Acceptable types of delivery confirmations would include packing slips, delivery tickets or invoices that are signed by a school board employee.

5.5 Payment for Goods and Services

Since almost all purchases require a disbursement of cash, all payments for goods or services must be made by the issuance of a check. Payments will be authorized by the Purchasing Agent against invoices properly supported by approved purchase orders and delivery confirmations once each invoice

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- Is checked against the approved copy of the purchase order for possible mathematical errors, tax computation errors, price changes, or increases/decreases in quantities purchased.
- Is checked for accuracy of all extensions, footings, discounts, and shipping/handling charges.
- Is checked against the delivery confirmation if the purchase exceeded \$1,000.
- Is checked against the paid invoice history file to prevent double payment for the same invoice.

5.6 Capital Asset Purchases

Capital Asset purchases are an area of accounting that requires special treatment. Capital Assets are physical assets, such as a building, land, equipment, which have a relatively long life and a much higher value than the normal tools, supplies or materials.

Louisiana law and School Board Policy requires that we maintain a detailed inventory of all Capital Assets, when

- Building, Building Improvements, and Land Improvements exceed \$5,000
- Construction-in-Progress and Land purchases exceed \$1
- Equipment and Vehicles purchases exceed **\$5,000**

Uniform procedures for the recording and management of Capital Assets can be found in the latest edition of the DeSoto Parish School Board Capital Assets Manual.

5.7 Internal Revenue Service Form 1099-MISC

The Purchasing Agent will print and mail Internal Revenue Service (IRS) Form 1099-MISC, Miscellaneous Income, on or before January 31st of each year reporting payments made to those listed below that made \$600 or more in the previous calendar year for rent and/or services (including parts and materials).

- individuals,
- unincorporated businesses,
- medical corporations and attorneys who are incorporated,
- partnerships, and independent contractors

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5.8 Purchase Order Reconciliation with General Ledger

The total value of all Open Purchase Orders should equal the total value of all encumbrances by line-item at all times. Therefore, at least quarterly, the Purchasing Agent shall reconcile all purchase orders against the encumbrances posted to the General Ledger.

If the total value of the open purchases does not equal to the total value of the encumbrances listed in the General Ledger, the Purchasing Agent shall present a list by line-item to the Director of Business Services. Any accounting entries needed to correct the encumbrances in the General Ledger will be written by the Director of Business Services and posted to the General Ledger by the Accounting/Grants Manager.

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Section 6 – Bidding and RFP Process

6.1 Obtain Permission to Purchase and/or Advertise

The Purchasing Department shall obtain permission to purchase and/or advertise for bids or Requests for Proposals (RFPs) from the Board's Finance Committee and subsequently from the Board in advance

- For materials, equipment or services which are not included in the approved budget and which are not of an emergency nature, and/or
- For all "labor only" or "labor and materials" contracts for public works exceeding \$100,000.

To comply with this requirement, the Purchasing Agent shall prepare and present to the Board's Finance Committee at its December meeting each year a *Purchasing Schedule* listing of all standard or annual purchases.

The *Purchasing Schedule* shall list what item or services will be procured, the anticipated cost, and the purchasing method – bid, RFP, or quote. Also included in this schedule will be the anticipated dates of when the staff will complete the specifications, when the staff will advertise for bids, when the bid or RFP will be opened, when the Finance Committee will review the tabulation sheet, and when the Board will make the award.

Other purchases not listed on the *Purchasing Schedule* shall be presented to the Board on an as needed basis.

6.2 Preparing the Bid or RFP Specifications

The Purchasing Agent shall prepare all bid and RFP specifications using standard forms approved by the School Board's attorney or architect. Bid specifications shall include at least the following:

- The date, time and place of when bids shall be received.
- The location and time of when bids will be opened and read aloud.
- The condition and/or requirements for submitting samples.
- The Board's right to reject all bids.
- The process for a bidder to change or withdraw a bid or RFP.
- The required date and place of delivery.
- A list and detailed description of each item to be purchased.
- The basis for awarding the bid or RFP.

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All specifications or requirements shall be drafted so as to promote competition while satisfying the School Board's needs.

6.3 Approval of Bid or RFP Specifications

After the specifications have been prepared, the Purchasing Agent shall submit a draft of the bid document or the RFP to the administrator in charge of the line-item of the budget where the purchase(s) will be made. The administrator shall review and approve the specifications by signing his or her name to the draft of the bid document or the RFP and return it to the Purchasing Agent.

The Purchasing Agent will then forward the draft of the bid document or the RFP to the Director of Business Services for approval.

6.4 Advertise in the Newspaper

Once written approval of the bid document or the RFP has been given by both the Administrator and the Director of Business Services, the Purchasing Agent shall prepare an advertisement (if necessary) that will be published in the official journal along with instructions for the newspaper.

This written notice shall be forwarded to the Board's official journal by the Purchasing Agent. Proof of delivery shall also be kept. The advertisement shall be published as follows:

- Materials, Supplies, Equipment, etc. – published 2 different times with the first ad appearing at least 15 days before the scheduled bid opening date.
- Public Works (labor and/or materials) – published 3 different times with the first ad appearing at least 25 days before the scheduled bid opening date.

The Purchasing Agent (a) shall monitor and verify the accuracy of these advertisements as they are published, and (b) shall retain copies of the newspaper or obtaining a "proof of publication" from the official journal.

6.5 Distribution of bid and RFP Documents to Prospective Vendors

One complete set of bid documents or RFP shall be furnished by the Purchasing Agent (a) to vendors who have bid in the past, (b) to all vendors that have made requests to be on our vendor list, and (c) to any vendors who makes a request.

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Except for plans and specifications prepared by the Board's architect, vendors will not be charged a fee for receiving bid documents or RFPs.

Bid documents prepared by the Board's architect, will be required to place a deposit. The total cost of the deposit will not exceed twice the actual cost of reproduction and deposits on the first set of documents and will be refunded upon return of the documents no later than 10 days after receipt of bids.

6.6 Issuing Addendums

The Purchasing Agent shall have the authority to issue an addendum modifying the plans and specifications of any bid or RFP.

The addendum will state whether the bid or RFP's opening date will continue as advertised or whether it will be extended; however, in no case will an addendum be issued 72 hours or less of the scheduled bid opening date.

6.7 Receiving and Opening of Bids or RFPs

The Purchasing Agent is the DeSoto Parish School Board's representative to receive bids and RFPs on or before the time, date and place designated in the specifications.

Blank tabulation sheets are prepared in advance by the Purchasing Department and made available to anyone in attendance at the schedule public opening.

Once the stated time to receive bids or RFPs has passed, the Purchasing Agent will open each bid or RFP and read them aloud. Amounts will be written in each column on the tabulation sheet that will later be used to evaluate who the lowest responsive & responsible bidder is.

Bids and RFPs that arrive after the stated time, date and place will not be accepted and will be returned un-opened to the bidder.

6.8 Recommendation of Purchase and Approval by Board

After the bids have been opened and read aloud, the Purchasing Agent will evaluate and recommend whether the lowest price submitted by a vendor meets or exceeds specifications. He shall also obtain written approval from

- the Board's architect for if the purchase involves a bid for public works (labor and/or materials), and/or

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- the administrator in charge of the line-item of the budget where the purchase(s) will be made.

Final tabulations sheets and recommendations shall be prepared by the Purchasing Agent, submitted to the Director of Business Services, and presented to the Board's Finance Committee and/or School Board for approval.

6.9 Additional Steps After Award

After the Board has approved a bid or RFP, requisitions and purchase orders will be prepared and issued by the Purchasing Agent.

If any written contracts and bonds are required, the Purchasing Agent will also obtain the signatures of the Board President and/or the Superintendent and the successful bidder and record the contract with the Clerk of Court.

DESOTO PARISH SCHOOL BOARD

PURCHASE ORDER GF 069001

TO: BOSSIER POWER EQUIPMENT
862 HAVENS ROAD
SHREVEPORT LA 71107

DATE ISSUED: 05/18/2006
DATE VOIDED: 08/16/2006

VENDOR # 011175

MAIL INVOICE (BEARING ORDER NO.) TO:
DESOTO PARISH SCHOOL BOARD
201 CROSBY STREET
MANSFIELD, LA. 71052

SHIP TO: DESOTO PARISH SCHOOL BOARD
MAINTENANCE WAREHOUSE
409 KINGS HWY
MANSFIELD LA 71052

QUANTITY	DESCRIPTION	UNIT PRICE	TOTAL PRICE
4	481432 DUST CAP	1.15	4.60
2	320857 FAN	6.45	12.90
4	253038 NUT29	1.16
2	265615 BALL JOINT	3.99	7.98
2	393250 IDLER PULLY (321D)	28.50	57.00
1	393225 IDLER PULLY (322) /NDH	11.98	11.98
2	345055 HYDRO FLUID (GRASSHOPPER MOWERS)	49.25	98.50

TOTAL 194.12

PURPOSE:
WO #15356 15334

DESOTO PARISH SCHOOL BOARD

APPROVED BY: _____

SEE REVERSE SIDE FOR PURCHASE ORDER CONDITIONS

P/O MAILED TO VENDOR FROM PURCHASING DEPARTMENT

Louisiana Public Retirement Questionnaire

This form must be completed by individuals (not required for a corporation, business or company) who will be entering into a contract for professional or technical services. The DeSoto Parish School Board is required by state law to withhold the employee rate from the total contract.

1. Are you currently employed by the State of Louisiana or another political subdivision of the State of Louisiana (Municipality, Sheriff, Police Jury, School Board, etc.) and paying into a Louisiana Public Retirement System?

Yes _____ No _____

2. Have you retired after working for the State of Louisiana or another political subdivision of the State of Louisiana (Municipality, Sheriff, Police Jury, School Board, etc.) and are currently receiving a State of Louisiana public retirement check?

Yes _____ No _____

3. If you answered yes to the questions 1 or 2 above, please check the appropriate box of the Louisiana public retirement system that you are either paying into or receiving a check from.

Teachers Retirement System of Louisiana	
Louisiana School Employees Retirement System	
Louisiana State Employees Retirement System	
Parochial School Employees Retirement System	
Other (Please identify below)	

PUBLIC EMERGENCY RESOLUTION

A resolution to certify the existence of a public emergency and to provide notice of such emergency as required by Louisiana R.S. 38:2212 D.

WHEREAS, on September 1, 2008 Hurricane Gustav made landfall as a category two hurricane in Louisiana and caused widespread damage and power outages in _____ Parish with winds of tropical storm force causing damage to the buildings and properties of the _____ Parish School Board;

WHEREAS, Louisiana R.S. 38:2212 D (1)(a) provides that advertisements for public bids shall not apply in public emergencies.

BE IT RESOLVED AND ORDAINED that the _____ Parish School Board, at a legally convened meeting, hereby certifies that a public emergency exists due to the destruction and injury to its buildings and property as a result of the damages caused by Hurricane Gustav, which requires the immediate construction or repair of its buildings and related facilities to prevent further damage or to restore its buildings for use and the purchase of necessary supplies or materials without the necessity of complying with the formalities of R.S. 38:2211, *et seq.*, and authorizes its Superintendent of Schools, and the _____ to negotiate contracts for the construction and repair of any or all of its buildings and property and the replacement of necessary materials and supplies that were damaged as a result of Hurricane Gustav in order to provide for the continued operation of the public school system of the _____ Parish School Board.

BE IT FURTHER RESOLVED AND ORDAINED that notice of the provisions contained in this resolution shall be published in the official journal of the _____ Parish School Board.

Upon roll call, the following votes were tabulated:

YEAS:

NAYS:

ABSENT:

AND THE RESOLUTION was declared adopted on this _____ day of September, 2008.

_____, President

PARISH
SCHOOL BOARD

_____, Superintendent

Secretary/Treasurer

PARISH
SCHOOL BOARD