

Book	Policy Manual
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6320 - **PURCHASES**

This policy establishes the minimum system of purchasing rules and regulations that are to be followed by the Cabell County Board of Education.

This policy is to be used and followed by all personnel involved in the acquisition and disposal of commodities and services in the performance of their duties.

- A. The overall objective of the purchasing function is to acquire the goods and services necessary to provide the essential services for which the Board is responsible.
- B. The Board is responsible for the purchasing, receiving, safeguarding, and disposing of all goods and services obtained for use by the Cabell County Schools. This authority is hereby

purchased.

- E. If written specifications are required, they shall be written in such a manner as to maximize and encourage competition.
- F. No Board member, officer or employee shall participate in the selection, award, or administration of a contract or purchase order with a related party, or where a conflict of interest, real or apparent, exists.
- G. No Board member, officer, or employee shall solicit or accept gratuities, favors, or anything of monetary value from contractors, vendors, or parties to any awards, agreements, or contracts. This prohibition does not apply to unsolicited gifts of nominal value, which is recognized by the West Virginia Ethics Commission to be a gift whose value is less than \$25.00 per year.
- H. Awards will be made only to responsible contractors possessing the ability to perform successfully under the terms and conditions of the proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

I. The County will explore whether the goods and services being purchased are available from a Statewide contract or a purchasing alliance, such as the Government Purchasing Alliance or the Southern Region Education Board, before going to the open market.

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A. Pursuant to WV Code 18-26 no funds shall be expended or obligations incurred:

1. in an unauthorized manner;
2. for an unauthorized purpose;
3. in excess of the amount allocated to the fund in the levy order;
4. in excess of the funds available for current expenses.

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B. Pursuant to WV Code 18-9B-10, the Board shall:

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- D. Blanket purchase orders shall be used in situations where there is normally a large volume of small dollar purchases of a repetitive nature and it is difficult to determine in advance exactly which products are needed, such as in facility or vehicle maintenance activities. Whenever practical, blanket purchase orders should be issued, with consideration of the bidding requirements, on a periodic basis throughout the year, such as on a monthly or quarterly basis, to maintain budgetary controls.

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- A. Commodities and services shall be purchased in accordance with the procedures specified in this policy.
- B. The competitive method used is determined by the threshold limits below. These limits are based on the best estimate of the Superintendent or designated purchasing director at the time the bid prices are solicited.
- C. The threshold level to be used shall be determined by the total estimated cost of the item being purchased, which is the unit cost multiplied by the quantity.
- D. The bid method selected will be considered to be the appropriate method unless the lowest bid received exceeds the maximum dollar threshold of the bidding method selected by ten percent (10%). If the lowest bid exceeds the threshold by more than ten percent (10%), the bid must be re-bid using bid requirements with a higher dollar threshold level.
- E. Purchases shall not be separated into a series of separate requisitions or purchase orders, for the purpose of circumventing the applicable threshold limits of these competitive bidding procedures.
- F. Commodities may only be purchased from a retail outlet that charges a membership fee, when it is determined to be in the best interest of the County. The membership fee shall be taken into consideration in determining the total estimated cost. Membership fees shall not be paid for individual employees to become members under any circumstances, nor shall a County's membership card be used by employees for personal purchases.
- G. Services may be procured without basing the selection of the vendor solely on price. The cost can be negotiated without the use of competitive bids; however, Requests for Proposals shall be utilized whenever possible and the Cabell County Board of Education shall cause to be established the procedures and criteria for evaluating the proposals received.
- H. Documentation of the criteria and selection process shall be retained for review. (See the Records Retention Schedule in AG 8310A for the period of time that the records must be retained.)

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A. Purchases of commodities costing less than \$5,000:

1. Competitive bids are encouraged but not required.
2. An approved purchase order is required before the merchandise or services are ordered.

B. Purchases of commodities costing \$5,000 or more but less than \$10,000:

1. Competitive bids are required.
2. A minimum of three (3) verbal quotes must be obtained, whenever practical.
3. Bids may be solicited by telephone, internet, mail, or by visiting the vendor.
4. Documentation must be maintained of all quotes obtained, recording the name of the vendor, name of the vendor's representative, name of the County's representative seeking the quote, date, commodity, and price.
5. Refer to the Records Retention Manual issued by the Office of School Finance for the period of time that the documentation is to be retained.
6. A form for recording these quotes is provided in Form 6320 F1.

7. An approved purchase order is required before the merchandise or service is ordered.

C. Purchases of commodities costing \$10,000 or more but less than \$25,000:

1. Competitive bids are required.
2. A minimum of three (3) written bids must be obtained, whenever practical.
3. Bids may be solicited by telephone, internet, or mail, but a written bid must be submitted by the vendor.
4. A "no bid" is not to be considered a received bid, so sufficient requests should be solicited to assure that at least three (3) actual bids are received, whenever practical.
5. All bids received must be retained for public review and inspection during normal business hours. Refer to the Records Retention Manual issued by the Office of School Finance for the period of time that the bids are to be retained.
6. An approved purchase order is required before the merchandise or service is ordered.

D. Purchases of commodities costing \$25,000 or more but less than \$50,000:

1. Competitive bids are required and bids shall be solicited from at least three (3) known suppliers whenever practical, using ~~practical~~, ~~MA~~

6. Any and all bids may be rejected if there is a sound documented reason.
7. The request for bids shall be retained for public review and inspection during normal business hours. After the bid is awarded, all criteria and evaluations used in making the selection, as well as all bids received from vendors, shall be retained for public review. (Refer to the Records Retention Manual issued by the Office of School Finance for the period of time that the bids are to be retained.)
8. An approved purchase order is required before the merchandise or service is ordered.

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A. Equipment and other commodities or services may be purchased directly from a vendor without competitive bidding, if any of the following conditions exist:

1. The item cannot be obtained through ordinary purchasing procedures.
2. The item is unique, or is not available from any other source (sole source).
3. The item is available from the State, a RESA, or another county, provided the price, availability, and quality are comparable to those in the open market.
4. The item is available from a Statewide contract and "piggybacking" by local governmental entities is permitted in the contract.
5. The item is available from a GSA Schedule and the supplier is willing to sell to a County in the State at the same or lower price.
6. The item is available from a sheltered workshop.
7. The item is available from a local purchasing cooperative, such as a RESA or a group of county boards that are working together to use their combined purchasing volume to obtain more advantageous pricing through economies of scale.
8. The item is available from a legitimate government purchasing cooperative that has already obtained competitive bids that meet the requirements of this policy, such as the Association of Educational Purchasing Agencies (AEPA), the U.S. Communities Purchasing Alliance, or The Cooperative Purchasing Network (TCPN).
9. The item is a used vehicle or piece of equipment and its purchase is determined by the Superintendent, acting as the purchasing director or designated purchasing director to be in the best interest of Cabell County Schools.

B. Documentation of the justification for not following the competitive procurement procedures shall be maintained.

E C B R

A. The following items or services may be purchased by the county without advertisement or obtaining competitive bids.

1. Accounting services and audits exclusive of the annual audit of the County's financial statements.
2. Any advertisement placed directly with newspapers, trade magazines, or similar publications. However, radio, broadcast television, or cable television advertising; any indirect placement, promotional items; or advertising consultant services are not exempt.
3. The purchase of and service to artwork and historical items.
4. Attorneys and law firms.
5. Auditing contracts between governmental agencies.
6. Entertainers.

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A. ~~Board of Canine~~ encouraged but not required for leases and lease purchase agreements.

B. ~~With a lease purchase agreement, the County shall, be secured by property that is already owned by the County.~~ @ ð € ° € 0 @ € 0 ð € `` •

~~COM~~ shall transfer from the lessor to the lessee when the option to purchase the commodity is exercised, normally at the time the last installment payment is made.

D. No funds shall be expended or obligations incurred from future levies. (State Constitution and WV Code 11-8-26)

1. A lease purchase agreement extending beyond the fiscal year shall contain a non-binding cancellation clause where the contract can be terminated at the end of each fiscal year, at the County's discretion, without creating a present indebtedness for the aggregate of the installment payments.

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2. Any language in a lease purchase agreement that might require the County to give notice to the lessor or be liable for s for t"Creating a herminated aa praggregent extehe end of eachb

- C. Bidders shall submit their bids and/or proposals to the Superintendent or designated purchasing director. The Superintendent or designated purchasing director shall reject all bids not received by the specified date and time.
- D. An authorized representative of the bidder shall sign all bids before submission. A corporate signature without an individual name is not an acceptable signature.
- E. The Board may accept the submission of bids by facsimile transmission. The completed facsimile transmission must be received by the Superintendent or designated purchasing director prior to the specified date and time for submission of the bid. A vendor choosing to submit a bid or a written change to a bid by facsimile transmission accepts full responsibility for the transmission and receipt of the bid or change. The Board accepts no responsibility for the unsuccessful and/or incomplete transmission of bids by facsimile machine. An original document and a copy of a bid that is initially sent by facsimile transmission shall be sent to the Superintendent or designated purchasing director within two (2) working days after the bid opening date and must be identical to the bid submitted by facsimile transmission.
- F. Copies of bids may be open for public inspection in the office of the Superintendent or designated purchasing director immediately after bid opening. All files related to the evaluation and awarding of the bids are open for public inspection after the ja^

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A. In the event that a vendor fails to honor any contractual term or condition, the Cabell County Board may:

1. cancel the contract and re-award the purchase order to the next lowest bidder;

The vendor failing to honor contractual obligations is responsible for all differences in cost;

2. declare a vendor non-responsible or non-responsive and refuse to award a purchase order;

All such instances shall be substantiated in writing. The documentation shall be considered a public document and shall be available for inspection at all reasonable times.

3. suspend, for a period not to exceed one (1) year, the right of a vendor to bid on purchases when there is reason to believe the vendor has violated any of the provisions, terms, or conditions of a contract, this rule, and/or State law. A suspended vendor may appeal the decision of the Superintendent or designated purchasing director to the Board.

B. Grounds for suspension include, but are not limited to the following:

1. A vendor has exhibited a pattern of poor performance in fulfilling his/her contractual obligations to the Board. Poor performance includes, but is not limited to, a vendor providing or furnishing commodities, materials, or services late,

or assigned designee. Continuation or delay of purchase order/contract award is at the discretion of the Superintendent or designated purchasing director.

2. The Superintendent or designated purchasing director may refuse to review any protests when the matter involved is the subject of litigation before a court of competent jurisdiction; if the merits have previously been decided by a court of competent jurisdiction; or if it has been decided in a previous protest by the Superintendent or designated purchasing director. The provisions of this subsection do not apply where the court requests, expects, or otherwise expresses interest in the decision of the County.

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A. Deliveries to a warehouse

1. When deliveries are made to a central warehouse, or directly to a school or other cost center, personnel receiving the commodities are responsible for the inspecting of goods, ensuring that purchases meet contractual requirements, signing for the commodities, and forwarding the receipting documents to the business office for payment of the invoice.
2. The Superintendent shall cause to be developed local procedures for receiving merchandise shipped from vendors to a central warehouse for subsequent delivery to a school or other cost center. These procedures shall include the steps to be followed in the following circumstances:
 - a. when the complete order is received and the warehouse personnel are able to verify that all items ordered are received;
 - b. when the complete order is received but the warehouse personnel are not able to verify that all items ordered are received, such as when the computer hardware is ordered with specified pre-loaded software;
 - c. when all items are not shipped and backorders will not be accepted;
 - d. when all items are not shipped and backorders will be accepted.

B. The Superintendent shall cause to be developed procedures for receiving merchandise shipped from vendors directly to a school or other cost center. These procedures shall include the steps to be followed in the same circumstances discussed in the preceding paragraph.

C. Any problems with quality, quantity, performance, and lack of conformity to specifications, should be reported to the Superintendent or designated purchasing director immediately. Poor quality items that do not meet specifications should not be accepted and approved for payment. This applies also to term contract items. Whenever possible, problems shall be resolved before final payment has been made. All shipping documents and packing containers shall be retained.

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Whenever online procurement is used, all purchasing policies must be followed, including the issuance of purchase orders prior to the time the commodities or services are ordered. The purchase order must be issued to the vendor from whom the commodities or services are being purchased, and not to the online procurement provider.

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- A. The Board shall not approve payment for any claim for services rendered or materials furnished unless an itemized account of the claim is filed by the claimant. (WV Code 12-3-18)

12. Should the award not be made to the lowest priced bidder, a written justification shall be placed on file with the bids that documents the reason the low price was rejected. This justification must be signed by the Superintendent.
13. The Board shall document each expenditure and include specifications, bids, no-bids, award justifications and any other relevant data.
14. The documentation for each expenditure shall be complete and shall be kept in an orderly manner that will enable any interested party to understand the specifics of the expenditure.
15. A complete written record of all expenditures relating to the emergency shall be submitted to the Governor within thirty (30) days of the expiration of the declaration of the emergency.
16. The written record shall include a summary sheet that details all acquisitions for the emergency and list date of purchase, vendor, dollar amount, commodity or service description, quantity, number of bids obtained and whether the award was made to the low bidder.
17. The Governor reserves the right to remove the spending authority at any time during the emergency and appoint a person or organization to manage the emergency expenditures and/or transfer that authority to another organization.
18. All emergency expenditures are subject to complete review and/or thorough audit as requested by the Governor.

B. Local Emergencies

1. The Superintendent shall establish with Board approval the procedures to be followed in the case of an emergency at the local level that has not been declared an emergency by the Governor.
2. The Superintendent or designated purchasing director or appointed designee shall issue prior written approval for purchases in emergency situations. These situations can arise from acts of nature, conditions that are detrimental to the health, safety, or welfare of employees or students, or other unforeseen events that threaten the termination of essential services. These can include unforeseen delays by contractors or delays in the transportation of indispensable goods and materials. Emergency purchases shall not be used for hardships created by neglect, poor planning, or lack of organization.
3. Competitive bids must be obtained whenever possible. If, in the opinion of the Cabell County Board, using sound judgment and discretion, time does not permit verbal bids to be received, written approval from the Superintendent to secure necessary services and supplies without bids for only that period of time absolutely necessary to abate the emergency.

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- A. All purchases by the schools are to be made in accordance with the procedures specified in West Virginia State Board of Education policy 1224.1 and the incorporated manual entitled Accounting Procedures Manual for the Public Schools in the State of West Virginia and purchasing procedures set forth in this policy.
- B. All contracts shall be approved and signed by the County Superintendent. Except for the funds discussed in the succeeding paragraph, individual schools have the authority to expend only the "quasi-public" funds received by the school from curricular or noncurricular activities.
- C. The Board shall not distribute public funds to individual schools for expenditure. Funds may be allocated to each school, but the actual procurement transactions shall be handled through the County's central business office. Exceptions to this general rule are:
 1. the distribution of funds appropriated for faculty senates through the Public School Support Program (PSSP) and supplemental allocations by the County Board to provide the basic allocation for teachers not funded through the PSSP;
 2. the occasional or infrequent reimbursement of an expense unintentionally paid by a school;
 3. the disbursement of funds to a school for the repetitive purchase of a specific item, such as postage, where it is impractical to handle the transaction in any other manner. Supplemental allocations by the County to the appropriated amount provided to each teacher through the PSSP shall not be distributed to the schools for expenditure. The latter two (2) exceptions are for small dollar amounts and shall not to be extended to the routine distribution of funds to all

schools in the County on a formula or predetermined basis for the schools to determine how the funds are expended.

- D. All State or Federal grant funds received directly by an individual school are to be remitted immediately to the Board office. The funds are to be allotted to the school for expenditure for the purposes identified in the grant award, but the procurement transactions are to be handled through the County's central business office.
- E. Schools making purchases using "quasi-public" funds or student activity funds shall explore whether the goods and services are available from a contract negotiated by the County or a cooperative contract with a RESA or other counties before going to the open market.

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- A. An adequate inventory control system of all capital assets, equipment and disposal supplies and commodities purchased shall be maintained to safeguard the assets on hand and to ensure that those that are placed into service or consumed have been used for an authorized purpose. This system shall include maintenance of inventory records.
- B. The inventory of capital assets shall be maintained on the West Virginia Education Information System, as specified in the procedures manual issued by the Office of School Finance entitled Fixed Asset Inventory System for the County Boards in the State of West Virginia.
- C. Inventory of Supplies and Other Expendable Property

A perpetual inventory system is to be maintained of all supply items that have a material dollar value, such as the supply inventory in a central warehouse or the vehicle replacement parts at the maintenance garage. The supply in