

# Petersburg City Public Schools



## PURCHASING MANUAL

Updated May 2017

## **1.0 INTRODUCTION**

This manual is a guide to the Schools' procurement laws, policies and procedures. If you have any questions that are not answered by this manual, or need further clarification, please contact the Petersburg City Public Schools Purchasing Department.

## **2.0 MISSION**

Procure quality goods and services that meet the needs of Petersburg City Public Schools, while ensuring maximum competition, maintaining a reputation for fairness and integrity, and obtaining the maximum benefit and revenue from the disposal of surplus, damaged, or obsolete materials and equipment.

## **3.0 FUNDAMENTAL PURCHASING PRINCIPLES**

The intent of the Virginia General Assembly and the purpose of the Virginia Public Procurement Act (VPPA), Code of Virginia, 1950 as amended, is set forth in §2.2-4300©. This section states:

To the end:

- ❖ **That public bodies in the Commonwealth obtain high quality goods and services at reasonable cost;**
- ❖ **That all procurement procedures be conducted in a fair and impartial manner with the avoidance of any impropriety or the appearance of impropriety;**
- ❖ **That all qualified vendors have access to public business;**
- ❖ **That no offeror be arbitrarily or capriciously excluded;**
- ❖ **That competition be sought to the maximum feasible degree;**
- ❖ **That rules governing contract awards be made clear in advance of the competition;**
- ❖ **That procurement procedures involve openness and administrative efficiency;**
- ❖ **That specifications reflect the procurement needs of PCPS rather than being drawn to favor a particular vendor; and**
- ❖ **That PCPS and vendors freely exchange information concerning what is sought to be procured and what is offered.**

## **4.0 METHODS OF PROCUREMENT**

For purposes of this Manual, and in accordance with the Petersburg City Public Schools Purchasing Policy, there are five (5) methods of procurement:

1. Small Dollar
2. Sole Source
3. Emergency
4. Cooperative Contracts
5. Competitive Bid/Competitive Negotiation

## 5.0 PURCHASING POLICY

**The Petersburg City Public Schools Purchasing Policy applies, in its entirety, to all Schools and Departments.** The Purchasing Policy and procedures of Petersburg City Public Schools are in conformance with the Virginia Public Procurement Act (VPPA).

### Purchasing Thresholds

**Small Dollar Purchases** are purchases **under \$100,000** (total order cost, including shipping and handling) for goods and **under \$60,000** for professional services. **Major Acquisitions** are purchases of **\$100,000 and greater for goods and \$60,000 for professional services**, and must be purchased using a formal bidding or formal competitive negotiation process which is administered by the Purchasing Department and awarded by the School Board.

**All purchases of \$1,000 and greater require a Purchase Order issued by the PCPS Purchasing Department with the exception of exemptions outlined in this manual.**

## 6.0 PURCHASING PROCEDURES

### Small Purchases

The purchase of goods/services totaling less than \$60,000 for professional services and \$100,000 for goods and non-professional services.

Small dollar purchases are further divided into three spending thresholds, each progressive threshold requiring a higher level of administrative attention. Prior to any purchase, regardless of cost, adequate funds must be available.

**Purchasing thresholds apply to the entire purchase, including shipping & handling, not the individual item price.**

**Orders/Requirements may not be divided (split orders) to constitute a small purchase and/or circumvent Purchasing Policy.**

**Purchases under \$60,000 services/\$100,000 for goods do not require public advertising or posting.** Using Departments are responsible for obtaining quotes, and submitting a Purchase Request to Purchasing.

Petersburg City Public Schools does maintain some bidders or preferred vendors list. The individual department should use the resources available (internet, knowledge of qualified vendors, etc.) when deciding what suppliers to contact, and requesting quotes. The Purchasing Department will provide assistance with product/vendor research upon request or as required.

### Small Purchase Thresholds and Requirements:

**For purchases less than \$1,000 (including shipping and handling):** Schools/Departments shall order without prior approval. Prices are to be compared by telephone, catalogue, internet, etc. No documentation or price comparison is required. The requesting Schools/Departments will purchase from selected vendors and have goods and services shipped to their location. Vendors will issue and send invoice to requesting Schools/Departments addresses. Principals or supervisor will sign off on invoice and attach

to Request for Payment (hard copy from Keystone Accounting System) to Finance Department.

**For purchases of \$1,000 to \$10,000 (including shipping and handling):** Purchases **may not** be placed prior to purchase order being issued. Websites, catalogs, and/or telephone quotes from three (3) vendors are required. All quotes must be documented using the Quote Documentation/Summary Form or hard copies of quotes from vendors showing the good/services requested, quantity, date quote received, company name, unit price quoted, total price, shipping charges, delivery days/time frame. Schools/Departments will issue request for purchase through Keystone Accounting System with documentation attached to the Purchasing Department. Principals and supervisors will get an email alert from Keystone Accounting System that approval is needed. The Purchasing Department (Buyer), after verifying approvals and documentation, will issue a Purchase Order (PDF file) to vendor via electronic, mail, or fax. A copy of the file will be sent to requesting Schools/Departments and Accounts Payable. Goods/services/invoices will be delivered to requesting locations. Schools/Departments will sign copy of purchase order and attach all packing slips for verification of delivery as contracted and send to the Finance Department for processing. Any discrepancies (change orders) will be coordinated through the Purchasing Department. **Purchases over \$1,000 must be signed by Executive Management as well as the Superintendent.**

**For purchases of \$10,001 to \$100,000 (including shipping and handling) (\$10,000-\$60,000 for Professional Services):** Purchases may not be placed prior to purchase order being issued. Four (4) written quotes are required. Catalog and website quotes may be used. All quotes must be documented and forwarded to the Purchasing Department using the same procedure for purchases between \$1000 and \$10,000.

**For purchases greater than \$100,000 for goods (or \$60,000 for Professional Services):** State law requires a formal sealed bidding or competitive negotiation process. Contact the Purchasing Department for further assistance.

All personnel in the division who desire to purchase equipment and/or supplies shall follow the established procurement procedures for the issuance of a payment or purchase order. Principals/Supervisors are responsible for making sure that all purchases are within budget and charged to the appropriate budget code. Lack of available funds may result in denial of payment from division funds and the individual placing the order could be held personally responsible for payment.

#### **Obtaining Quotes**

Only obtain quotes from qualified suppliers (vendors who sell the goods/services needed).

Quotes may be obtained by phone, fax, email, internet, catalog, or sale advertisement.

Always give clear and detailed specifications/requirements. It is important that all vendors have sufficient details, and identical, information to accurately quote the goods/services requested.

Always give vendors a date and time when quotes are due. Each vendor must be given the same due date and time. Quotes received after the deadline shall be rejected, and eliminated from consideration.

Evaluate all quotes received fairly and objectively, using an "apples-to-apples" comparison.

State Law mandates that awards be made to the low cost responsive and responsible vendor who meets specification (includes delivery requirements).

All information pertaining to a vendor's quote must remain confidential until the deadline for the submission of quotes has passed.

Under no circumstances may information about a vendor's quote be shared with any other vendor as a method of getting matching or lower quotes. This practice is called Auctioneering, and is an ethics violation and strictly prohibited in government purchasing.

All quotes, after award, are public information and may be distributed upon request. Requests for information from vendors and the public may be verbal or written, and requests do not have to reference the Freedom of Information Act (FOIA) to be honored. If you have questions about FOIA, or a request for information that is not readily available, contact the Finance Department.

### **Inspection Of Goods**

**All orders must be thoroughly inspected/tested within seven (7) calendar days of receipt.** If goods are not inspected/tested within this time period and a problem (damaged in shipping, or a defect) is found later, the vendor may refuse to remedy the situation, referring you to the manufacturer. As consumers, we are obligated to inspect all deliveries in a timely fashion if we are to expect any necessary corrective action on the part of the vendor/supplier.

Contact Purchasing immediately if your purchase is incomplete, damaged, or is not delivered when promised. Purchasing will negotiate an acceptable resolution with the vendor.

### **Sole Source Purchases**

Sometimes only one source is available to meet a requirement, thus competition is not available or practicable. This is often the case in terms of software upgrades, proprietary equipment parts, or manufacturer distribution territories, etc. A Sole Source letter (justification) must be obtained, and attached to the Purchase Requisition to justify the sole source purchase.

All sole source justifications will be reviewed and verified by the Purchasing Buyer prior to a purchase order being created, and an order placed.

All Sole Source purchases of \$100,000 and greater require Superintendent's approval prior to contract award.

### **Emergency Purchases**

A true emergency exists when, as defined by law, circumstances or situations beyond anyone's control could adversely affect the health, life, safety of the public, staff, students, or could vitally affect property and/or equipment if not corrected immediately.

Emergency procurements are permitted under policy/law to be addressed without competition when competitive methods will not facilitate a timely correction of the situation.

In the event of a qualified emergency, a contract may be awarded without Quotes, Competitive Sealed Bidding, or Competitive Negotiation, but **the emergency and all purchases must be thoroughly documented.** Purchasing Buyer will, if practicable, pursue competition.

### Procedure

If an emergency occurs during regular business hours, the involved department shall immediately notify the Buyer who will either purchase the required goods/services, or authorize the department to do so. A written explanation of the circumstances of the emergency approved by the Superintendent or Director of Finance or Designee, shall be filed, within two (2) business days, with the Purchasing Buyer.

If an emergency occurs outside of regular business hours, the involved department may purchase the required goods/services without contacting the Purchasing Buyer and without price competition. The department shall, however, whenever practicable secure competitive telephone quotes and delivery commitments and award to the low cost provider that meets both the product/service & delivery requirements.

The department shall, within two (2) business days, submit to the Purchasing Buyer a tabulation of the goods/services purchased, quotes received - if any, a copy of the delivery record, and a written explanation of the circumstances of the emergency, approved by the Superintendent, or Director of Finance or Designee.

### **Use Of State, Local, GSA, & National Contracts (aka Cooperative Contracts)**

Competition is not required when goods/services are purchased using (riding) other governmental agency contracts that permit their use by other public bodies (cooperative contracts), regardless of cost. \*Any purchase of \$100,000 or greater still requires Director of Finance approval prior to an order being placed. When using a cooperative contract, additional quotes/competition are not required, saving staff time and taking advantage of volume discounts.

When using a cooperative contract, the contract type, number, and originating entity/district MUST be written on the Purchase Requisition (ex. VA State Contract # 0000, Prince William County Public Schools Contract # 000.) Purchasing will verify each contract reference prior to Purchase Order issuance.

### **Term Contracts**

In many operations there are continued replenishments of inventoried supply items, or the continued use of service suppliers, in the conduct of daily business. These types of needs may include food service items, on-call maintenance contractors, general hardware items, custodial supplies, etc. It is unreasonable to constantly conduct competition between vendors for these daily needs. The repeated change of vendors itself can disrupt the daily operations.

For these types of purchases, a Term Contract is established through a Competitive Bid or Negotiation process for a specified period of time. The Competitive Bid/Negotiation process is usually characterized by an estimated or definite minimum quantity to be ordered during the contract time, with the possibility of additional quantities beyond the estimated minimum.

Pursuant to written procedures not requiring competitive sealed bids or competitive negotiation, the School Board may enter into single or term contracts for goods and services other than professional services if the aggregate or the sum of all phases is not expected to exceed \$100,000, and transportation-related construction if the aggregate or sum of all phases is not expected to exceed \$25,000. However, such small purchase procedures shall

provide for competition wherever practicable. Such small purchase procedures may allow for single or term contracts for professional services without requiring competitive negotiation, provided the aggregate or the sum of all phases is not expected to exceed \$60,000. Where small purchase procedures are adopted for construction, the procedures shall not waive compliance with the Uniform State Building Code.

Term Contracts are established for a specified period of time, usually 12 months with the option for 1-4 additional 12-month renewals/extensions. (Extensions at the Schools discretion with the vendor's consent.)

### **Exemptions**

Certain purchase categories, due to the inability to perform price comparisons, are exempt from the competitive process and do not require a purchase order.

Those include:

Utility Services - Services from regulated carriers that have been established by regulatory authorities as monopolies to provide services. They include, telephone service, electricity, water, sewer, gas, cell phones, etc.

Travel - Travel advances, travel expenses, or travel reimbursements.

Payroll Agency Checks

SunTrust Bankcard purchases

### **The following items do require a Purchase Order**

Dues - Membership Dues

Public Library Books - Public library books and other library items for circulation to, or use by, the general public. (**not applicable to school libraries**)

Advertising - Advertising and legal notices.

Subscriptions - Newspapers, Periodicals (directly from publisher), Software License Renewals,

Subscription Renewal Services.

Maintenance Agreement Renewals

Registration - Seminars, Training Sessions, etc.

On-site Lodging in connection with an authorized event (Seminar, conference, training, etc.)

Speakers/Instructors

Reimbursements

Textbooks - Only applies to textbooks purchased from Virginia DOE approved publishers, and only those titles approved by Virginia DOE and formally adopted by the School Board.

Supplementary textbooks (those not formally adopted by the School Board) must be obtained utilizing the small purchase procedures.

## 7.0 **SPLIT ORDERS**

Artificially dividing/splitting orders to constitute a Small Dollar purchase, or circumvent purchasing policy/procedures is a violation of Procurement Policy and is strictly prohibited.

## 8.0 **PURCHASE ORDER PROCEDURES**

All expenditures greater than \$1,000 (including shipping & handling) require the use of a Petersburg City Public Schools Purchase Order (PO).

A Petersburg City Public Schools Purchase Order is a legal, contractual document, and may only be prepared and issued by School Purchasing.

Prepare and submit a Purchase Request from Keystone Accounting System to Finance Department.

The following information must be entered on the Request for Purchase:

Vendor Name, Vendor phone, fax, and email address, Vendor Number, Account Number to be charged (General Ledger Number), Ship-to Address & Recipient's Name, Detailed Product/Service Description, (include color, size, package size, brand name/part # if applicable, shipping & handling fees, etc.), Quantity, Unit Price, and Total Cost.

If several items are being purchased on the same requisition, but will be charged to different accounts, the general ledger number for each item must be noted beneath the appropriate description.

The Department Head/Principal and Executive Director/Chief Academic Officer **must** approve all Requests for Purchase before they can be processed by Purchasing. Anything above \$1,000.00 requires Director of Finance approval as well. By approving the Requisition, the Department Head/Principal certifies the purchase is approved and funding is available. Unapproved Requisitions will not be processed.

Clear instruction on how the purchase is to be processed should be noted on the requisition (Comments section). Does the originator want the order placed by Purchasing or does the originator want the PO returned to them for distribution? Does the Vendor accept electronic orders, or should the order be faxed to the vendor? A copy of the processed PO will always be returned, electronically, to the originator.

Submitting Requisition to Purchasing:

All supporting documentation (Quote Documentation/Summary Form, written quotes, Sole Source letter – if applicable) must be attached and submitted with the Requisition. (Incomplete Requisitions will be placed on hold and the originator notified.)

Vendor Information Form and W9 must be submitted with the Requisition for all **new** vendors.

The originator should keep a copy of the Requisition for his/her records prior to submitting the original to Purchasing.

Requisitions can be tracked in Keynet/Keystone Accounting System

All processed and issued POs are electronically filed by the Purchasing Buyer on the "S" shared drive

- Purchasing/Purchase Orders

\* Utilities, and other similar monthly O&M expenditures that have a dedicated General Ledger/Budget Account number, (ex. Telephone, Fuel) do not require an annual Blanket Purchase Order. Other O&M expenditures (maintenance/custodial supplies, etc.) require competitive pricing be sought, and a Blanket Purchase Order be established to ensure adequate funds are allocated/reserved for these repeat expenses, and annual expenditures for those categories are easily monitored.

Purchase Order Close/Liquidation

PO's will be closed, by Finance-Accounts Payable, during the final payment process. Open PO's, with fund balances, will be liquidated by written request only (email request acceptable.)

The request to cancel/liquidate an open PO must be submitted to the Finance Department-Procurement by the 25th of each month. All requests received after the cut-off will be held, unprocessed, until the next month.

Incomplete submissions (to include, but not limited to: Requisitions, and Vendor Number Requests) may be returned unprocessed. Originator will be notified by email of the discrepancy. Once corrective/additional information is received, processing will continue.

**9.0 CHANGE ORDERS**

A Purchase Order Modification (Change Order) must be submitted to Purchasing if there is a need to modify the original Purchase Order requirements. Changes may include, but not be limited to, quantity increase/decrease, product substitution, price, scope of work, or delivery. Modifications cannot be authorized until a Change Order has been processed by Purchasing.

**10.0 NEW VENDOR**

If the vendor to be used does not have a Vendor Number issued in Keystone System, a completed New Vendor Set-Up Request Form (ATTACHMENT C) must be submitted by email to Purchasing at the time of Requisition submittal. A copy of the vendor's W9 **MUST** accompany the New Vendor Set-Up Request Form. An IRS Form W9 is required by law to be on file in Finance for **ALL** vendors with whom business is transacted.

**Note:** All information must be completed, and W9 attached, in order for a vendor number to be assigned.

Purchasing will enter the information into Keystone Client system and file the W9. The originator will be notified by email of the new vendor number.

## 11.0 **PURCHASES OF \$100,000 OR GREATER**

As per PCPS Purchasing Policy, purchases of goods/services of \$100,000/\$60,000 and greater (one-time purchase, or estimated annual expenditure for that good/service) must be obtained through the formal procurement process (Invitation for Bid/Request for Proposal). These purchases **must** be administered by the Purchasing Buyer.

Departments/Schools shall complete a Purchasing Request and prepare a Specification/Scope of Work for submission to the Purchasing Buyer for solicitation development and issuance.

The following information must be provided when submitting the Purchasing Request, and Specification/Scope of Work:

**Intent** – Give a brief description of the product/service required, and its intended use.

**Account(s) to be charged (General Ledger Number)** Adequate funds must be available to cover the product/service requested prior to a solicitation being developed. If funds require School Board appropriation or, internal transfer, all fund appropriations/transfers must be made **prior** solicitation issuance. If extenuating circumstances prohibit the proper allocation of funds, (awaiting School Board appropriation, etc.) a memo or email detailing the circumstances must be submitted by the Department Head with the request. A solicitation will **not** be issued in the absence of adequate/identified funds.

**Completion/Need-By Date** – A realistic date for product delivery/work is to begin and end must be established so the Purchasing Buyer may ensure that solicitation issuance, receipt, and delivery/work commencement meet your required timeline, and the Bidder/Offeror knows what the delivery/completion expectation is.

**Pre-Bid/Proposal Meeting (Construction only)** - Is a Pre-Bid/Proposal Meeting to allow prospective Vendors/Offerors an opportunity to obtain more information and/or conduct site visits before bids/proposals are due for submission necessary/requested? If so, this need must be noted on your request.

**Specification** – Detailed, concise, description of product/service requested. The Purchasing Buyer will assist with specification development as needed.

## 12.0 **FORMAL PROCUREMENT CYCLE:**

Once a solicitation is prepared and issued, any communication between potential Bidders/Offerors and anyone other than the Purchasing Buyer is strictly prohibited. All communications pertaining to the solicitation (technical or procedural) must pass through the Purchasing Buyer. All Vendor/Offeror questions will be forwarded to the requestor and formally responded to by an Addendum signed and issued by the Purchasing Buyer. This ensures that all prospective Bidders/Offerors have fair and equal access to all relevant information and there is no appearance of impropriety.

All bids/proposals are due no later than the date and time published in the solicitation. Late bids cannot, and will not, be accepted (per State law).

Bid Openings are open to the public. Bids are made available for public review immediately after the bid opening process has been completed, and a tabulation of bids received will be posted on the PCPS website.

No information pertaining to a Request for Proposal (including, but not limited to: questions received, responding Offerors, evaluation, negotiation, and contract development) shall be made

available as public information until **after a formal award** has been made.

### **13.0 COMPETITIVE SEALED BIDS**

Purchasing solicits competitive sealed bids (*formal sealed bids*) for goods of \$100,000 and/or services with a dollar value of \$60,000 or more. Formal sealed bids are solicited using a written *Invitation for Bid (IFB)*.

A notice of the Invitation for Bid is posted on the Petersburg City Public Schools web site at least ten (10) calendar days prior to the bid closing date. At the Director of Finance's discretion, an advertisement may also be published in a newspaper of general circulation.

Vendors must deliver their bids to the Business & Finance Department/Purchasing. All bids must be received on or before the closing date and time stated in the Invitation for Bid. Bids will not be accepted at any other location. Bids received after the closing date and time will not be considered and will be returned unopened to the bidder.

Envelopes/packages containing bids must be opaque, sealed and clearly state on the outside of the envelope/package the following: the company/individual's name, IFB number, and closing date and time.

Formal bids are opened following the closing date, time and place stated on the Invitation to Bid. This session is open to the public. All bids/proposals must be received by PCPS Purchasing Department. After the deadline for submission of bids has passed, the Purchasing Buyer, or his/her designee, will open, announce, and record the bids. No decision of award will be made during the bid opening.

Bid Tabulations will be posted on the Petersburg City Public Schools web site within 2 business days of the Bid Opening.

An award announcement will be posted on the Petersburg City Public Schools web site for no less than ten (10) days post official award.

Purchasing will recommend an award to the requestor. With requestor's approval, the award recommendation will be forwarded to the PCPS **Director of Finance** for approval/award. State law requires all public entities to award to the low bid that meets specification.

### **14.0 COMPETITIVE NEGOTIATIONS**

Services procured through competitive negotiations (Request For Proposals - RFP) fall into two (2) categories: (1) **Professional Services** and (2) **Other Than Professional Service (which includes specialized equipment)**.

**Professional Services:** Professional services shall be procured through competitive negotiations. Professional services include work performed by an independent contractor within the scope of the practice of accounting, actuarial services, architecture, land surveying, landscape architecture, law, dentistry, medicine, optometry, pharmacy or professional engineering.

- **Other Than Professional Services:** Non-Professional Services (any service not covered by the definition of Professional Services above) insurance, and specialized equipment (custom

vehicles, etc.) may be procured by competitive negotiations upon a written determination by Purchasing that competitive sealed bidding is neither practicable nor fiscally advantageous

**Proposals** – All proposals must be received by PCPS Purchasing Department by or before the published deadline. Envelopes/packages containing proposals must be sealed and clearly state on the outside of the envelope/package the company name, RFP number, and closing date and time. Late proposals will not be accepted.

After the submission deadline, the Purchasing Buyer, or his/her designee, will open the submissions. The names of firms submitting proposals shall be read aloud. No other information shall be provided at that time.

An evaluation matrix (based on evaluation criteria in the published solicitation), and evaluator instructions will be prepared by Purchasing, and distributed to the Evaluation Committee members. Evaluation Committees are established by the requestor, or other official of staff.

One (1) copy of each proposal (one marked “original”) will be retained by PCPS Purchasing Department for the official procurement file.

Proposals received and distributed will be reviewed, scored and ranked by the Evaluation Committee members individually. The Committee will meet to discuss the proposals, and determine which Offerors will be interviewed. Competitive negotiations may then be conducted with the firm(s) that submitted the most acceptable proposal(s).

Price is not the sole determining factor in selecting the successful Offeror. Other criteria (such as Offeror’s experience, capability and skills, and actual services to be provided) are evaluated. A contract will be awarded to the Offeror, who in the Committee’s opinion, submitted the best proposal.

Once a final award has been recommended by the Committee and approved by the Director Finance, a Purchase Requisition must be submitted to Purchasing for Purchase Order preparation. A formal contract will be prepared for review and signature. No order can be placed, or work begin, until a contract has been fully executed, and a Purchase Order issued.

## 15.0 TYPES OF CONTRACTS:

**Purchase Order** is the simplest contract form and is executed by the Purchasing Agent or designee. A purchase order is issued for the majority of requisitions received by Purchasing.

**Formal Contract** consolidates all of the terms and conditions of the RFP or Bid into a contract document, which is approved as to content by the using Department, approved by Finance as to availability of funds, reviewed by the Attorney's Office as to legal sufficiency, and signed by both the Purchasing Agent and the successful vendor. Upon selection of the successful vendor, the Using Agency is responsible for drafting the formal contract document, with the assistance of the Purchasing Department.

**Contractor's Standard Contract** is usually developed by professional associations or by the vendor's legal department. If a pre-printed contract is submitted to you for signature, notify Purchasing. Use of vendor's standard contract is not authorized, except in the event of a qualifying emergency, should be avoided whenever possible.

## 16.0 AUTHORIZED SIGNATURES

Using Departments **are not authorized** to sign contracts unless specifically granted such authority, in writing, by the Superintendent of Schools.

Under no conditions, except in the event of a qualifying emergency, should a vendor's contract/Agreement be signed.

All such documents shall be forwarded to the Purchasing Department for review and action.

## 17.0 eVA

Virginia State has a powerful electronic procurement tool (eVA) that is available to localities free of charge. Using this tool eliminates the need to manually obtain quotes, assists with vendor research, broadens the advertising base, assists in meeting quote reporting requirements, and ordinarily finds the best possible price for the goods/services needed. Occasionally a vendor will offer a particular product at a "sale" price that is less than what eVA finds. This is a rare occurrence.

eVA has a significant number of registered vendors, offering every product/service imaginable, ready to quote on State & Local requirements.

Contact Purchasing for eVA access and training.

## 18.0 ETHICS IN PROCUREMENT

All purchases made with taxpayer's funds, regardless of size, are subject to scrutiny and question by the public and media. It is **imperative** that all public purchases are made in the fairest and most ethical manner possible, without impropriety or the appearance of impropriety.

**Litmus Test:** If your purchase and/or methods of purchase could cause you and/or your family embarrassment if it were detailed on the front page of the local newspaper, the Free Lance Star, or the radio and/or television, then you should reconsider the purchase/method of purchase. Consult the Purchasing Buyer if you have any questions, or a procurement related dilemma.

By making a purchase with public funds, the purchaser certifies that the purchase is made without collusion or fraud and they have not been offered or received any kickbacks or inducements from the selected supplier, manufacturer or subcontractor in connection with the purchase.

The ethical responsibility of School employees and agents, having official responsibility for a procurement transaction are set out in *VPPA*, §2.2-4367, et seq, *Ethics in Public Contracting*.

In summary, no PCPS employee or agent having official responsibility for a procurement transaction shall participate in that transaction on behalf of PCPS when the employee knows that:

The employee is contemporaneously employed by a bidder, Offeror or contractor involved in the procurement transaction;

The employee, the employee's partner, or any member of the employee's immediate family holds a position with a bidder, Offeror or contractor such as an officer, director, trustee, partner or the like, or is employed in a capacity involving personal and substantial participation in the procurement transaction, or owns or controls an interest of more than five percent (5%);

The employee, the employee's partner, or any member of the employee's immediate family has a pecuniary interest arising from the procurement transaction; or

The employee, the employee's partner, or any member of the employee's immediate family is in negotiation, or has an arrangement concerning, prospective employment with a bidder, Offeror or contractor. (*VPPA*, §2.2-4369).

In addition to the *VPPA*, the *Ethics in Public Contracting*, employees of the Purchasing Division are held strictly to the high ethical standards of the National Institute of Governmental Purchasing, Inc. (NIGP) *Code of Ethics*.

## **19.0 GIFT POLICY**

The Code of Virginia (2.2-4371) states: "No public employee having official responsibility for a procurement transaction shall solicit, demand, accept, or agree to accept from a Bidder, Offeror, contractor or subcontractor any payment, loan, subscription, advance, deposit of money, services or anything of more than nominal or minimal value, present or promised, unless consideration of substantially equal or greater value is exchanged."

Nominal value shall mean a fair market value of \$7.00 or less, except that consumable items under \$25.00 in value offered to all participants or members at a professional association or organization meeting shall be considered as nominal.

## **20.0 GLOSSARY- PURCHASING TERMS**

**Best Value:** The overall combination of quality, price, and various elements of required materials and/or services that are optimal relative to a public body's needs.

**Bidder:** an individual or firm submitting a bid in response to an *Invitation For Bids*.

**Bid Opening:** The formal process in which sealed bids are opened, usually in the presence of one or more witnesses, at the time and place specified in the *Invitation For Bids*. The amount of each bid is announced and recorded, and bids are made available for public inspection. Bid openings are open to the public.

**Bid Tabulation:** A public document listing all vendors who submitted a bid in response to a solicitation, and the prices bid for each item/service.

**Blanket Purchase Order:** A contract where the vendor agrees to supply goods/services on an as-needed basis for a specified period of time.

**Brand Name or Equal Specification:** Using one or more manufacturer's brand names, with identifying model numbers, to describe the acceptable items; all other items will be excluded.

**Brand name specification:** Using one or more manufacturer's brand names, with identifying model numbers, to describe the standards of quality, performance, and other characteristics needed to meet the requirements of a solicitation

**Change Order:** A written alteration to a contract or *Purchase Order*.

**Competitive Negotiations:** A method of procurement that uses discussions and negotiations with responsible *Offerors* who submit proposals in response to a *Request for Proposals*. Awards are based on subjective evaluation criteria, not price alone.

**Competitive Sealed Bidding:** Preferred method for acquiring goods, services, and construction. The award is made to the lowest *Responsive and Responsible Bidder* based solely on the criteria set forth in the *Invitation For Bids* and does not include discussions of negotiations with the *Bidders*

**Confidential Information:** Any information which is available to an employee only because of the employee's status as an employee of the County and is not a matter of public knowledge or available to the public on request.

**Conflict of Interest:** An actual or potential situation in which the personal interests of a vendor, employee, or public official are, or appear to be, in conflict with the best interests of the jurisdiction.

**Contract:** An agreement between two parties with binding legal force, usually exchanging goods or services for money or other consideration.

**Cooperative Purchasing:** The combining of requirements of two or more entities to obtain the benefits of volume purchases.

**Excess:** Materials, supplies, equipment, furniture, and vehicles that still have value and can be used by the County

**Goods:** All material, equipment, supplies, printing and automated data processing hardware and software.

**Informality:** A minor defect or variation of a bid or proposal from the exact requirements of the *Invitation*

**For Bids**, or the **Request for Proposals**, which does not affect the price, quality, quantity or delivery schedule for the goods, services or construction being procured.

**Invitation for Bids:** a formal request to prospective vendors soliciting price bids for specific goods and/or **Nonprofessional Services**

**Nominal Value:** A fair market value of \$7.00 or less, except that consumable items under \$25.00 in value offered to all participants or members at a professional association or organization meeting shall be considered as nominal.

**Nonprofessional Services:** Any services not specifically identified as professional services in the definition of professional services within this article.

**Official Responsibility:** Any administrative or operating authority, whether immediate or final, to initiate, approve, disapprove, or otherwise affect a procurement transaction, or any claim resulting therefrom.

**Offeror:** Individual or firm submitting a proposal in response to a **Request for Proposals**.

**Procurement:** The combined functions of purchasing, inventory control, traffic and transportation, receiving, inspection, storekeeping, inventory control, surplus, and disposal.

**Procurement Transaction:** is defined as all functions that pertain to the obtaining of any goods, services, or construction, including:

**Professional Services:** Work performed by an independent contractor within the scope of the practice of accounting, actuarial services, architecture, land surveying, landscape architecture, law, dentistry, medicine, optometry, pharmacy or professional engineering.

**Public Purchasing:** The process of economically obtaining supplies and services for jurisdiction purpose and use.

**Purchase Order:** A written document to a vendor formalizing all the terms and conditions of a proposed transaction, such as a description of the requested item(s), delivery schedule, terms of payment, and transportation.

**Purchase Requisition:** A request to obtain materiel or service and authority to commit funds to cover the purchase.

**Purchasing Ethics:** Moral principals or code to be respected and followed by purchasing personnel. Prohibits breach of the public trust by any attempt to realize personal gain by a public employee through conduct inconsistent with the proper discharge of the employee's duties.

**Public Body:** Any legislative, executive or judicial body, agency, office, department, authority, post, commission, committee, institution, board, or political subdivision created by law to exercise some sovereign power or to perform some governmental duty, and empowered by law to undertake the activities described in this article.

**Request for Proposals:** a formal request to prospective **Offerors** soliciting proposals for **Professional Services**, and other specialized goods and services, as determined by the Purchasing Buyer, it is in the best interest of the School Board to be procured through **Competitive Negotiations**.

**Responsible Bidder or Offeror:** A **Bidder** or **Offeror** that has the authority to transact business in the Commonwealth, the capability, in all respects, to perform fully the contract requirements and the moral and business integrity and reliability which will assure good faith performance, and who has been prequalified, if required.

**Responsive Bidder:** A person who has submitted a bid that conforms in all material respects to the invitation to bid.

**Scope of Work:** Detailed description of the work the purchasing jurisdiction wants the contractor to perform.

**Services:** Any work performed by an independent contractor, except for construction, which does not consist primarily of acquisition of equipment or materials, or the rental of equipment, materials and supplies.

**Sole Source:** Only one vendor possesses the unique and singularly available capability to meet the requirements of the solicitation.

**Surplus:** School property including, but not limited to, materials, supplies, equipment, furniture, and vehicles that are no longer of use to a department

**Tie Bid Preference:** a policy of giving preference to a local bidder **only if the bid is identical to a bid from a non-resident business**, all other aspects of the bid being equal.