



# Purchasing Policy and Procedures Handbook

Texarkana Independent School District

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R070118

The Superintendent or designee will be responsible for developing and implementing a comprehensive procurement system for the school district. This system will be in accordance with local, Texas and federal statutes or ordinances, good business practices, and the provisions in the annual budget adopted by the Board of Trustees for the current fiscal year and will include written regulations and procedures as required to efficiently provide for the needs of the District. These regulations and procedures will be the policies for procurement for the District. This will be updated as necessary to keep up to date with changes in laws and operational situations that may arise; it will be a living document.

### **Code of Ethics**

- Be mindful the existence of the Purchasing Department is to provide support to the operations of the District and its mission, parameters, beliefs, strategic objectives, and strategies. Consider first the interests of the School District and the betterment of the educational program of the District.
- Know and abide by the laws governing the purchasing function and remain alert to the legal ramifications of all purchasing decisions.
- Avoid the intent and appearance of unethical or compromising practice in relationships, actions and communications.
- Refrain from any private business or professional activity that would create a conflict between personal interest and the interests of the District.
- Refrain from and discourage the solicitation or acceptance of money, loans, credits, discounts, gifts, entertainment, favors or services from present or potential vendors which may influence or appear to influence the purchasing of goods or services.
- Endeavor to obtain the greatest value for every tax dollar expended in a manner conducive to good business practices and in compliance with statutory requirements.
- Give all responsible proposers equal consideration and the assurance of unbiased judgment in determining whether their products meet the educational needs of the District.

### **Staff and Contact Information**

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## Legal Considerations

The Purchasing Department monitors all purchasing activities, to assure purchasing compliance with all applicable statutory and legal requirements, district policy, best purchasing practice, and adherence to ethical standards advocated by the Board of Trustees. Awards of purchase contracts shall be subject to the following legal requirements.

### Board Policies

- [BBFB \(LEGAL\) Ethics – Prohibited Practices](#)
- [CH \(LEGAL\) Purchasing and Acquisition](#)
- [CH \(LOCAL\) Purchasing and Acquisition](#)
- [CHH \(LEGAL\) Purchasing and Acquisition – Financing Personal Property Purchases](#)
- [CHG \(LEGAL\) Purchasing and Acquisition – Real Property and Improvements](#)
- [CK \(LOCAL\) Safety Program/Risk Management](#)
- [CR \(LEGAL\) Insurance and Annuities Management](#)
- [CV \(LEGAL\) Facilities Construction](#)
- [CV \(LOCAL\) Facilities Construction](#)
- [DBD \(LEGAL\) Employment Requirements and Restrictions – Conflict of Interest](#)
- [DBD \(LOCAL\) Employment Requirements and Restrictions – Conflict of Interest](#)

### Federal Regulations

- Office of Management and Budget (OMB) [Circular A-21](#) Educational Institutions
- Office of Management and Budget (OMB) [Circular A-87](#) State and Local Governments
- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, AKA EDGAR, [2 CFR 200 PART 200.317-.326, Appendix II](#)

### Texas Code

- Texas Education Code [Chapter 44](#) – Fiscal Management – Subchapter B
- Texas Education Code [Chapter 45](#) – School District Funds – Subchapter G
- [Texas Business and Commerce Code](#)
- [Texas Local Government Code Chapter 171](#) – Regulation of Conflicts of Interest of Officers of Municipalities, Counties and Certain Other Local Governments
- [Texas Local Government Code Chapter 176](#) – Disclosure of Certain Relationships with Local Government Officials: Providing Access to Certain Information
- [Texas Local Government Code Chapter 271](#) –
  - Subchapter B – Purchasing and Contracting Authority of Municipalities, Counties and Certain Other Local Governments
  - Subchapter D – State Cooperation in Local Purchasing Programs
  - Subchapter Z – Miscellaneous Provisions
- [Texas Government Code Chapter 552](#) – Public Information
- [Texas Government Code Chapter 791](#) – Interlocal Cooperation Contracts
- [Texas Government Code Chapter 2054](#) – Information Resources
- [Texas Government Code Chapter 2157](#) – Purchase of Automated Information Systems
- [Texas Government Code Chapter 2251](#) – Payment for Goods and Services
- [Texas Government Code Chapter 2252](#) – Contracts with Governmental Entities
- [Texas Government Code Chapter 2254](#) – Professional and Consulting Services

- [Texas Government Code Chapter 2269](#) – Contracting and Delivery Procedures for Construction Projects
- [Texas Health and Safety Code Chapter 361](#) – Solid Waste Disposal
- [Texas Health and Safety Code Chapter 435](#) – Dairy Products
- [Texas Agriculture Code Chapter 150](#) – Imported Meat

## **Vendors**

The District will provide a list of vendors that have been awarded contracts formerly through the Board of Trustees or Informally through the quote process on its website. This list will be called the Awarded Vendor List (AVL). Using vendors listed on the AVL is the most efficient way to procure goods and services because terms and conditions have already been negotiated and approved on the District's behalf.

Information included in this list is the vendor name, proposal number, proposal title or competitive procurement category (CPC), contract expiration date, and remarkable special terms/conditions. Vendors may have more than one proposal number since they may provide various categories of products and/or service.

Texarkana ISD regularly issues bids/proposals for goods and services, and we encourage vendors to submit vendor application forms to be included on the notification list for these opportunities.

### **Vendor Contact with District Personnel**

Vendors and their representatives are strictly prohibited from contacting, either in person or by telephone, instructional or support personnel during school/working hours without approval from the Superintendent, Deputy Superintendent, Executive Director of Business Operations, or the Director of Purchasing.

All approved vendors calling on personnel in a school building will first check in at the front office for visitation approval. Visitors may be subject to a criminal background check before being allowed entry past the front office. Vendors calling on support personnel will first check with the department head or supervisor for visitation approval.

Vendors are prohibited from offering gifts or favors of a personal nature that might influence or that could be construed to influence purchases utilizing district funds. Employees will refuse any such offers and report such offers to their principal or department head. The principal or department head will immediately report any such incidents to the Purchasing Department.

### **Vendor Application and Creating a New Vendor in Skyward**

A purchase may require a vendor that has not been created in the Skyward system. Please fill out a vendor application along with a W9 form and email to the Purchasing Department. This **form** is available on the website. You will receive an email once the vendor has been created.

## Purchasing Guidelines

Purchases must be approved by the Purchasing Department before they are made; limited exceptions will be made to this requirement (high school student activity money checking account would be one of the few examples). Entry and approval of requisitions and issuance of a purchase order in the Skyward financial system will be the standard procedure.

The recommended and most efficient way to purchase is to use the District’s Board awarded vendor contracts or to use vendor cooperative contracts that the District has an interlocal agreement in place allowing their use. The **awarded vendor list (coming soon)** is located in the Purchasing Department webpage.

Purchasing requirements depend on the competitive procurement category (CPC) the item requested is a part of and total dollars spent, in the aggregate, over the trailing 12 month period, in the respective CPC. The chart below shows the threshold levels and requirements at each level.

Competitive Procurement Category (CPC) Trailing 12 Month Spend Amount	State and Local Funds	Federal Funds
\$0	Must obtain 1 quote from responsible EDGAR compliant vendors	Must spread around amongst responsible EDGAR compliant vendors
\$3,500	Must obtain 3 quotes from responsible EDGAR compliant vendors	Must obtain 3 quotes from responsible EDGAR compliant vendors
\$50,000	EDGAR compliant Board approved contract or cooperative contract	EDGAR compliant Board approved contract or cooperative contract
\$150,000		Must obtain an independent cost estimate and perform a cost or price analysis

### Spot Purchases

Spot purchases may be made under the \$3,500 threshold per CPC with one vendor quote. Federal procurement for spot purchases requires spreading purchases around amongst responsible vendors.

## **Quotes**

Purchases made in the CPC threshold area of \$3,500 to \$49,999 require three written quotes. Quotes should be recorded in writing and attached to the requisition in the Skyward system.

## **Purchasing Cooperatives**

Usage of purchasing cooperatives is encouraged. Providing the cooperative name, respective contract number, and any special terms (like calculated discount %) is a requirement for the requisition. Many cooperatives require special ordering processes and this information also needs to be entered in the requisition.

## **Requests for Proposals/ Competitive Sealed Proposals**

Purchases made in the CPC threshold above \$50,000 require formal procurement processes. Either a request for proposal (RFP) or request for competitive sealed proposal (CSP) must be issued and approved by the Board before the purchase may be made.

## **Independent Cost Analysis**

Purchase with federal funds of \$150,000 and more require an independent estimate and cost/price analysis before the formal procurement solicitation may be made.

## **Sole Source Purchases**

Sole source should seldom be used as a method of procurement. The following criteria must be met to be considered as a sole source purchase:

1. Identification and confirmation that competition in providing the item or product to be purchased is precluded by the existence of a patent, copyright, secret process, or monopoly.
2. A film book or manuscript.
3. A utility service; including electricity, water, gas, etc. where competition is not available.
4. A captive replacement part or component for a larger piece of equipment.

A **sole source affidavit** must be completed, signed, and notarized by the vendor and submitted to the Purchasing Department before a requisition will be approved.

Federal funds sole source purchases may require express authorization by the federal awarding agency (TEA) and must be proven and adequately documented. An affidavit alone will not be sufficient in this case. For federal sole source purchases over \$50,000, profit must be negotiated with the vendor.

## **Warehouse Inventory Items**

The District stocks copy paper and flags in warehouse inventory for District purchasing. Please requisition these items with the vendor Texarkana Isd Warehouse in Skyward.

## **Requisitions**

The purchasing department will typically process requisitions within 24-48 hours from the time it shows up in the Director's queue, except for peak periods, necessary research and evaluation, solicitation of quotes or formal solicitation with an RFP. All requisitions for purchases will be submitted through the Skyward financial system via a web connected device.

During the regular budget year, requisitions should be submitted as infrequently as possible. To prevent numerous uneconomical small purchases, requests should be for as large a quantity as storage space and budget allocations will permit.

Deadline dates for requisitions to be submitted to the Purchasing Department for any budget year is June 1 with exception to required operating purchases (special contracts, leases, utilities, 12-month programs, replacement of un-repairable or vandalized equipment, and construction projects). Dates will be adjusted to next work day if they fall on weekends or holidays. The school calendar may be consulted for the exact dates of holidays.

The principal or designee responsible for the campus or department budget must approve every requisition before it is sent electronically to the Purchasing Department

The necessity to plan for equipment and supply requirements cannot be overemphasized. The time required processing a requisition from initiation to delivery of the materials or service may vary from a few days to several weeks or even several months for furniture or custom-made items. The requisition must travel from the originator through approved channels to the Purchasing Department. The Purchasing Department may need to secure competitive prices, obtain evaluation and approval of the proposals, and finally issue a purchase order. The time required for processing by the Purchasing Department will vary according to the nature and value of the transaction, the existing work load and various legal requirements.

Items available from only one source should be placed on individual requisitions. State "SOLE SOURCE" on the requisition.

## **Purchase Orders**

A purchase order is the contract document that commits the District to an obligation. Requisitions received electronically by the Purchasing Department are approved or denied. Approved requisitions are turned into Purchase Orders and are assigned a number. This purchase order number becomes the control number for all accountability.

**Standard terms and conditions of purchase orders are found at this link (coming soon)**

Whenever it becomes necessary to modify or cancel the items or conditions as listed on a TISD purchase order, the following conditions shall apply:

1. A purchase order is a contract document that obligates the District and vendor to the terms and conditions as listed or referenced thereon.
2. The Purchasing Department is responsible for making all official adjustments to a purchase order.
3. All arrangements for returning, adjusting, deleting, modifying, substituting or canceling items or conditions including lease or rental arrangements as listed on the purchase order must be made through the Purchasing Department.
4. Requests to have items listed on a purchase order returned, deleted, canceled, or in any way adjusted must be made in writing to the Purchasing Department. A copy of the request must be forwarded to the Receiving Department. Appropriate authorization (Principal, Director, Assistant Superintendent, etc.) must accompany each request.
5. Upon receipt of an authorized request, the Purchasing Department will, when possible, make the necessary arrangements and adjustments as requested.
6. All arrangements and adjustments will conform to the requirements of the Business Office and to legal statutes and district policy.
7. Schools and administrative departments will be notified when an item on the purchase order must be canceled for reasons other than their request, such as:
  - a. The company is unable to provide the goods or services.
  - b. The item has been discontinued.
  - c. The budget funds have been expended.

The general purpose of blanket purchase orders is to eliminate the need for numerous individual purchase orders for similar purchases for the Child Nutrition Department and for the Maintenance Department.

Blanket purchase orders will be issued to vendors that have been awarded contracts through Request for Proposals or Requests for Quotes and will remain in effect for a specific time period. Information on the requisition will include this specified time period, a general description of the nature of the items or services to be purchased, and any other required term or condition. Certain items that will be purchased through cooperative contracts and certain items to be capitalized (fixed assets) may not be allowed to be purchased with blanket purchase orders and individual requisitions and purchase orders will be required for such items.

Any commitment to acquire goods or services from budget funds prior to securing a bona fide Purchase Order is prohibited. Anyone creating or authorizing such a commitment prior to securing a Purchase Order will be personally liable for payment of such agreement and/or may be liable to prosecution under the Texas Penal Code, Chapter 39, Abuse of Office, Section 39.01. All requested exceptions to this policy must be made in writing to the Superintendent.



## **Solicitations**

### **Specifications**

Specifications are descriptive information for the goods or services requested. Such descriptive information must be specific but not to the extent as to prevent competition of comparable items. Many items can be fairly described by giving the name of the item, its basic features and a typical, acceptable brand and model number. The use of any brand name or manufacturer's reference used is descriptive -- not restrictive -- and is to indicate the type and quality of items desired. Always put "or equal" at the end of the description if specifying with a brand named product or service.

Regardless of the descriptive information, alternate proposals may be considered for award if they are determined to be in the best interest of the District. The user department is responsible for the development of specifications. However, these specifications are subject to review by the Purchasing Department.

### **Competitive Quotations**

Competitive quotation solicitations may be opened and reviewed as received. Action will be taken soon after the closing date. Quotations submitted by vendors will be considered firm. Small adjustments may be authorized if conditions indicate that requesting new quotations or making the award to the next lowest quotation would derive no substantial savings. A decision to buy will include an assessment of at least the following: individual item price, total price of all items, delivery dates, terms, location of the vendor, quality of materials, past performance of goods and vendor, transportation charges, and consultation with the user department.

Quotations will be required on all purchases in the threshold level defined previously except as follows:

1. When a sole source exists (rare).
2. When unreasonable delay in delivery of required goods or services would be detrimental to the educational program or department served (rare). Must be authorized by Purchasing Department before requisition entered.
3. When the purchase is made through a current District contract or cooperative agreement.

### **Proposals**

The intent to make these purchases shall be advertised as required by board policy and/or state and federal law. They will be advertised in the local newspapers at least once a week for two consecutive weeks. In addition certain federal requirements requires posting of the solicitation in the Electronic State Business Daily (ESBD).

All sealed proposals will be received in the Purchasing Department where they will be opened publicly on the date and at the time as advertised unless notified with an addendum. Proposals will be opened by the Purchasing Department. The closing time for sealed proposals is final. Proposals received after the closing time will not be opened or considered and returned to the proposer. Any exception to this may only be made by the Director of Purchasing and must be in the best interest of the District.

No proposal may be withdrawn after opening without approval of the Director of Purchasing. Such approval will be based on a written, acceptable reason. Withdrawal of a proposal or failure to honor a proposal may result in the omission of the company for future requests for proposals and loss of any bid or proposal bond.

The District reserves the right to accept or reject any or all proposals, the right to award the proposal in the best interest of the District, the right to waive technicalities, all rights reserved.

The proposal items that are determined to be the best value to the District will be recommended for approval. Dependent on requirements of the funding source and type of formal procurement method, the following criteria will be used in making the best value determination:

- Purchase price
- Reputation of the vendor and of the vendor's goods or services
- Quality of the vendor's goods or services
- Extent to which the goods or services meet the district's needs
- Vendor's past relationship with the district
- Impact on the ability of the district to comply with laws and rules relating to historically underutilized businesses
- The total long-term cost to the district to acquire the vendor's goods or services
- For a contract for goods and services, other than goods and services related to telecommunications and information services, building construction and maintenance, or instructional materials, whether the vendor or the vendor's ultimate parent company or majority owner: (A) has its principal place of business in this state; or (B) employs at least 500 persons in the State of Texas
- Proposed Personnel
- Financial Capability
- Safety Record
- Business Practices
- Reporting Systems
- Product Specifications
- Delivery Schedule
- Any other relevant factor specifically listed in the proposal

Specific weights will be assigned to each criterion as points out of a total. The highest point total will be the best value proposal to the District. If there is a tie then it will be broken by casting lots by the Board of Trustees.

Payment bonds must be furnished, as required by law, on all purchases of \$25,000 or greater for building construction, repair, renovations and maintenance projects. Performance bonds will be furnished, as required by law, on all purchases of \$100,000 or greater for building construction, repair, renovations and maintenance projects. Good faith deposits in the form of a cashier's check or proposal bond in the amount of 5 percent of the proposal total may be required when deemed necessary.

Responsible vendors will be asked to propose or quote upon their written request. Their request may be submitted through a completed vendor application and must show the specific items or services upon which they wish to propose or quote.

Proposals shall be sought from sources able to offer the best prices consistent with quality, delivery and service. All vendors receiving requests for sealed proposals or quotations must be responsible and possess the ability to perform the contract according to its terms. A responsible vendor must exhibit adequate financial standing, reputation, experience, resources, facilities, judgment and efficiency.

Reasons a vendor may be denied the opportunity to receive requests for proposals or quotations include but are not limited to the following:

1. Previous withdrawal of a proposal or quotation
2. Previous failure to honor a proposal or quotation
3. Unusual delays in delivery of previous awards
4. Repeated failure to respond to requests for proposals or quotations
5. Unauthorized substitution of merchandise in other awards
6. Previous failure to perform service satisfactorily
7. Location of the vendor which would not be conducive to the level of service required
8. Discrimination against an employee or applicant regarding race, religion, color, sex or national origin.

The decision to deny a vendor the opportunity to receive requests for proposals or quotations will be made by the Director of Purchasing.

### **Approval and Awarding of Proposals**

Approval of all expenditures and purchases made through the proposal process costing, per competitive procurement category, \$50,000 or more, must be given by the Board of Trustees. Exceptions are listed in District Board Policy. Administrative action may be taken on purchases of items less than \$50,000 per competitive procurement category. If circumstances warrant, Board consideration of any purchase may be requested.

### **Protest**

Any vendor protesting the denial to receive requests for proposals or quotations will take the following steps:

1. He or she will make a written request to the Director of Purchasing showing cause to receive requests for proposals and seeking an audience to discuss the matter.
2. If the request is again denied by the Director of Purchasing, the vendor may request an audience with the Executive Director of Business to appeal the decision. The meeting shall be arranged by the Director of Purchasing.
3. If the request is further denied by the CFO, the vendor may appeal the decision to the Superintendent.
4. If the request is further denied by the Superintendent, an appeal may be made to the Board of Trustees.

### **Professional Services**

Professional Services are specifically identified in the Texas Education Code 44.031 and Texas Government Code 2254. They include the following professions: Architect, Engineer, Land Surveyor, Real Estate Appraisal, Nursing, Medicine, Optometry, CPA, Landscape Architect, Fiscal Agent, Financial Consultant, Attorney, and Technology Consultant. Professional services are evaluated by a qualifications-based evaluation. There may be exceptions to this in the case of certain federal funds. Professions not listed above as Professional Services should be considered Contracted Services and are subject to the same methods of procurement as real property items.

### **Taxes**

The Texarkana Independent School District is exempt from payment of taxes under Chapter 20, Title 122A, Article 20.04, Revised Civil Statutes of Texas, for the purchase of tangible personal property.

The District is exempt from sales tax because it is a public free school, is tax supported, and operates under the Texas Education Agency.

Any use of the District's tax exemption certificate/number for personal purchases is prohibited. Anyone using the District's tax exemption status for personal purchases may be liable to prosecution under the Texas Penal Code, Chapter 39 Abuse of Office, Section 39.01.

The District is exempt from federal excise tax, state tax and local tax. Tax should not be included in any quote or proposal pricing.

Tax exemption certificates will be furnished upon request

### **Contracts**

For work involving construction, repairs, renovation and maintenance of buildings, and contracted or professional services, a separate contract document may be required in addition to the issuance of a

purchase order. This contract will be in a form as required to cover the project parameters and the work to be accomplished.

A contract is an agreement between two parties for goods or services for consideration. Simply stated, a contract is a legal arrangement for one person to provide a good or service in exchange for money. A contract can be as simple as a purchase order or may be a complicated multi-page document that requires extensive legal review.

Some things in contracts to be on the lookout for include:

- Legal Venue – The legal venue should always be Bowie County, Texas in order to place the District in the most advantageous position.
- Governing Law – Texas should always be cited as the governing law for any contract that the District enters.
- Dispute Resolution – Any dispute resolutions provisions should avoid requirements for arbitration. Requirements for mediation before litigation are generally more advantageous for the District.
- Termination – Any long-term contract should include a provision for cancellation based on a certain number of days of written notice. This will allow the District to be flexible in curriculum programming as well as other changing situations.
- Fund Out Clause – It is recommended that contracts contain a clause that allows the District the opportunity to cancel the contract with no penalty if funds are not appropriated by the Board of Trustees or otherwise not made available to the District.

The Director of Purchasing and/or General Counsel must review all contracts, lease and maintenance agreements before executing. Principals and Administrators are not authorized to sign on behalf of the District without the delegation of authority by the Director of Purchasing, Executive Director of Business Operations, or Superintendent.

### **Emergency Purchases**

Emergency purchases for repairs come up routinely in the Maintenance Department and in order to expedite these situations, all maintenance purchases will be controlled with the requisition number. After the supplies are purchased and receipts received, an Emergency Pick-Up Authorization form is completed by the buyer and turned in as soon as possible.

Emergency purchases greater than or equal to \$50,000 will be made in conformance with Board of Trustees policy and Texas Education Code. Emergency purchases will be submitted to the Board of Trustees for ratification.

### **Purchases for Individuals**

Any commitment to acquire goods or services in the name of Texarkana Independent School District for personal use or ownership is prohibited. Any individual making such a commitment may be liable to prosecution under the Texas Penal Code, Chapter 30, Abuse of Office, and Section 39.01.

## **Receiving of Goods and Services**

Accounting for the receipt or non-receipt of goods or services for which a purchase order has been issued will be in the Skyward financial system's receiving module.

Upon receipt of the goods or services listed on the purchase order, the Receiving Department must record this information in Skyward showing the quantity and condition of the items received.

Payment to vendors is processed by the Business Office upon receipt of the following:

1. A purchase order or check request.
2. An invoice from the vendor.
3. Proof of items or services received.

Detailed instructions for reporting partial shipments, damages or other irregularities may be obtained from the Purchasing Department.

## **Disposal of Obsolete or Surplus Items**

The appropriate principals or department heads will identify items no longer needed or unusable in their program or school. They will submit to the appropriate area director a request to have these items picked up and transferred to the Receiving Department for redistribution or disposal. Items determined to be obsolete, surplus or unusable will be disposed of in one of the following manners:

1. Disposal through public sale/auction/sealed proposals
2. Sale to salvage companies
3. Placement in trash

The approximate disposal price shall be determined by the Director of Maintenance, Director of Purchasing, or Receiving Manager.

Disposal of Instructional material and technology equipment will be made in accordance with government code 31.105.

## **Trade-in Equipment**

The appropriate principal or department head will identify specific equipment to be considered for trade-in toward the purchase of replacement equipment. Trade-in of surplus or obsolete equipment is encouraged.

## **Repairs to Equipment**

Two methods of securing repair of equipment are available and the appropriate method will be used.

- Equipment repaired by Texarkana Independent School District personnel. All equipment that can be repaired by TISD personnel will be repaired by the District and will not be sent to outside sources. This will be accomplished by submitting an appropriate request to the Maintenance Department.
- Equipment repaired by an outside source through a blanket purchase order.

## **Cellular Phones**

A cellular telephone may be issued to any employee designated by the Superintendent or designee, to be used for business telephone calls at those times when the employee does not have regular telephone service readily available. Most of these cases will be handled with a stipend paid to each employee and it is their responsibility to provide the cellular phone service for work purposes.

## **Credit Cards**

Certain employees will be issued credit cards by the District at the discretion of the Superintendent or designee in order to facilitate purchases which would otherwise be difficult to make (gasoline, airplane reservations, hotels, etc.). Credit cards should not be used to pay for purchases which could be made through the use of the requisition system. Credit cards should not be used to circumvent any of the purchasing laws. Under no circumstance should an employee of the District use their issued card for personal expenses. Employees must complete a requisition in Skyward for their credit card bill and submit all substantiation (original receipts, invoices, travel voucher etc.) to Accounts Payable in enough time for the check to be processed and mailed by the due date on the bill. Any late charges on the credit card bill will be the responsibility of the individual it is issued to. Final responsibility for judicious use of District issued credit cards rests with the individual to whom the card is entrusted. Criminal prosecution/termination procedures shall be initiated for misuse of credit cards.

## **Record Keeping**

The Purchasing Department will maintain purchasing files including: proposals, quotes, advertisements and purchase orders. Records of proposals awarded by Board of Trustees action will be maintained indefinitely with the Board records. All other records will be retained in accordance with local, state, and federal law and guidelines.

## **Open Records**

The Texarkana Independent School District complies with the Open Records Statutes as outlined in Title 110A, Article 6252-172, of the Revised Civil Statutes of the State of Texas.

Special attention is called to Section 3(a)(4) which states the following exception to open records: "information which, if released, would give advantage to competitors or proposers."

## **Federal Funds and EDGAR**

### **Guidelines Related to Specific Costs**

Funds must be expended for reasonable and necessary costs in conducting grant activities. Reasonable means a cost is consistent with prudent business practice and comparable to current market value. Necessary means the cost is essential for you to accomplish the objectives of the project. Your organization must comply with the applicable Federal cost principles in expending grant funds. See the last section of this appendix for a list of the Federal cost principles. This section addresses certain specific costs only and is not intended to be all-inclusive.

### **Advertisements**

Advertisements are allowed for recruiting grant personnel only as long as the advertisement is not in color and not excessively large. Advertisements are allowed for communication with the public and press when the costs are considered necessary as part of the outreach effort for the grant.

### **Alcoholic Beverages**

Alcoholic beverages are not allowable under any circumstances.

### **Audit Fees**

Audit fees are allowable in accordance with the following: Audit fees and expenses may not be charged to State-funded grants. Audit fees and expenses are allowable only when the audit is required by and performed in accordance with OMB Circular A-133, Audits. Audit fees and expenses may not be charged as a direct cost when such audit-services costs are part of your organization's indirect cost pool.

### **Awards for Recognition and Incentives for Participants**

Minimal-cost certificates, plaques, ribbons, small trophies, or instructionally-related items to be used in the classroom (such as pens and pencils) are acceptable incentives for participation in program activities or awards for recognition. The following items may be donated by others but may not be purchased with grant funds:

- gifts or items that appear to be gifts
- souvenirs, memorabilia, or promotional items, such as T-shirts, caps, tote bags, imprinted pens, and key chains
- “door prizes,” movie tickets, gift certificates, passes to amusement parks, and so on
- food of any kind (snacks, beverages, refreshments, meals, and so on)

### **Calendars and Calendaring Systems**

Calendaring systems to manage personal calendars—whether paper calendars, personal digital assistants (PDAs), or electronic or software calendars—are not allowable costs.



### **Cellular Telephones for Personal Use**

A cellular telephone for personal use is not an allowable cost.

### **Ceremonies, Banquets, or Celebrations**

Costs associated with ceremonies, banquets, or celebrations are not allowable.

### **Conflict of Interest**

Any purchase or expenditure that would pose a conflict of interest, real or perceived, is not allowable.

### **Construction, Remodeling, or Renovation**

These costs are not allowed unless specifically authorized in the authorizing program statute and unless specifically approved by TEA in the applicable grant application.

### **Consultants**

You shall not use or pay any consultant in the conduct of this application if the services to be rendered by such consultant could have been rendered by your employees. You must select consultants based on demonstrated competence, qualifications, and experience and on the reasonableness of the proposed fee.

### **Employee Service Awards**

Employee service awards cannot be paid from grant funds.

### **Employer Contributions to Voluntary Retirement Plan**

Employer contributions to an employee's voluntary retirement plan, such as a 401k or 403b, are not allowable.

### **Entertainment, Recreation, and Special Events**

Costs associated with any type of entertainment, recreation, or social event are not allowable.

### **Field Trips**

If specified in the grant program, educational field trips are allowable under certain circumstances if allowed in the grant program. Educational field trips are approved, planned instructional activities that involve students in learning experiences that are difficult to duplicate in a classroom situation. These field trips should provide hands-on activities that encourage students to experiment and ask questions. The field trip be reasonable in cost and must be necessary to accomplish the objectives of the grant program. The field trip should be a part of the teacher's lesson plans, which should include activities that prepare

students for the trip and follow-up activities that allow students to summarize, apply, and evaluate what they learned from the trip. Costs for the field trip must be reasonable. Any entrance fees and transportation costs must be reasonable in comparison to the intended objectives of the trip. For audit purposes, your organization must maintain documentation of the field trip and must provide clear evidence of how the expense ties back to an instructional objective. Documentation should include the destination of each field trip, the costs associated with each field trip, the objectives to be accomplished from conducting the field trip, and the teacher's lesson plan and follow-up activities.

If the supplement-not-supplant requirement applies to the grant program in question, documentation must demonstrate the supplementary nature of the field trip as well.

Examples of appropriate educational field trips include the following:

- curricular academic activities focused on math, science, and technology, such as service learning, internships, UIL competitions (robotics, math), or science and technology fairs
- trips for laboratory and field investigation instruction, used to improve students' understanding of science TEKS objectives
- trips to a river, archaeological site, or nature preserve that might include contracting with local science centers, museums, zoos, and horticultural centers for visits and programs
- trips to the local library to increase access to high-interest reading materials
- visits to colleges and universities to encourage interest in the pursuit of higher education

### **Unallowable Costs Related to Field Trips**

- field trips for social, entertainment, or recreational purposes
- field trips that supplant and do not supplement local or state expenditures or activities
- field trips that are not part of a teacher's lesson plan or that do not meet the instructional objectives of the grant program
- field trips that are not reasonable in cost or are not necessary to accomplish the objectives of the grant program
- field trips that are not properly documented (as described above)

### **Food and Beverage Costs**

Expenditures on food must be reasonable in cost, necessary to accomplish program objectives, and an integral part of the instructional program. If TEA determines that you expended grant funds on food costs that are not reasonable or necessary to meet the intent and objectives of the grant, TEA reserves the right to restrict you from expending any funds on food costs or to disallow expenditures on food costs.

Unless otherwise specified by TEA, a limited amount of funds may be expended on meals for participant meetings or training events. The use of grant funds for this purpose is specifically limited to light working lunches for participants when the working lunch is noted on an agenda, is clearly described, and is mandatory. The purpose of a working lunch should be to shorten the overall meeting or training time and to facilitate accomplishing the objectives of the meeting or training and the overall program.

Specifically, grant funds may be expended for the following costs provided that the grantee maintains adequate and sufficient documentation that the costs were necessary and reasonable to further the intent and objectives of the grant.

- **Light Lunch during an All-Day Meeting or Training Session:** Light lunch for participants who are cloistered in an all-day (at least six-hour) meeting or training session. You must document that it was impractical for participants to obtain lunch on their own (for example, because of an isolated location or distance to eateries) and that their attendance at the meeting or training session was essential to accomplishing the objectives of the grant. You must maintain an agenda that clearly identifies the topics discussed during the meeting or training session and the time allocated to each topic, including the lunch period. Only a nominal amount of grant funds may be used per participant.
- **Working Lunch during an All-Day Meeting or Training Session:** Light meals during a “working lunch.” A working lunch is defined as an activity in which staff or participants are engaged in exercises or activities during the normal meal time. You must maintain an agenda that shows that no other opportunity for a meal was provided and that clearly identifies the exercise or activity the participants were engaged in. You should also retain a representative sample of the work product, if any, that was generated as a result of the working session. Only a nominal amount of grant funds may be used per staff or participant. No other food costs, including beverages and other refreshments, breaks, or snacks, are permitted.

### **Allowable Food Costs for Parents and/or Students**

The following food costs are allowable for parents or students:

- nutritional snacks for students in extended day (after-school) programs
- nutritional snacks for children in child care while parents are participating in grant activities
- food necessary to conduct nutrition education programs for parents
- parent involvement activities in which refreshments are necessary to encourage participation or attendance by parents, such as in low-income areas, and thus meet program objectives.

Full meals for parents or students are not allowable for these purposes under any circumstances.

Expenditures must be reasonable in cost, necessary to accomplish program objectives, and an integral part of the instructional program.

The following food costs are not allowable:

- refreshments of any kind, including beverages, breaks, and snack foods except as necessary for parent involvement activities to encourage attendance
- refreshments or meals at an awards banquet or functions
- any food costs that is not necessary to accomplish the objectives of the grant program
- any food cost associated with an event in which a guest speaker or other individual conducts a presentation
- breakfast

### **Fund Raising Activities**

Costs of organized fund raising, including solicitation of gifts and bequests, endowment drives, financial campaigns, and similar expenses incurred to raise capital or obtain contributions are not allowable. Costs associated with training on fund-raising are not allowable.

## **Gifts**

Gifts or items that appear to be gifts are not allowable.

## **Interest Paid**

Interest paid in a prior grant period may not be charged retroactively to this grant period.

## **Land Purchase and Improvements**

Land purchase and improvements to land are not allowable costs, unless specifically authorized in the grant program statute and specifically approved by TEA in the grant application.

## **Legal Fees**

Legal fees and expenses are allowable only as necessary for the administration of the grant program. Retainer fees are not allowable costs.

## **Memberships in Civic and Social Organizations and in Organizations**

Memberships in civic and social organizations and in organizations that are substantially engaged in lobbying are not allowable costs.

## **Personal Calendaring Systems**

Calendaring systems to manage personal calendars—whether paper calendars, personal digital assistants (PDAs), or electronic or software calendars—are not allowable costs.

## **Printing Costs**

Printing costs are allowable when documentation demonstrates that they are reasonable and necessary. Any multi-color printing must be reasonable in cost and must be necessary to carry out the objectives of the grant program. Documentation must be maintained demonstrating that any such costs are reasonable and necessary.

## **Professional Liability Insurance**

Professional liability insurance for individual employees is not an allowable cost.

## **Promotional Items, Memorabilia, or Souvenirs**

Promotional items, memorabilia, or souvenirs are not allowable costs.

## **Renovation, Remodeling, or Construction**

Renovation, remodeling, or construction is not allowable unless specifically designated as allowed in the authorizing statute and specifically approved by TEA in the applicable grant application.

## **Social Events**

The costs associated with social events of any kind are not allowable.

## **Substitute Pay for Private Non-Profit School Teachers**

Substitute pay for private nonprofit school teachers is not allowable under any circumstances.

## **Training or Technical Assistance on Grant Writing**

Funds may not be used for training or technical assistance on grant writing or for costs associated with obtaining funds from another grant.

## **Transportation Costs**

The cost of transporting students (or parents, if appropriate for the particular grant program) to or from extracurricular grant activities is an allowable expenditure. You may not charge the grant for costs incurred in transporting students to and from the regular school day.

## **Travel Costs**

Amounts authorized for maximum recovery for travel and per diem costs against the grant are restricted to those that are approved in the State of Texas Appropriation Bill in effect for the particular funding period. Any amount over this limit must come from local funds. If local policy restricts travel, per diem, and other travel expenses to a rate less than State law, the applicant must budget and request reimbursement at the lesser rate. Travel allowances are not allowable expenditures in Texas.

Travel generally means a destination outside the city or town in which the individual works (i.e., duty point). Travel can also mean transportation from one duty point to another within the same city or town, such as with an itinerant teacher or counselor who visits multiple campuses in the same work day.

Travel allowances, in which the per diem is paid to the employee regardless of the amount actually expended, are not allowable.

Travel costs for executive directors, superintendents, or board members or directors are allowed only when they are specifically related to carrying out the objectives of the grant project and only with specific TEA approval.

The following travel expenses are allowable:

- Mileage reimbursement is allowable for travel necessary to carry out the objectives of the grant project. When an employee is on travel for the purposes of the grant, mileage reimbursement

cannot exceed the rate established by the Texas Comptroller. (Effective January 1, 2009, reimbursement for mileage is not to exceed 55.0 cents per mile.) If local organization policy reimburses at a lower rate, you must claim that lower rate.

- Airfare is allowable at the lowest fare available and must be documented with a receipt. First-class airfare is not allowable.
- Car rental fee (at destination) is not allowable unless other transportation such as taxi or shuttle is not available for performing official business or unless you document that car rental is more cost effective than alternate modes of travel. (The car rental must be documented with a receipt.)
- Airport parking is allowable.

In-State Per Diem (meals and lodging) for overnight travel in Texas is reimbursed at actual cost not to exceed the maximum amount allowed by State law, or local policy, whichever is less. Beginning September 1, 2005, the maximum allowable lodging is \$85.00 per night, not including taxes. Meals are allowable at actual cost not to exceed \$36.00 per day. If local school policy requires reimbursement at a lower rate, you must use the lower rate. (Lodging must be documented with a receipt.) Any amount over the allowable amount must be paid from local funds. Tips for meals cannot be reimbursed.

Out-Of-State Per Diem (meals and lodging) is reimbursed at actual cost not to exceed the maximum amount allowed by the Federal government, or local policy, whichever is less. All other guidelines apply.

Out-of-state meal and lodging rates are available on the comptroller's website at:

<https://fmx.cpa.state.tx.us/fm/index.php>. Select State of Texas Travel Information under TEXAS EDUCATION AGENCY BS6004 SCHEDULE INSTRUCTIONS REVISION 2.4 the Travel heading. Select Out-of-State Meal and Lodging Rates under the Resources heading. Select the Domestic Maximum Per Diem Rates link, then select the state to which you will be traveling.

- Taxi fares for official business are allowable. Tips cannot be reimbursed.
- Itemized miscellaneous business expenses (such as business phone calls, printing, or materials) for carrying out official business of the meeting, conference, or workshop are allowable.
- Registration fees to attend workshops or conferences are allowable. Social events or recreational events available at a cost above the basic registration fee may not be paid from grant funds.

The following travel expenses are not allowable:

- first-class airfare
- Per Diem (meals and lodging) for meeting, conference, or workshop participants who live in the same city where the event is held. (Automobile mileage is allowable.)
- tips or gratuities (including service charges) of any kind
- alcoholic beverages
- entertainment, recreation, or social events
- any expense for other persons
- automobile mileage or taxi fares for other than official business
- personal accident insurance or personal effects coverage for rental cars
- rental car for personal use or for purposes not associated with the official business of the meeting, conference, or workshop
- travel allowances (i.e., per diem paid regardless of participant's actual expenses)
- non-instructional field trips

Travel costs must be properly documented to be reimbursable. The employee must document travel costs with a travel voucher or other comparable documentation. Documentation must include the following at a minimum:

- name of the individual claiming travel reimbursement
- destination and purpose of the trip, including how it was necessary to accomplish the objectives of the grant project
- dates of travel
- actual mileage (not to exceed reimbursement at the maximum allowable rate)
- actual amount expended on lodging per day, with a receipt attached (may not exceed the maximum allowable)
- actual amount expended on meals per day (may not exceed the maximum allowable; tips; gratuities are not reimbursable)
- actual amount expended on public transportation, such as taxis and shuttles
- actual amount expended on a rental car, with receipt attached and justification for why a rental car was necessary and how it was more cost effective than alternate transportation
- actual amount expended on incidentals, such as hotel taxes, copying of materials, and other costs associated with the travel
- total amount reimbursed to the employee

### **Tuition**

Tuition fees, either paid directly to an institution or on a reimbursement basis to an employee, are allowable only for courses directly related to the grant program and where authorized in the grant program as an allowable use of funds.