

Purchasing
Policies
and
Procedures
Handbook

PURPOSE AND SCOPE

This handbook is in compliance with the Government Code of California, Sections 54202 and 54204 which mandate:

- 54202 Every local agency shall adopt policies and procedures, including bidding regulations, governing purchasing of supplies and equipment by the local agency shall be in accordance with said duly adopted policies and in accordance with all provisions of law governing the same. No policy, procedure, or regulation shall be adopted which is inconsistent or in conflict with statute.
- 54204 If the local agency is other than a city, county, or city and county, the policies provided for in Section 54202 shall be adopted by means of a written rule or regulations, copies of which shall be available for public distribution.

PURCHASING POLICIES ADOPTED BY THE
LONG BEACH UNIFIED SCHOOL DISTRICT
BOARD OF EDUCATION

BOARD OF EDUCATION

All purchasing duties for the Long Beach Unified School District Board of Education are centralized under the Purchasing & Contracts Branch with the actual function of procurement being delegated to the branch by the Board (Note: Similar authority has been granted to Nutrition Services for their requirements). However, under the law, the Board has the final authority and responsibility.

It is the intent of the Board of Education to ensure that the Purchasing & Contracts Branch on behalf of the District shall:

- Serve the best interest of the school district in all transactions.
- Obtain the maximum value for each dollar expended.
- Comply with all applicable provisions of county, state, and federal laws governing purchasing.
- Establish specifications that are descriptive of materials desired and, whenever possible, sufficiently broad to promote competitive bidding.
- Attract and develop a group of responsible bidders able to offer the best prices consistent with quality and service.
- Conduct purchasing in a businesslike manner using the most efficient procedures, records, and reports.
- Purchase without favor or prejudice.
- Publicly open advertised bids at the prescribed time and place.

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- Grant awards to the lowest responsible bidder(s) meeting specifications or reject all bids.
- Standardize as much as possible equipment and/or supplies used within the District.
- Evidence every purchasing transaction with a requisition, purchase order, formal contract, or other written instrument, as applicable.
- Assure that no member of the governing board or district employee shall be financially interested in any contract made by the Board of Education (as defined in Education Code Section 35233, Government Code Section 1090, et. al).
- Comply with the following provisions of the California Education Code:

E.C. 17596 Duration of Continuing Contracts for Services and Supplies

Continuing contracts for work to be done, services to be performed, or for apparatus or equipment to be furnished, sold, built, installed, or repaired for the district, or for materials or supplies to be furnished or sold to the district may be with an accepted vendor as follows: for work or services, or for apparatus or equipment, not to exceed five years; for materials or supplies, not to exceed three years.

E.C. 17452 Terms of Leases

The term of any lease or lease-purchase agreement shall not exceed the estimated useful life of the item but in no event shall the term exceed 10 years. A lease, but not a lease-purchase agreement, may be renewable at the option of the lessee and the lessor, jointly,

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at the end of each term at a rate not more than 12 percent annually above the rate set pursuant to the existing agreement. In no event shall the combined period of the original lease and renewals or extensions exceed 10 years. Any contract for the lease or lease-purchase or equipment or service systems which was in existence prior to April 22, 1975, shall remain in effect and such terms are hereby ratified.

P.C.C. 20118 Purchase Through Public Corporations Without Advertising for
Bids

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

E.C. 17602 Purchasing of Surplus Property From Federal Agencies

The governing board of any school district may purchase from the federal government or any agency thereof any surplus property, as defined in the Surplus Property Act of 1944, in any amount needed for the operation of the schools of the district without taking estimates or advertising for bids.

PURCHASING & CONTRACTS BRANCH GENERAL REQUIREMENTS

The requirements of the Purchasing Branch are varied in the total scope of operation with the Long Beach Unified School District.

- The purchase of supplies, equipment, and services necessary for the operation of the school district will be centralized in the Purchasing & Contracts Branch of the Business Department under the immediate direction and supervision of the Purchasing & Contracts Director. Review will be by the Chief Business and Financial Officer and/or his/her designee.
- The Purchasing & Contracts Director will be designated as the district official to sign purchase orders and contracts for the District. A listing of all purchase orders will be submitted for ratification approval by the Board of Education.
- The Purchasing & Contracts Branch shall:
 - Strive constantly to increase its knowledge of materials and services and shall keep other offices informed.
 - Work with appointed committees to study and recommend adoptions and revisions of specifications for supplies and equipment best suited for the purpose intended by the District.
 - Provide a stores services system. A central warehouse will be maintained with staff for receiving, checking, and delivering all supplies and/or equipment obtained for district use. The warehouse will maintain an inventory of approved standard items available for issue to using schools and departments.
 - Conduct, or supervise all purchase transactions for the District.
 - Purchase all supplies and/or equipment for Maintenance Branch stock.
 - Conduct all transactions in accordance with all pertinent laws and adopted policies of the Board of Education, with the approval of legal counsel.

- Prepare and maintain an up-to-date catalog of standard stock materials stored in the central warehouse. Copies of the current stock catalog will be available to all schools and major offices in the District.
- Maintain a file of current reference materials on supplies and equipment used and purchased by the District. Information from this file will be made available to the using schools and departments of the District.
- Assign an inventory number to each inventoriable equipment item purchased for the district, affix district identification numbers to equipment and provide input information to the District's equipment inventory system.
- Handle the disposal of all surplus, obsolete, or scrap equipment and materials, as authorized by the Board of Education and in accordance with the appropriate legal requirements.
- Submit written recommendations regarding each advertised bid approval and award by the Board of Education or their designee.
- Be responsible for the management of certain contracts as assigned by the Chief Business & Financial Officer and Financial Services Officer and submit written recommendations regarding such contracts for approval by the Board of Education.
- Ensure that action taken on all purchase orders and contract recommendations will be recorded in the minutes of the Board of Education.

STAFF/USER REQUIREMENTS

The following requirements are established by the Purchasing & Contracts Branch to assist district employees in the procurement of goods and services. These requirements will ensure proper compliance with the Public Contract, Education, and Government Codes of California and approved Board of Education policy. The adherence to all statements is mandatory.

- All requests for prices and all purchases will be made through and by the Purchasing & Contracts Branch.

- The demonstration of office machines, equipment, and materials must be arranged through the Purchasing & Contracts Branch office.
- Individuals are not permitted in schools or offices for the purpose of making sales. If it is necessary to contact company representatives regarding special or highly technical details of their products, schools or offices shall make such arrangements through the Purchasing & Contracts Branch office. Exception: Representatives of textbook publishers may be exempted from this restriction by authorization of the Superintendent of Schools.
- Communications with suppliers must be made through the Purchasing & Contracts Branch office.
- No direct purchase of any materials whatsoever will be made by district personnel other than: designated Purchasing & Contracts Branch employees, those persons authorized by Board of Education action, or persons authorized to purchase through the Maintenance Branch emergency (“C” number) procedures or revolving cash funds.
- District employees shall not correspond with vendors or contractors in writing or fill out forms, which may be interpreted as agreements authorizing the delivery of merchandise and/or service. Such communication is often considered legally binding and will place the employee in the position of having to PERSONALLY make payment for the goods or services provided.
- District employees will not have a financial interest in any contract with the district for goods and/or services.
- Statement of preference for a particular material is a prerogative of each using school and/or department; however, the Purchasing & Contracts Branch has the authority to review the quality and kind of material requested and to make recommendations relative to safety, health, economy, and substitute materials. Disagreements over materials that cannot be reconciled between the Purchasing & Contracts Branch and the requisitioner will be forwarded to the appropriate Area Superintendent and/or the Chief Business and Financial Officer for disposition.

PURCHASING STAFF REQUIREMENTS (VENDOR RELATIONSHIPS)

To maintain a professional, yet courteous relationship with the vendor population, the following requirements are necessary and will be adhered to by the staff of the Purchasing & Contracts Branch. In doing so, district conduct and staff integrity will be maintained.

- All suppliers' representatives may have a meeting at the discretion of the branch staff relative to their products, the first time they call. Subsequent requests for visits will be promptly and courteously acknowledged and interviews may be granted or not, depending upon the circumstances. Branch personnel are not required to indiscriminately place their time at the disposal of a salesperson; however, frequent his/her visits and/or mission. It is advised that suppliers' representatives schedule such meetings.
- Branch staff will not extend favoritism to any vendor. Each order is to be placed on the basis of quality, price, service and delivery, with past services being a factor if all other considerations are equal. However, a local vendor (located within the school district boundaries) may be given preference whenever price, quality, service, delivery, and past performance are equal to that bid by a vendor located outside of the District.
- Branch staff will conduct all necessary negotiations for price adjustments. All arrangements for return or exchange of merchandise must be made through the Purchasing & Contracts Branch.
- At no time will the branch staff or other district personnel solicit funds and/or materials from vendors, however worthwhile the purpose may be.
- Authorized staff may visit a vendor's place of business to acquaint themselves with a product line and to determine the company's capability to serve the district.

PRICE SOLICITATION REQUIREMENTS (BIDS AND QUOTATIONS)

The Purchasing & Contracts Branch will adhere to the established district policies, Public Contract, Educational and Government Codes, and regulations pertaining to bidding and quotation solicitation.

- Purchasing will be accomplished through competitive bidding with awards made to the lowest responsible bidder meeting district specifications, instruction, and conditions.
- The Purchasing & Contracts Branch will seek bids and quotations from those sources able to offer the best price, consistent with quality, delivery, and service.
- Competitive bidding shall be practiced (advertised bid, written price quotations, oral price quotations) whenever practical or required by law.
- The District will act in accordance with Public Contract Code (PCC) 20111 which reads: “The Governing Board shall let any contracts involving an expenditure of more than fifteen thousand dollars (\$15,000) for work to be done or more than fifty thousand dollars (\$50,000) for materials or supplies to be furnished, sold or leased to the district to the lowest responsible bidder who shall give such security as the board requires, or else reject all bids. This section applies to all materials and supplies whether patented or otherwise.” In compliance with PCC 20111, the dollar expenditure amount for materials or supplies may be increased annually. (For 2008, the amount is \$72,400). In this regard, the district will follow provisions of PCC 20116 which states, “It shall be unlawful to split or separate into smaller work orders or projects any project for the purpose of evading provisions of the Code requiring work to be done by contract after competitive bidding.”
- The district will act in accordance with PCC 20112 which reads: “For the purpose of securing bids the Board shall publish at least once a week for two weeks in some newspaper of general circulation, circulated in the county, a notice calling for bids, stating the work to be done or materials or supplies to be furnished and the time when and the place where bids will be opened.”
- All bid instructions and specifications will be clear and complete, setting forth all necessary conditions for competitive bidding.


- The Purchasing & Contracts Branch will purchase from sources within the district whenever quality, price and service are equal to or lower than sources outside the district.
- All advertised bids shall be opened in public at a prescribed time and place. Interested parties may receive prices and other information listed in the bid at the public opening. After the bids have been opened and tabulated, they will be made available for interested persons to review. No bid document will be removed from the Purchasing & Contracts Branch office.
- Any bid received after the time specified in the advertised notice will be returned unopened to the bidder (Government Code Section 53068).
- Awards shall be made to the lowest responsive and responsible bidder meeting specifications. In the event of tie bids (two or more bidders submitting identical products, prices, delivery, and terms) the following procedure will be follows:
 - Award will be made to the “local” vendor, if any.
 - If a tie bid still remains, the award will be determined in compliance with Public Contract Code 20117.
- The Board of Education reserves the right to:
 - Reject any and all bids or any part of any bid.
 - Accept any part of a bid at prices quoted, unless the bidder positively limits the bid to “all or none.”
 - Waive any informality or minor irregularity in any bid.
- Purchases may be negotiated for materials or supplies produced by the California Correctional Industries at prices fixed by them as provided in the Penal Code.
- Supplies and materials may be purchased on a continuing contract of not more than three (3) years, while services may be contracted for not more than five (5)

years, in compliance with Education Code Section 17596, and leases for ten (10) years in compliance with Education Code 17452.

- Exceptions: In accordance with Education Code Section 17602 and appropriate Public Contract Code Sections, certain services and materials may be purchased without competitive bidding.
- A summary of all advertised bids showing the recommendations of the Business Department shall be submitted to the Board of Education for approval.

CONTRACTING WITH SPECIFIC BUSINESSES

Policy, as mandated by federal law, is to award a fair share of contracts to small business and minority business firms. This category also includes, but is not limited to, women's business enterprises and disabled veterans business enterprises. Accordingly, positive steps must be initiated to assure that small and minority business are utilized whenever possible as sources of supplies, equipment, construction, and services.

	Business	No: 7-2003
	Department	Title: Employee contacts with Vendors, Contractors, Organizations, and Agencies of Government
	Procedure	Effective Date: 9/10/97

SUPERSEDES
 No. 7-2003
 Dated 10/27/87

A. PURPOSE AND SCOPE

This Business Department procedure provides the guidelines and requirements pertaining to employee contacts with vendors, contractors, organizations, and government agencies. It is the intent of this procedure to protect district employees from any embarrassing and possibly costly entanglements with the above mentioned groups.

B. APPLICABILITY

This procedure is applicable to all employees within the Long Beach Unified School District.

C. REQUIREMENTS

The following requirements have been summarized for employee use in conjunction with the policies and rules as set forth by the Purchasing Branch.

1. Authority to Purchase and Contract. By law, only the Board of Education may contract for materials or services. The Board has delegated a limited amount of this authority to the following district personnel: the Superintendent, the Chief Business and Financial Officer, the Financial Services Officer, and the Purchasing Director. The above authority is exercised through recommendations made to the Board of Education and issuing of formally signed purchase orders, contracts, or agreements that are binding upon the district. All such actions appear in the minutes of the Board of Education and are very specific in description.
2. Contract with Vendors. All contacts with vendors leading to the demonstration, loan, or purchase of merchandise will be arranged through the office of the Purchasing Director. Contracts leading to an agreement for services are to be arranged through the offices designated in Business Department Procedure 1-1006, Paragraph D.

- 3. Ordering of Merchandise or Services. All merchandise or services will be requested in writing through proper channels in order that the official district purchase order or contract may be issued to the applicable vendor or agency.
- 4. Letter to Vendors and Other Agencies. Employees will refrain from writing letters or filling out forms which might be interpreted as agreements leading to delivery of merchandise or services. (Such communications are often considered legally binding and will place the employee in the position of having to make payment for the goods or services provided).

D. PURCHASING & STAFF REGULATIONS

- 1. Demonstrations of office machines and equipment must be arranged through the Purchasing Branch.
- 2. Salespersons will not be permitted in schools or departments for the purpose of making sales. Schools or departments will channel their requests for visitation by salespersons for highly technical or special details through the Purchasing Branch.
- 3. No direct purchases are to be made of any materials whatsoever by district personnel outside of the Purchasing Branch, except by those persons designated and authorized, such as the Maintenance Branch Buyer, or for purchases authorized through revolving cash funds.

It is to be fully understood that district personnel other than those designated above, shall in no way commit the district to purchases. If a district employee fails to comply with the requirements, he/she will do so at his/her own risk.

District personnel who are involved with obtaining services through agreements with outside agencies are to be certain that all such contracts and/or agreements are cleared by a specific Board action authorizing the services and stating a specific rate and method of payment. Copies of all such contracts and agreements must be forwarded to the County Auditor before payment can be cleared.

APPROVED

Purchasing Branch
Originating Office

Nishimura
Chief Business & Financial Officer

A, B, C, D
Distribution Area

9/10/97
Date