

HEMET UNIFIED SCHOOL DISTRICT

PURCHASING HANDBOOK



1791 W. ACACIA AVE., HEMET, CA. 92545

**PURCHASING HANDBOOK
HEMET UNIFIED SCHOOL DISTRICT
INTRODUCTION AND GUIDELINES FOR PROCUREMENT**

The intent of this handbook is to acquaint District personnel with the basic procedures to be used when purchasing supplies, materials, equipment or services. The Purchasing Department's goal is to provide an organizational structure that will effectively control the procurement and distribution of all goods and services, and to ensure that the District is in compliance with all legal and State requirements, and Governing Board policies.

The Purchasing Department provides service to the sites through the purchase order process via the Galaxy online purchasing system. Sites and departments enter requisitions into the Galaxy system to initiate the procurement process. All approvals that are required for a particular requisition are handled electronically through the Galaxy system. Requisition status and approvals can be tracked as the requisition moves through the approval process. The Purchasing Department will process all requisitions and issue a purchase order for goods and services needed. The average time to generate a purchase order is one to four days. Orders can be generated immediately when necessary, if the appropriate documentation and approvals are provided.

The procurement function is one of the major business responsibilities of the Governing Board, and the Governing Board shall retain sole approval authority and responsibility for all purchase contracts of the District except as delegated by official action of the Governing Board.

This purchasing handbook provides reference information on the methods used within the Purchasing Department and will assist the user in answering the day-to-day questions pertaining to purchasing and other related procurement activity.

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

- 54202: Every local agency shall adopt policies and procedures, including bidding regulations, governing purchases of supplies and equipment by the local agency. Purchases 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 same. No policy, procedure, or regulation shall be adopted which is inconsistent or in conflict with this 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 regulation, copies of which shall be available for public distribution.

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DUTIES OF THE PURCHASING DEPARTMENT**

Purchasing functions for Hemet Unified School District are centralized under the department of Purchasing and Warehouse, with the actual function, unless noted otherwise, delegated to the department by the Governing Board. However, under law, the Governing Board has the sole authority and responsibility for all purchase contracts of the District, and this authority and responsibility cannot be delegated.

It is the intent of the Governing Board to ensure that the Purchasing Department, on behalf of the District, shall:

Serve the best interest of the District in all transactions;

To regard public service as sacred trust, giving primary consideration to the District by which we are employed;

Obtain the maximum value for each dollar expended;

Comply will all applicable provisions of the Riverside County Board of Education, state and Federal laws governing purchasing;

Purchase and contract without favoritism or prejudice, avoid unfair practices and giving all Vendors an equal opportunity;

Purchase equipment, supplies and services on a competitive basis when required by law;

To solicit formal bids when required by this purchasing handbook;

Establish specifications that are descriptive of materials desired and, whenever possible,

Attract and develop a group of responsible bidders able to offer the best prices, best quality, and best service;

Conduct the purchasing function in a manner that utilizes the most efficient procedures, records and reports;

Maintain a bidder's list and vendor file for the District;

Publicly open advertised bids at the prescribed time and place;

Grant awards and contracts to the lowest responsible bidder(s) who meet all specifications or reject all bids;

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Standardize equipment and supplies used within the District;

Employ the use of open or blanket purchase orders with those vendors where a continual flow of supplies is utilized by the District;

To cooperate with all organizations and individuals engaged in enhancing the development and integrity of the purchasing profession.

Utilize piggyback contracts when authorized by the Governing Board to obtain equipment or supplies to the extent allowed by law;

Keep abreast of all local, State and Federal laws as they pertain to public purchasing;

Support every purchasing transaction with the timely processing of a requisition, purchase order, formal contract, or other written instrument, as applicable;

To decline personal gifts or gratuities;

To regard each transaction on its own merits; to foster and promote fair, ethical and legal trade practices;

To conform with all applicable provisions of the California Public Contract Code, California Education Code and California Government Code.

**PURCHASING HANDBOOK
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PURCHASING DEPARTMENT GENERAL PROCEDURES**

The requirements of the Purchasing Department are varied in the total scope of operation within the Hemet Unified School District.

- A. The purchasing of supplies, equipment and services necessary for the operation of the District will be centralized in the Purchasing Department of the Business Services Division under the direction and supervision of the Director of Purchasing. Administrative supervision of the Purchasing Department will be done by the Assistant Superintendent of Business Services.
- B. The Governing Board has authorized specific District officials with authority to sign purchase orders, contracts and leases. No other employees are allowed to sign any documentation that financially commits the District to a contract.
- C. The Purchasing Department shall:
 - 1. Obtain the maximum value for each dollar expended.
 - 2. Comply with all applicable provisions of state and federal laws governing school district purchasing, including but not limited to, the California Education Code, Civil Code, Government Code, Public Contract Code, Labor Code, Revenue and Tax Code.
 - 3. Strive constantly to increase its knowledge of materials and services and will keep other offices informed.
 - 4. 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.
 - 5. Provide a warehouse system that will be maintained with staff for receiving, checking, and delivering all supplies and/or equipment obtained for District use. The warehouse will retain an inventory of standard supply items available for use to using schools and departments.
 - 6. Conduct or supervise all purchase transactions for the District, unless noted differently in the Purchasing Handbook.
 - 7. Conduct all transactions in accordance with all pertinent laws and adopted policies of the Governing Board.

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PURCHASING DEPARTMENT GENERAL PROCEDURES**

8. Prepare and maintain an up-to-date on-line catalog of standard stock materials stored in the warehouse. Copies of the current on-line stock catalog will be available to all schools and offices in the District via the District's purchasing web page
9. 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.
10. Handle the disposal of all District surplus, obsolete, or scrap equipment and materials, as authorized by the Governing Board and in accordance with the appropriate legal requirements. Authority to dispose of surplus, obsolete or scrap items will be given by the Governing Board.
11. Submit written recommendations to the Governing Board regarding each advertised bid.
12. Be responsible for the management of contracts as assigned by the Assistant Superintendent of Business and submit written recommendations regarding such contracts to the Assistant Superintendent of Business for approval and award by the Governing Board.
13. Submit all contracts, services contracts and agreements to the Assistant Superintendent of Business for his/her approval, then to the Governing Board for approval.

**PURCHASING HANDBOOK
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STAFF/USER PROCEDURES**

The following procedures are established by the Purchasing Department to assist District employees in the procurement of goods. 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 requirements is mandatory.

- A. All requests for pricing and all purchases will be made through and by the Purchasing Department, unless noted otherwise. Requests will be delivered to the Purchasing Department through a District requisition and purchases will be made by the Purchasing Department with a District Purchase Order.
- B. The demonstration of machines, equipment and materials for the schools should be arranged through the Purchasing Department.
- C. Sales personnel are not permitted in schools for the purpose of making sales. If it is necessary to contact a company representative regarding details of their products, schools should make such arrangements only for informational purposes. The exception to this rule: Representatives of textbook publishers may be exempted from this restriction.
- D. Communications with suppliers by the schools must be made through the Purchasing Department.
- E. No direct purchase of any materials whatsoever will be made by District employees other than designated Purchasing Department employees, those persons specifically authorized by the Governing Board, or persons authorized to purchase through the emergency procedures or revolving cash funds.
- F. Items for purchase will be sent to the Purchasing Department via a District purchase requisition. The Purchasing Department will issue and forward a Purchase Order to the vendor. Purchase requisitions will not be used as a Purchase Order. District employees who contact vendors and authorize shipment of goods or supplies utilizing a purchase requisition number will be held financially responsible for such goods and/or services.
- G. District employees, other than those designated Purchasing Department employees, or District employees designated by the Assistant Superintendent of Business Services 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.

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STAFF/USER PROCEDURES**

- H. Employees shall also not answer telephone solicitations regarding free/trial goods and services. Any solicitations should be immediately forwarded to the Purchasing Department.

- I. Employees shall not contract for services (workshops, assembly speakers, workshop purchases, etc.) without a signed Purchase Order and/or contract. 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.

- J. Pursuant to Government Code Sections 1090-1092, District employees must not have a financial interest in any contract with the district for goods and/or services under the following conditions:
 - 1. The contract is between the District and the employee.
 - 2. The contract is between the District and a partnership or unincorporated association of which the employee is a partner or in which he/she is the owner or holder, directly or indirectly, of a proprietorship interest; or
 - 3. The contract is between the district and a corporation in which any employee is the owner or holder, directly or indirectly, of five percent(5%) or more of the outstanding common stock.

- K. Statement of preference for a particular material or equipment is a prerogative of each using requisitioner; however, the Purchasing Department has the authority to review the quality and kind of material or equipment requested and to make recommendations relative to safety, health, economy, and substitute materials or equipment. Disagreements over materials that cannot be reconciled between the Purchasing Department and the requisitioner will be forwarded to the Assistant Superintendent of Business Services for disposition.

- L. Departments requesting to evaluate, on a trial basis, equipment, software or other services, may do so without a purchase order being issued during the trial period. If during the trial period the using department feels that the product meets the needs of the department, a requisition for the product will be generated, sent through the requisition approval process, and approved. After approval of the requisition, the purchasing department will issue a purchase order for the product. If the product being evaluated is replacing an existing product or service, a purchase order must be in place prior to the expiration of the product being replaced.

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PURCHASING STAFF PROCEDURES - VENDOR RELATIONSHIPS**

To maintain a professional and courteous relationship with vendors, the following procedures are necessary and will be adhered to by the staff of the Purchasing Department. In doing so, appropriate conduct and staff integrity will be maintained.

- A. All suppliers' representatives may have a meeting at the discretion of the purchasing staff relative to their products the first time they make contact with the Purchasing Department. Subsequent requests for visits will be promptly and courteously acknowledged and interviews may be granted or not, depending upon the circumstances. Purchasing 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 schedule such meetings.
- B. Purchasing 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 performance being a factor if all other considerations are equal. When two or more vendors make offers which are identical in price, service, delivery and past performance, the Purchasing Department shall choose the vendor by lot.
- C. Purchasing staff will conduct all necessary negotiations for price adjustments. All arrangements for return or exchange of merchandise must be made through the Purchasing Department.
- D. At no time shall the purchasing staff solicit funds, donations and/or materials from vendors, however worthwhile the purpose may be.
- E. In order to eliminate favoritism to vendors, purchasing staff will not have any personal relationships with any vendor that does business with the District.
- F. No District employee or Governing Board member shall accept personal gifts, commissions or expense-paid trips from individuals or companies selling equipment, materials or services required in the operation of District programs. This policy does not prohibit employees from accepting promotional or advertising items such as calendars, desk pads, notebooks or other office supplies, or attending informative lunches and seminars, which are offered by businesses free to all as part of their public relations and information programs.
- G. Authorized purchasing 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.

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UNAUTHORIZED PURCHASES**

In accordance with California Education Code 42632 and Governing Board Policy, only authorized individuals appointed by the Governing Board may financially obligate the Hemet Unified School District. The District requires issuance of a signed purchase order or contract to a vendor prior to furnishing any services or shipping materials.

Governing Board Policy states:

The Purchasing Department shall conduct or supervise all purchase transactions for the District. In the event that an unauthorized purchase is made, the following applies:

1. Any purchase of supplies or equipment made by staff members, without a purchase order or contract approved by the Purchasing Department will not be paid for by the District.
2. Purchases made in the name of the District without an authorized purchase order shall be considered an obligation of the person making the purchase, and not an obligation of the District. Deliveries of materials or services, which are made without a purchase order or contract, are made at the seller's risk.

On occasion, employees of the Hemet Unified School District place orders without proper authorization. This practice has resulted in duplicate orders, delays in payments to vendors, unnecessary time spent verifying the order, and violates Board Policy, and is a violation of state law under Education Code section 42632.

The only exception to this practice is when District administration allows a site or department to purchase up to \$300.00 without a pre-approved purchase order. A Request for Commercial Warrant must be submitted for payment or reimbursement. A requisition should be submitted whenever possible to generate a purchase order for the items.

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PRICE SOLICITATION PROCEDURES - BIDS AND QUOTATIONS**

This section applies to all equipment, materials, or supplies, whether patented or otherwise. This section shall not apply to professional services or advice, insurance services, or any other purchase or service otherwise exempt from this section, or to any work done by day labor or by force account pursuant to Public Contract Code section 20114.

Public Contract Code section 20111 (a) with which the District will act in accordance reads as follows:

The governing board of any School District, in accordance with any requirement established by that governing board, shall let any contracts involving an expenditure of more than fifty thousand dollars (\$50,000)*** for any of the following:

- (1) The purchase of equipment, materials, or supplies to be furnished, sold, or leased to the District.
- (2) Services, except construction services.
- (3) Repairs, including maintenance as defined in section 20115, that are not a public project as defined in subdivision (c) of section 22002.

The contract shall be let to the lowest responsible bidder who shall give security as the Governing Board requires, or else reject all bids.

The Purchasing Department will adhere to the established District policies, Public Contract Code, Education and Government Codes, and regulations pertaining to bidding and quotation solicitation.

- a. Purchasing will be accomplished through competitive bidding or solicited quotations, with awards made to the lowest responsible bidder or proposer meeting all District specifications, instructions and conditions.
- b. The Purchasing Department will seek estimates, quotations and bids from those sources able to offer the best prices consistent with quality, delivery and service.
- c. Competitive bidding shall be practiced (advertised bid, written price quotations, oral price quotations) whenever required by law or this Purchasing Handbook.

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PRICE SOLICITATION PROCEDURES BIDS AND QUOTATIONS**

Procurement of **Materials, Supplies, Non-Capitalized Equipment, Equipment, Equipment Replacement and Services**, where aggregate amounts do not exceed the limits set by Public Contract Code sections 20111 through 20118, and 22002 shall require the number of written proposals as listed by the corresponding dollar amounts:

PROCUREMENT THRESHOLD	PROCUREMENT PROCESS
1. \$0.01 to \$4,999.00	At least One (1) written proposal, but more is optimal to save on pricing. Requisitions must include all information obtained (Verbal quotes should have company name, items requested, and amount listed on the requisition).
2. \$5,000.00 to \$30,000.00	At least Two (2) written proposals must be obtained and submitted with the School District requisition for purchase of the item. The Purchasing Department retains authority to deem the proposal "fair and reasonable" and solicit additional proposals if pricing is not deemed "fair and reasonable" by the Director of Purchasing.
3. \$30,000.01 - \$81,000.00	At least three (3) written proposals must be obtained by the Purchasing Department. The Purchasing Department will award a Purchase Order to the vendor who has submitted pricing that is deemed lowest, reasonable and most responsive by the Director of Purchasing or his/her designee.
5. \$83,400.00 and above	Formal bidding process by the Purchasing Department.

*** Commencing January 1, 1997, the Superintendent of Public Instruction shall annually adjust the dollar amounts specified in subdivision (a) to reflect the percentage change in the annual average value of the Implicit Price Deflator for State and Local Government Purchases of Goods and Services for the United States, as published by the United States Department of Commerce for the 12-month period ending in the prior fiscal year. The annual adjustments shall be rounded to the nearest one hundred dollars (\$100).

The Director of Purchasing shall annually notify District Personnel of the annual adjusted dollar amounts within ten (10) business days of being notified by the Superintendent of Public Instruction of the adjusted dollar amounts. The formal bid process for the 2012 calendar year for goods and services is set at \$81,000.00 (or as updated by the State.)

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ERATE PROPOSAL REQUIREMENTS**

The Schools and Libraries Program of the Universal Service Fund, commonly known as "E-Rate," is administered by the Universal Service Administrative Company (USAC) under the direction of the Federal Communications Commission (FCC), and provides discounts to assist most schools and libraries in the United States to obtain affordable telecommunications and Internet access.

The procurement process that the District will follow when soliciting proposals for ERate is covered under State purchasing guidelines, specifically, Public Contract Code sections 20111 through 20118. The process is initiated with the filing of a Form 470, completed by a department other than purchasing, and a request for proposal is then generated after the filing. In order to meet the requirements of USAC, the District shall post Form 470 on the USAC website and send out proposals. The District will not open proposals, nor select a vendor, until Form 470 and the proposal documents have been posted for a minimum of 28 days.

When sending out the request for proposal, the District will follow the guidelines set forth in Public Contract Code Sections 20111-20118 as it pertains to a competitive negotiation or request for proposal guidelines for technology purchases. For projects or product that surpass the bid limit of \$81,000.00, the District will consider the project a formal bid and follow the bidding guidelines stated in Public Contract Code sections 20111-20112.

After proposals have been opened and reviewed, the lowest responsible proposer(s) will be selected based on conformity to specifications and pricing. The winning proposer(s) will then be placed on the board agenda for approval by the Governing Board. Once Governing Board approval is received, requisitions will be generated in the Galaxy Purchasing System and approved. Purchasing will generate a purchase order after the requisitions are received in the buyers queue.

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BID PROCEDURES - CONSTRUCTION AND PUBLIC WORKS PROJECTS**

Hemet Unified School District participates in the Uniform Public Construction Cost Accounting Act, Public Contract Code 22000, which raises bidding thresholds for informal bids to \$45,000.00 and bidding thresholds for formal bids to \$175,000.00. The Governing Board shall let any contract for a public project, as defined in Public Contract Code section 22000, involving an expenditure of One Hundred Seventy Five Thousand Dollars (\$175,000.00) or more, to the lowest responsible bidder who shall give security as the board requires, or else reject all bids. All bids, whether formal or informal, for construction work shall be presented under sealed cover and shall be accompanied by one of the following forms of bidder's security:

- (1) Cash.
- (2) A cashier's check made payable to the School District.
- (3) A certified check made payable to the School District.
- (4) A bidder's bond executed by an admitted surety insurer, made payable to the School District.

Upon an award to the lowest bidder, the security of an unsuccessful bidder shall be returned in a reasonable period of time, but in no event shall that security be held by the School District beyond sixty (60) days from the time the award is made.

- A.** In this regard, the District will follow the provisions of Public Contract Code Section 22033 which states:

It shall be unlawful to split or separate into smaller work orders or projects any work, project, service, or purchase for the purpose of evading the provisions of this article requiring contracting after competitive bidding.

The District shall maintain records indicating the total cost expended on each project in accordance with the procedures established in the most recent edition of the California School Accounting Manual for a period of not less than five (5) years after completion of the project.

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BID PROCEDURES - CONSTRUCTION AND PUBLIC WORKS PROJECTS**

- B.** The District will act in accordance with Public Contract Code section 20112, which reads:
- For the purpose of securing formal bids the Governing Board shall publish at least once a week for two weeks in some newspaper of general circulation published in the District, or if there is no such paper, then 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 and place where bids will be opened. Whether or not bids are opened exactly at the time fixed in the public notice for opening bids, a bid shall not be received after that time.
- D.** All bid instructions and specifications will be clear and complete, setting forth all necessary conditions for competitive bidding.
- E.** Bid, payment (labor and material) and performance bonds shall be required as per statute. However, the District may, in its discretion, set lower limits as deemed necessary.
- F.** 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 parties to review. The Purchasing Department shall receive, open, announce and secure all bids within the department. No original bid document will be removed from the Purchasing Department, without the written authorization of the Assistant Superintendent of Business Services or his/her designee.
- G.** Any bid received after the time specified in the advertised notice will be returned unopened To the bidder. (Government Code section 53068)
- H.** All bids received will be evaluated and recommendations made to the Assistant Superintendent of Business Services for Governing Board approval. Evaluations will be based upon responsiveness to District specifications by the vendor. Awards shall be made to the lowest responsive and responsible bidder meeting all specifications.
- I.** When identical low responsible and responsive bids are received, the District will choose amongst the low bids by lot or reject all bids. The only statutory exception to this rule applies when the District receives two or more identical lowest responsible bids. Public Contract Code section 20117 allows the Board of Education to choose by lot between identical bids for the purchase, sale or lease of real property, supplies, materials, equipment, services, bonds, or the awarding of any contract, pursuant to a provision requiring competitive bidding.
- J.** The Governing Board reserves the right to:
1. Reject all bids.

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2. Reject any part of any bid unless the bidder expressly limits the bid to “all or none.”
3. Accept any part of a bid at prices quoted, unless the bidder expressly limits the bid to “all or none.”
4. Waive any informality or minor irregularity in any bid.

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BID THRESHOLDS - CONSTRUCTION AND PUBLIC WORKS PROJECTS**

The California Legislature passed the California Uniform Public Construction Cost Accounting Act (Public Contract Code 22000 et seq.) to promote uniformity of bidding procedures and cost accounting standards on construction projects performed and contracted by public entities in the State. The act is an excellent tool for local public agencies which want to:

- raise their bidding thresholds to \$45,000.00;
- simplify the bidding process for projects valued at less than \$175,000.00
- increase the likelihood of receiving bids from responsible contractors;
- minimize limits on using employees for public works.

Obtaining proposals for construction projects that fall under the informal bid limit of **\$30,000.00** is as follows:

Purchasing Thresholds	Purchasing Process
\$0.00-\$10,000.00	Solicitation of at least Two (2) written proposal for the project. The project will be awarded to the contractor or vendor whose proposal is most fair, reasonable and responsible.
\$10,001.00-\$30,000.00	Solicitation of at least Three (3) written proposals for the project. The project will be awarded to the contractor or vendor whose proposal is most fair, reasonable and responsible.
\$30,000.01-\$45,000.00	Solicitation of at least Three (3) or more written proposals for the project. The project will be awarded to the contractor or vendor whose proposal is most fair, reasonable and responsible. Any project with a value greater than \$25,000.00 requires a payment and performance bond per California Civil Code Section 3247 et seq.

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BID THRESHOLDS - CONSTRUCTION AND PUBLIC WORKS PROJECTS**

INFORMAL BIDS

Projects that exceed \$45,000.00 but not more than \$175,000.00 in value must be informally bid per Public Contract Code sections 22030 – 22045. Projects that are informally bid should adhere to the following procedures, although the District can make certain procedures optional.

1. Plans and specifications are only required if DSA approval is necessary. However, it is the District's option to develop plans and specifications for construction projects that the District deems necessary.
2. Newspaper publication is not a requirement for informal bids. The District may publish a notice inviting bid to attract additional contractors to bid on the job.
3. Informal bid notices must be sent to contractors on the District's bid list as well as the trade newspapers representing Riverside County.
4. Informal bid notices sent to contractors should describe the project in general terms, describe how to obtain more detailed information on the project, time and place for the submission of bids, estimated cost of project, work to be performed, bonding requirements and other pertinent information. The District has the option of putting together a full bid package and sending to contractors on the bid list.
5. The notice inviting bid must be mailed not less than ten (10) days before the bids are due. The District has some discretion as to who the bids are mailed to and must follow one of the listed methods:
 - a. Mail notices inviting informal bids to all listed contractors for the category of work being performed.
 - b. To all construction trade journals designated for Riverside County.
 - c. To all contractors and trade journals.

After bids are opened from an informal bid, the District may at its option place the award of the informal bid on the agenda for approval by the District's Governing Board.

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FORMAL BIDS

Public Works projects that are valued at more than \$175,000.00 must be let to contract by formal bidding. Formal bidding procedures require the following:

1. Approval to bid the project by the Governing Board
2. Publication in a newspaper of general circulation at least 14 days before the date of opening of bids. The notice is only required to be published once.
3. Publication of bid project to construction trade journals designated for Riverside County.
4. The bid should include all information about the project, including bonding requirements. The District has the option of mailing bids to the contractors on the bid list.
5. The notice inviting formal bids must be mailed to the designated trade journals at least 30 days before the date of the opening of bids.
6. The bid award requires approval by the Governing Board before creation of the contract or contracts.

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PROFESSIONAL SERVICES

In accordance with Government Code sections 4528 and 53060, certain professional services are exempt from competitive bidding. The District may want to send out a Request For Proposal to the firms requesting qualifications and pricing for comparison. These services may include:

1. Architectural firms.
2. Landscape architectural firms.
3. Engineering firms.
4. Land survey firms.
5. Program management firms.
6. Construction management firms.
7. Inspection firms.

The Governing Board must approve all contracts entered into for professional services before a contract or purchase order is signed and delivered to the firm for work.

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INSTRUCTIONS AND PROCEDURES FOR ADVERTISED BIDS**

The Governing Board shall call for bids by advertising in a local newspaper of general circulation, or if no such paper exists, then in some newspaper of general circulation, circulated in the county, at least once per week for two consecutive weeks for equipment and materials bids, and at least one week for formal construction bids. The notice shall state the work to be done or materials or supplies to be furnished, and the time and place where bids shall be opened (PCC 20112). In addition, the Notice Inviting Bids will be posted on the District's website.

The notice shall contain the time, date and location of any mandatory pre-bid conference, site visit or meeting. The notice shall also contain when and where the project documents, including final plans and specifications are available. Any such mandatory conference, site visit or meeting shall not occur within a minimum five (5) calendar days of the publication of the initial notice (PCC 6610).

Bid instructions and specifications shall include the following requirements and information:

1. All formal bids shall be presented under sealed cover and shall be accompanied by one of the following forms of bidders' security (PCC 20107, 20111):
 - a. Cash
 - b. A cashier's check made payable to the District
 - c. A certified check made payable to the District
 - d. A bidder's bond executed by an admitted surety insurer and made payable to the District.

The security of the unsuccessful bidders shall be returned in a reasonable period of time, but no later than 60 days after the bid is awarded (PCC 20111).

2. Bids shall not be accepted after the advertised bid opening time, regardless of whether the bids are actually opened at that time (PCC 20112).
3. When two or more identical low and responsible bids are received, the Governing Board may determine which bid will be accepted by lot of the Governing Boards choosing (PCC 20117).
4. If the District requires that the bid include prices for items that may be added to or deducted from the scope of work in the contract, depending on the availability of funds, the bid solicitation shall specify which one of the following methods will be used to determine the lowest bid. In the absence of such a specification, only the method provided in item (a) below will be used (PCC 20103.8):
 - a. The lowest bid shall be the lowest bid price on the base contract without consideration of the prices on the additive or deductive items.

- b. The lowest bid shall be the lowest total of the bid prices on the base contract and those additive or deductive items that were specifically identified in the bid solicitation as being used for the purpose of determining the lowest bid price.
 - c. The lowest bid shall be the lowest total of bid prices on the base contract and those additive or deductive items that when taken in order from a specifically identified list of those items in the solicitation, and added to, or subtracted from, the base contract, are less than, or equal to, a funding amount disclosed by the District before the first bid is opened.
 - d. The lowest bid shall be determined in a manner that prevents any information that would identify any of the bidders or proposed subcontractors or suppliers from being revealed to the public entity before the ranking of all bidders from lowest to highest has been determined.
5. Any subsequent change or alteration of a contract shall be governed by the provisions of Public Contract Code section 20118.4.
 6. After being opened, all submitted bids become public records pursuant to Government Code Section 6252 and shall be made available pursuant to the law.

PURCHASING HANDBOOK
HEMET UNIFIED SCHOOL DISTRICT
REQUEST FOR PROPOSALS

The Purchasing Department will issue Request For Proposals (RFP's) on service items that meet the requirements of Government Code sections 4528, 53060, and Education Code sections 35204 and 35205, which are not required to be formally bid. Procedures for the issuance of a Request For Proposal are as follows:

1. The requesting department will notify and request authorization from the Assistant Superintendent of Business to solicit proposals from all vendors for a specific service.
2. After review and approval from the Assistant Superintendent of Business, the request will be forwarded to the Director of Purchasing for issuance of the Request For Proposal.
3. The Director of Purchasing will draft the Request For Proposal and forward to those companies that are qualified to perform the requested services for the District.
4. The Director of Purchasing will receive the proposals and open the received proposal on the date and time specified in the Request For Proposal.
5. The Director of Purchasing will review the proposals with the Assistant Superintendent of Business. A committee will be selected to evaluate proposals and selected a winner.
6. The Purchasing Department will create the necessary agenda information and vendor selection, and forward to the Assistant Superintendent of Business for Governing Board approval.
7. Once approved by the Governing Board, the selected vendor will be issued a contract for the services listed in the Request For Proposal.

**PURCHASING HANDBOOK
HEMET UNIFIED SCHOOL DISTRICT
REQUISITIONS**

The procedure for the purchase of materials, supplies and equipment for which payment is to be made from District funds, is as follows:

1. Requisitions for purchases will be developed into Purchase Orders only when there are unencumbered funds available or arrangements have been made for additional appropriations through established channels. This approval shall be in advance of purchase, with the only exceptions being for an emergency purchase.
2. Specifications pertaining to the purchase must be as complete as possible when submitted to the Purchasing Department. No commitments to vendors are to be made by employees when securing information about products and/or services. Specifications for instructional items shall be developed through appropriate instructional departments.
3. All persons responsible for providing or using materials and services are urged to anticipate their needs so that purchases may be arranged in an orderly fashion and not on an emergency basis.
4. Requisitions are not a legal contract for purchase. Purchases may not be made using requisitions. A Purchase Order will be generated after the requisition has met all of the above requirements.

**PURCHASING HANDBOOK
HEMET UNIFIED SCHOOL DISTRICT
OPEN PURCHASE ORDERS**

Open purchase orders are valid only for the time period stated and the amount stipulated on the purchase order. The purchase order number must be indicated on all invoices. Open purchase orders may not be used for the purchase of furniture, equipment or any single item that has a value over \$500.00.

The personnel listed on the open purchase order are authorized to make purchases or pickups from the vendor who appears on the purchase order.

When generating a requisition for an open purchase order, the requisition must include:

1. A not to exceed amount.
2. Valid dates that the purchase order is open.
3. Authorized names of employees who will be picking up orders from vendors.
4. Account codes

Invoices that are generated from using an open purchase order must have the following:

1. Be itemized, extended and totaled with sales taxes included.
2. Include the purchase order number
3. Include those items received at the time the material is picked up. Back orders should be invoiced at the time they are delivered or picked up.
4. Be signed by the authorized employee at the time of purchase, pickup or delivery.
5. Must be delivered to the Accounting Department the first working day after the purchase is made. If there is a receipt, the receipt must be signed and dated. **If a receipt is not turned in, the vendor will not receive payment.**

Keep open purchase orders to an absolute minimum. The entire amount of the open purchase order will be encumbered and will not be available for other purchases.

If you are using an open purchase order with Wal-Mart, The Home Depot, Smart & Final, Staples, Best Buy, Lowes, Costco or Office Depot, you must check out their credit card from the purchasing department. The card is to be returned immediately after each use as other sites and departments may require use of the cards. NOTE: If you are using an open purchase order to Costco, you must use the District membership card, not a personal membership card.

**PURCHASING HANDBOOK
HEMET UNIFIED SCHOOL DISTRICT
EPLS VERIFICATION**

Requisitions received using Federal Monies, using resource codes 3000-5999, will be checked through the Excluded Parties List System (EPLS) to verify that the vendor is not debarred by the Federal Government before issuing a contract or purchase order to the vendor.

When a requisition is received using Federal Monies with resource codes 3000-5999, staff will perform the following procedures:

1. Log into the EPLS website at www.epls.gov
2. Verify the status of the vendor by performing the following:
 - a. Click on the advanced search icon.
 - b. Leave the search type as “Firm, Entity or Vessel.”
 - c. Leave remaining classifications as all.
 - d. Click search at the bottom of the web page.
3. If the vendor is not debarred, note on the purchase order or contract, that the vendor has been checked in the EPLS system and is not debarred. Print a copy of the page and include the copy with the purchase order or contract file.
4. If the vendor is debarred, the EPLS system will provide information showing that the vendor or individual by showing the exclusion and have a CT Code that prohibits contracting with the vendor. The District will not do any business with a vendor or individual that is debarred.

The Federal requirement to cumulative purchases over \$25,000.00. Staff will forecast how much will be spent with the vendor during the fiscal year and will check all vendors using Federal Monies.

**PURCHASING HANDBOOK
HEMET UNIFIED SCHOOL DISTRICT
EMERGENCY PURCHASES**

In case of emergency affecting the operation of the District, the Assistant Superintendent of Business may authorize issuance of a Purchase Order for District emergencies. **An emergency is defined as a safety issue that presents danger to the health and safety of students and or employees or the inability of a department to carry out their assigned responsibilities because of the loss of critical/important equipment, materials and/or vehicles.** The Assistant Superintendent of Business may sign Purchase Orders and shall submit them to the Governing Board for approval/ratification. In the case of an Emergency Purchase, the following procedure shall be followed:

1. The emergency will be identified and submitted in writing to the Assistant Superintendent of Business for approval.
2. A requisition will be generated and include proper account numbers. The requisition will be forwarded to the Purchasing Department for processing.
3. The Purchasing Department will issue a Purchase Order/Contract for the purchase and forward it to the requesting department and vendor. In the event that Purchasing Department staff is not available for issuance of a Purchase Order, the department administrator may authorize purchase of emergency items.
4. The purchase must be placed on the next Governing Board meeting agenda for ratification.

Purchases for convenience will not be considered as an emergency, and as such, will not be authorized or approved.

Emergency purchase orders or contracts that exceed bid limits must have governing board approval through a resolution with a unanimous vote, and have approval from the County Office of Education.

**PURCHASING HANDBOOK
HEMET UNIFIED SCHOOL DISTRICT
SOLE SOURCE PURCHASES**

Specifications for contracts for construction, alteration or repair of school facilities may not limit bidding to any one product or supplier. Specifications designating a particular brand name shall list at least two brands of comparable quality or utility and follow the description with the words “or equal” (Public Contract Code 3400)

Specifications for contracts may designate a product by brand or trade name(sole sourcing) when one or more of the following conditions apply: (Public Contract Code 3400)

1. The product is designated to match others in use on a particular public improvement that has been completed or is in the course of completion.
2. One product has a unique application required to be used in the public interest.
3. Only one brand or trade name is known.
4. Upon a resolution of the Board of Education, the Board of Education makes a finding that the item sought is the subject of a field test to determine its suitability for future use.

**PURCHASING HANDBOOK
HEMET UNIFIED SCHOOL DISTRICT
PIGGYBACK PURCHASING**

The District shall act in accordance with Public Contract Code 20118 in regards to Piggyback Purchasing. Public Contract Code 20118 reads as follows:

Notwithstanding sections 20111 and 20112, 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, requisition, 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.

Piggyback Purchasing is permissible for purchases involving Equipment, Materials and Supplies. The items being purchased must be identical to those items shown on the original contract. The District may piggyback off any State, School District or City bid that has a contract issued against the bid, this includes the State of California CMAS*** contract. In order for the District to participate in the bid, the following must conditions must be met:

1. Authority to participate in the contract must be given by the Board of Education.
2. The contract from the originating agency must have been approved by their governing board for a specific time period.
3. The items being purchased must be identical to the items listed in the bid. Options must also be listed in the original bid as an "add on".
4. A Purchase Order will be issued to the vendor shown on the originating agencies bid, listing the items as described in the bid.

All requests to piggyback from another agencies requires Governing Board approval regardless of the dollar amount or service provided.

*** The State of California charges an additional two percent (2%) to utilize the CMAS contract.

**PURCHASING HANDBOOK
HEMET UNIFIED SCHOOL DISTRICT
CHANGE ORDERS – MATERIALS AND SUPPLIES**

Change Orders will be issued for Materials and Supplies when there is a necessity to change the price, delivery date, delivery point, quantity increases and decreases, account codes, employee names, vendor addresses, shipping costs, etc.

Change Orders shall not be issued against an existing purchase order to add additional items or used as a means to keep a purchase order open for an indefinite amount of time, or used as a blanket purchase order to a vendor.

Change Orders will not be issued against a Purchase Order that increases the quantity of an item if the order has been delivered and received by the District.

Change Orders will not be issued on items that exceed the dollar threshold which requires Board of Education approval.

The procedure for issuance of a change order is as follows:

1. The employee authorized to make a change will issue a formal change order request to the Purchasing Department. The change order must contain the purchase order number, vendor and changes requested.
2. The Purchasing Department will review the requested change request for validity and determine if it meets the necessary criteria for a change order.
3. If the change order increases the quantity of an item, the Financial Services Department will check the account codes to verify existence of funds.
4. If the requested change order meets the necessary criteria, the Purchasing Department will issue a change order and forward to the appropriate departments and vendor. If a change order requires a change to the quantity or delivery point, an original change order will be forwarded to the vendor.

**PURCHASING HANDBOOK
HEMET UNIFIED SCHOOL DISTRICT
ORDERING MATERIALS FOR PREVIEW**

When materials are to be ordered for preview, a standard requisition should be fully completed and approved by all approvers. In the body of the requisition, the following should be noted "FOR PREVIEW ONLY."

The purchasing department will issue a purchase order to the vendor directing shipment to the District warehouse. When the shipment arrives, the order will be checked and delivered to the requisitioner. The due date for return of preview items will be printed on the warehouse delivery paperwork. All preview materials must be received at the warehouse no later than May, 01.

A copy of the purchase order will be forwarded to the requisitioner. After the materials have been previewed, the copy should be returned to the purchasing department indicating items to be returned or accepted. All or part of the shipment may be returned for full credit within the established preview period. If preview items are not returned within the time frame agreed, it is assumed that the order is acceptable and the requisitioning department will be responsible for payment. If no time frame is listed on the requisition or purchase order, thirty (30) days will be used as the preview period.

Please note that when preview materials are ordered, normal purchase order procedures are followed. Therefore, the full value of the order is encumbered. Unless the warehouse is notified, and the items are returned prior to the due date, the requisitioner's account is responsible for all costs of the order.

To return previewed materials, contact the warehouse for pick up, and notify the purchasing department of the pick up. All materials must be returned through the District warehouse. Prepare the box for shipping by taping and addressing the package to the vendor with a new shipping label. Please enclose the original invoice for proper credit. The site must pay any shipping costs necessary to return previewed material.

**PURCHASING HANDBOOK
HEMET UNIFIED SCHOOL DISTRICT
REQUESTING CHECKS FOR VENDORS**

Occasionally there is a need to purchase equipment or supplies from vendors who will not accept a purchase order. In this event, there are two options for the site or department.

1. You must complete a "Request for Commercial Warrant" form for an advanced payment.
2. You can request that the purchasing department use the department's CAL-CARD for the purchase.

Please follow the listed steps for purchases when a vendor will not accept a purchase order:

1. Obtain an quotation from the vendor for the item. If the vendor will not submit a written proposal, a verbal quote may be used. Please make sure that the verbal quote includes the name of the person, date, time, amount and other charges.
2. For commercial warrants, forward the completed Request for Commercial Warrant form to financial services for processing. When requesting the purchase using the purchasing department's CAL-CARD, you must generate a requisition and send the requisition through the approval chain. When purchasing receives the requisition, the department will make the purchase. (A purchase order will not be generated.)
3. The items will be delivered to the District warehouse for processing and delivery.

These guidelines are only to be used on those occasions where vendors will not accept a purchase order. Whenever possible, utilize the regular requisition process.

**PURCHASING HANDBOOK
HEMET UNIFIED SCHOOL DISTRICT
MERCHANDISE RETURNS**

TO VENDOR:

Contact the purchasing department and inform the department that you would like to return an item. This must occur within thirty (30) days of receipt of the merchandise. Please inform purchasing why you want to return the item and have a purchase order number ready. Purchasing will contact the vendor and obtain a return authorization number. When the package is ready for pick up, contact the warehouse that there is a return item that needs to be picked up. The warehouse will pick the item up and prepare for shipment. The warehouse will ship the package out based on the shipping method requested by the vendor.

ONLINE ORDERS: Returns for orders with Office Depot, Southwest School Supply and Staples are to be arranged online by the site/department within thirty (30) days. The company will pick up the item at the school/department site. Only district office sites will have their returns processed through the warehouse. Label the return packages with the purchase order number, return authorization number and the reason for the return.

Depending upon the type of commodity, vendor, or purchasing conditions, restocking and/or freight charges may have to be paid if the item was improperly specified on the original requisition.

TO THE WAREHOUSE:

Mark the items being returned on a copy of the original warehouse order that came with your warehouse supplies. Please do not include the original order, just a copy. Contact the warehouse for pickup and include the copy of the order on the returned items. The warehouse will pick the items up from the site or department and place the items back into stock. A credit will be issued against the account number used on the original warehouse requisition. Credit will not be given on items that the warehouse no longer stocks, are damaged or used.

**PURCHASING HANDBOOK
HEMET UNIFIED SCHOOL DISTRICT
PROTEST BY BIDDERS**

A bidder may protest a bid award if it is believed that the award was inconsistent with Board policy, bid specifications or was not in compliance with the law.

AUTHORITY TO RESOLVE PROTESTS. The Director of Purchasing shall have authority, prior to the commencement of an administrative review, to settle and resolve protests of an aggrieved bidder, offeror or contractor, actual or prospective, concerning the solicitation or award of contract. This authority shall be utilized in a manner consistent with the regulations governing the procurement of supplies, services, equipment and construction for the District.

STEP ONE REVIEW: Any actual or prospective bidder, offeror, or contractor who believes they have been aggrieved in connection with the solicitation or award of a contract may protest to the Director of Purchasing. The protest, setting forth the grievance, shall be submitted in writing within ten(10) calendar days after such aggrieved persons know or should have known the facts giving rise thereto, but in no circumstance after fifteen (15) calendar days of notification of ***Notice of Intent to Award***. If the protest is not resolved by mutual agreement in Step One Review, the Director of Purchasing shall promptly issue a decision in writing within ten (10) calendar days. The decision shall state the reasons for the decision reached.

STEP TWO REVIEW: The decision reached in the Step One Review shall be final and conclusion, unless fraudulent, or unless the original bid protestor(s) requests in writing a review of the decision(s) reached in the Step One Review to the Assistant Superintendent of Business within ten (10) calendar days of receiving the Step One Review decision(s).

The Assistant Superintendent of Business shall review the protest and shall have the right to interview all necessary parties involved with the procurement and bid award. The Assistant Superintendent of Business shall render a decision on the bid protest in writing within thirty(30) calendar days from receipt of the request for a Step Two Review. The decision reached in the Step Two Review shall be final.

REIMBURSEMENT FOR REASONABLE COSTS and AUTHORITY TO GRANT OTHER RELIEF: The request for a Step Two Review shall not stay the contract unless the contract has been fraudulently awarded. Upon receipt of this ***Application for Relief*** the Superintendent may order the computation and award of a reasonable reimbursement amount, including reimbursement of bid preparation costs, and may order such other and further relief as justice dictates, including but not limited to a re-award or re-bid of the contract. The decision of the Superintendent is the final administrative review of the procurement action by the District.

**PURCHASING HANDBOOK
HEMET UNIFIED SCHOOL DISTRICT
SUSPENSION OF VENDOR**

Per Public Contract Code 10285.1, the District may suspend, for a period of up to three (3) years from the date of conviction, any vendor from bidding upon, or being awarded, a public works or services contract with the District under this part or from being a subcontractor at any tier upon the contract, if that person, or any partner, member, officer, director, responsible managing officer, or responsible managing employee thereof, has been convicted by a court of competent jurisdiction of any charge of fraud, bribery, collusion, conspiracy, or any other act in violation of any state or federal antitrust law in connection with the bidding upon, award of, or performance of, any public works contract, as defined in Public Contract Code Section 1101, with any public entity, as defined in Public Contract Code Section 1100. A state agency may determine the eligibility of any person to enter into a contract under this code by requiring the person to submit a statement under penalty of perjury declaring that neither the person nor any subcontractor to be engaged by the person has been convicted of any of the offenses referred to in this section within the preceding three years.

Before suspending any vendor under this code, the District will follow the same procedures as debarment of a vendor and shall provide a hearing upon reasonable notice to the vendor. In determining whether to suspend, and the duration of any suspension, the District shall consider, in addition to any other relevant factors, both of the following:

- (a) The degree to which the person cooperated with the state or federal authorities in the criminal proceeding.
- (b) The degree to which the person has agreed to restitution for any damages incurred by the District as a result of the acts upon which the conviction was based.

Per Public Contract Code 10285.4, in the event that the District has suspended any person under this code, the District may terminate the suspension if it determines that termination is in the best interest of the District. In the event of termination, any suspension by adoption pursuant to section 10285.3 by the Governing Board also shall be terminated.

**PURCHASING HANDBOOK
HEMET UNIFIED SCHOOL DISTRICT
NON-DISCRIMINATION IN CONTRACTING**

In compliance with Article I, Section 31 of the California Constitution, the District will not "discriminate against, or grant preferential treatment to, any individual or group on the basis of race, sex, color, ethnicity, national origin, marital status, sexual preference, creed, ancestry, or medical condition in the operation of public employment, public education, or public contracting."

In accordance with this mandate, the District shall:

1. Include all qualified businesses on solicitation lists
2. Assure that all qualified businesses are solicited whenever they are potential sources.
3. Utilize the services and assistance of all organizations which provide the names of qualified businesses.

If any subcontracts are to be let, the District encourages the prime contractor to follow the policies described in 1 through 3, above.

**PURCHASING HANDBOOK
HEMET UNIFIED SCHOOL DISTRICT
PREQUALIFICATION OF CONTRACTORS**

For any contract for which bids are legally required, the Governing Board may require that each prospective bidder complete and submit a standardized questionnaire and financial statement. For this purpose, the Assistant Superintendent of Business or his/her designee shall supply a form which requires a complete statement of the bidder's financial ability and experience in performing public works. Prospective bidders shall submit the questionnaire and financial statement at least ten (10) days before the date fixed for public opening of sealed bids. The information shall be verified under oath in the manner in which civil law pleadings are verified. The questionnaires and financial statements shall not be public records and shall not be open to public inspection (Public Contract Code section 20111.5)

The Assistant Superintendent of Business or his/her designee shall establish a uniform system for rating bidders on the basis of completed questionnaires and financial statements in order to determine the size of contracts on which each bidder is qualified to bid. Bidders must be deemed prequalified by the District at least one (1) day before the fixed bid-opening date. (Public Contract Code section 20111.5)

The Assistant Superintendent of Business or his/her designee shall furnish each qualified bidder with a standardized proposal form. Bids not presented on the standard form shall be disregarded. (Public Contract Code section 20111.5)

The District may establish a procedure for prequalifying bidders on a quarterly basis and may authorize that prequalification be considered valid up to one calendar year following the date of the initial prequalification. (Public Contract Code section 20111.5)

**PURCHASING HANDBOOK
HEMET UNIFIED SCHOOL DISTRICT
DISABLED VETERAN BUSINESS ENTERPRISE PARTICIPATION**

The Governing Board, or their designee, shall ensure that the District complies with Disabled Veteran Business Enterprise (DVBE) participation goals for State Allocation Board funded projects over \$10,000.00 and certain contracts (architectural, on-site inspections and utility hookups) over \$10,000.00 in the State Relocatable Classroom Program.

Upon request, the Board of Education, or their designee, shall provide bidders with information to help them identify businesses.

Bidders are encouraged to advertise at least fourteen (14) days prior to bid opening, or for as many days as possible. The only exception arises when time constraints imposed by the District prohibit the bidder from advertising; all bidders shall be notified of this exception.

For projects requiring a DVBE participation goal, the bidder shall provide the District with certification that the bidder has satisfied the three percent (3%) participation goal for DVBE's . If the bidder is unable to meet the three percent (3%) participation goal, the District shall evaluate the effort made by the bidder to seek out and consider DVBE's as potential subcontractors or suppliers of equipment or materials. The bidder shall demonstrate a "good faith effort" by submitting documentation of all the following actions:

1. Contact was made with the district to identify DVBE's
2. Contact was made with other state agencies and with local DVBE organizations to identify DVBE's
3. Advertising was published in trade papers and papers focusing on DVBE's
4. Invitations to bid were submitted to potential DVBE contractors and available DVBE's were considered.

Bidders shall be eligible for the award of a District contract if they meet the participation goal or are found to have made a good faith effort to meet the goal.

**PURCHASING HANDBOOK
HEMET UNIFIED SCHOOL DISTRICT
CONTRACTOR FINGERPRINT CERTIFICATION**

Contractors who are performing work on District property will be subject to the finger print requirements Education Code sections 45125.1 and 45125.2.

Education Code sections 45125.1 and 45125.2 addresses background checks and fingerprinting requirements for Districts. Education Code section 45125.1 requires all persons providing certain services to a District to submit fingerprints to the Department of Justice (DOJ), except in emergency situations or if the District determines employees will have "limited contact" with students. Alternatively, section 45125.2 specifically addresses entities providing construction services to a School District and does not require fingerprinting if one or more of the following methods are used:

1. Installation of a physical barrier at the worksite to limit contact with students.
2. Continual supervision and monitoring of all employees of the entity by an employee of the entity whom DOJ has determined has not been convicted of a violent or serious felony as defined by the California State Penal Code.
3. Surveillance of the employees of the contractor by District personnel.

In addition to the safeguards listed above, the District could also require all contractors' employees to wear identifying name tags and to enter and exit the campus from a separate area not used by students. Additionally, the District could inform all staff of the presence of the contractors and advise them to keep students away from the construction area. Staff could also immediately report any contractor's employee who is observed outside the working area.

If the District has any concerns regarding the safety of any students during a construction project, the District will require fingerprinting of all workers in addition to any or all of the three methods listed above. Under Education Code Section 45125.1(d), a District may determine, on a case by case basis to require any entity providing any school site service to comply with the fingerprinting requirements.

**PURCHASING HANDBOOK
HEMET UNIFIED SCHOOL DISTRICT
ASSET INVENTORY**

Per Education Code 35168, the Governing Board of each school district, shall establish and maintain a historical inventory, or an audit trace inventory system, or any other inventory system authorized by the State Board of Education, which shall contain the description, name, identification numbers, and original cost of all items of equipment acquired by it whose current market value exceeds five hundred dollars (\$500) per item, the date of acquisition, the location of use, and the time and mode of disposal. A reasonable estimate of the original cost may be used if the actual original cost is unknown.

To comply with Education Code 35168, all assets, regardless of the funding used to purchase, will be delivered to the district warehouse for processing and tagging. The warehouse will affix a district asset number to the item and forward the receiving paperwork to the purchasing department for updating of the inventory system. On occasion, equipment may be delivered directly to the site because of the difficulty in delivering the equipment because of size or weight. In this case, the asset tag will be sent to the site to affix on the asset. It is mandatory that the site affix the tag to the item. All items purchased using ERATE and Categorical Funds will be delivered directly to the warehouse, **NO EXCEPTIONS**. Typically, assets are items that have a total cost exceeding \$500.00. Capital assets are items that have a total cost of \$5,000.00 or greater.

When an asset is received by the warehouse, the assets listed on the vendors manifest will be compared against the purchase order to ensure that all items have been delivered. The warehouse will then record all items, serial numbers, installation or delivery locations, and assign an asset number. The information will be entered into the Galaxy Asset Module and will be automatically updated by Galaxy. The warehouse will send all receiving paperwork to the purchasing department where the information will be confirmed and finalized. The Galaxy System will compile a listing of assets for each site and department, and include information such as purchase order number, location, funding source, items, serial number and asset numbers. Deletions or changes to the asset listing will only be performed after Governing Board approval when items are considered surplus or obsolete.

Any asset purchased with categorical funds will be listed on the master inventory list and include the following information: Site Name, Purchase Order Number, ID Number, Asset Number, Program Name, Description, Manufacturer, Model Number, Serial Number, Date Acquired, Amount Paid, Miscellaneous Comments, Area of Use, Room Number or Location, Funding Source, Site Number, Fiscal Year, Goal, Function, Object, Disposition, Useful Life, Ordered By, and Date Entered.

Once per year, purchasing will send an asset list to each site/department for verification of inventory. It is imperative that the site/department verify the asset listing by performing a physical check of the assets, making corrections as necessary, including remarks, and forward the list back to the purchasing department. Site/department must account for all assets listed. The items listed may still be at your site or have been disposed of by means of transferring to another site, lost, stolen or disposed of in the garbage, and should be verified by a physical check. Any discrepancies will be handled by the purchasing department who will perform an inventory check at the site. When all verifications are received by purchasing, the District's inventory listing will be updated and a master report will be printed, by site, with verification copies attached. The site will receive a copy of the printout.

Once every two years, a physical inventory will be performed at each site, and in each department, for those assets with an original value of \$500.00 or greater. The purchasing department will send each site an updated fixed asset inventory list with instruction on how to complete the inventory reporting. Each site will

PURCHASING HANDBOOK
HEMET UNIFIED SCHOOL DISTRICT
ASSET INVENTORY

be given two weeks to perform the physical inventory to verify items on the District asset list.

In performing a physical inventory, sites and departments will check every room, closet, locked cabinets, and open areas, including items checked out to staff members. In order to expedite the process, a separate inventory listing will be provided for those assets that are assigned to a specific room number or location. When the physical inventory is completed by the site, the inventory report will be returned to the purchasing department with the signature of the site or department administrator, and the names of the staff members who performed the inventory check.

When the Purchasing Department receives the inventory listing from the site, the items will be checked for accuracy. If there are any discrepancies between the sites inventory and the master listing held in purchasing, the Purchasing Department will perform a physical inventory at the site to locate items. Once purchasing has completed its check of inventory, the master list will be updated in Galaxy.

The final asset inventory report will be retained in the Galaxy Asset Module for review by the District's independent auditors. The auditors will verify, at random, the information reported by each site/department.

**PURCHASING HANDBOOK
HEMET UNIFIED SCHOOL DISTRICT
DISTRICT SURPLUS EQUIPMENT AND FURNITURE**

- A. The site administrator currently in possession of surplus equipment and/or furniture shall prepare and submit an Equipment Transfer/Surplus form, and forward to the Purchasing Department.
- B. Equipment and/or furniture transferred into District surplus storage shall be made available for use by any school or office within the District.
- C. Any transfer of equipment purchased through state or federal special project funds must be approved by the Director who oversees that specific state or federal project.
- D. District administrators or designated personnel may request information from Purchasing to determine what available surplus equipment may be of use in their programs.
- E. To obtain available equipment and/or furniture from District warehouse site, the administrator shall:
 - 1. Contact the Purchasing Department to verify that the needed equipment item(s) is/are available.
 - 2. The Purchasing Department will check surplus inventory and determine if the requested items are available.
 - 3. If items are available, the Purchasing Department will prepare a District equipment transfer form and have the items delivered to the site.

**PURCHASING HANDBOOK
HEMET UNIFIED SCHOOL DISTRICT
SALE OF DISTRICT SURPLUS ITEMS**

When the need arises to dispose of District owned equipment and materials, the following procedure shall be adhered to:

1. The Director of Purchasing shall list equipment/furniture and miscellaneous items which have not been requested by schools or offices and are considered to be surplus to any requirements within the District.
2. The Director of Purchasing will review the lists submitted with instructional and District office directors to verify that the items are of no further use.
3. The Director of Purchasing will annually obtain Governing Board approval to dispose of surplus items by formal bidding of specific items, district wide surplus sale and sale at public auction.
4. When required by statute, the Purchasing Department will conduct sales of surplus in accordance with Education Code sections 17545, 17546 and 60530.

Metals or other recyclable materials will be processed through the District warehouse and any funds received through the sale will be deposited into the District's general fund.

Books and instructional materials that have no further value to the District or have become obsolete, should be disposed of in such a manner as to provide maximum benefit to the District. The Superintendent is authorized to dispose of obsolete books and instructional materials as provided for in Education Code sections 60510 and 60510.5.

When the District disposes of books and instructional materials, the following procedure shall be adhered to:

1. The District shall notify the Governing Board of its intent to dispose of obsolete books or instructional materials.
2. Notify the public no less than sixty (60) days prior to disposition of the District's intent to dispose of the books and instructional materials.
3. Allow the public to address the Governing Board regarding the disposal of the books or instructional materials.
4. Request Board of Education approval to dispose of the books or instructional materials.
5. After approval by the Board of Education, the District will follow the guidelines as stated in Education Code section 60510.

**PURCHASING HANDBOOK
HEMET UNIFIED SCHOOL DISTRICT
SALEABLE SCRAP**

- A. Scrap is defined as unusable materials which have some saleable value due to their material content. Sale of scrap shall be under the control of the Director of Purchasing as directed by the Governing Board.

- B. The Purchasing Department will contract for the sale and pick up of all saleable scrap.

**PURCHASING HANDBOOK
HEMET UNIFIED SCHOOL DISTRICT
WAREHOUSE PROCEDURES**

The purpose of the District warehouse is to provide a service of receiving, stocking and delivery of items necessary for day to day operations of district offices and school sites. The warehouse is responsible for the following:

1. Stock and deliver all office supplies, janitorial supplies, sporting goods, equipment, and paper goods needed by District locations.
2. Store all surplus district items and prepare the items for sale at public auction and/or District surplus sale.
3. Deliver all furniture that is received on the dock after the furniture is checked against the Purchase Order to verify that all items have been received.
4. Remove and store items from school sites deemed surplus equipment or supplies.
5. Receive, sort and deliver all mail to District sites and offices. Mail delivery occurs once per day.
6. Ship items that cannot be shipped regular U.S. mail. (U.P.S. and Fed Ex.).
7. Receive District equipment and assign a District fixed asset inventory tag to each equipment item required by the District's fixed asset inventory system.
8. Perform a physical inventory count of Warehouse stock periodically, as well as the last two weeks of June, and compare with counts in District inventory system.
9. Provide logistical support to the District in moving equipment and materials between District schools, offices and sites, when necessary and personnel are available.

**PURCHASING HANDBOOK
HEMETUNIFIED SCHOOL DISTRICT
WAREHOUSE PROCEDURES - RECEIVING**

Procedures for receiving items by the District are as follows:

1. Items delivered to the District warehouse will be received by warehouse staff and placed in the check in area of the warehouse.
2. Warehouse staff will open the packing slip of each package shipped, pull the purchase order and will check the items shipped against the purchase order.
3. a. If all items show received when checked against the purchase order, the packing slip and warehouse copy of the purchase order will be affixed to each other and placed in the warehouse storekeepers' complete box, who will in turn send the information to the Financial Services.
b. If the shipment is missing items or has items back ordered against the purchase order, the receiving copy will be placed in the warehouse supervisors incomplete box. The warehouse supervisor sends all incomplete or trouble orders to the Purchasing Department for solution from the vendor.
4. a. When the order is checked complete, the order is received in the District's accounting system and the items are placed in the sites delivery bin for delivery on the next available delivery date.
b. When an order is checked incomplete, the portion of the order that is received is packaged and placed in the sites delivery bin, the delivery copy notes the items that are missing, the warehouse copy and purchase order are placed back in the receiving book. When the remaining items are received, the purchase order and receiving copies are pulled and checked against the items received. The items are placed in the sites bin for delivery.
5. Items received in the warehouse that are considered fixed assed equipment, will have all serial numbers, model numbers and type of equipment recorded and have affixed to the item a District fixed asset inventory tag. The fixed asset inventory tag number will then be entered into the Districts fixed asset system.

**PURCHASING HANDBOOK
HEMET UNIFIED SCHOOL DISTRICT
WAREHOUSE PROCEDURES FILLING AND DELIVERY OF ORDERS**

The District's central warehouse is responsible for delivery of all items requested by sites and schools. The items may be those shipped from vendors to the District or pulled from warehouse inventory. The procedure for filling and delivery of warehouse orders is as follows:

1. All items procured from an outside vendor on a purchase order will be received, checked and delivered to the site or department on their normal delivery day.
2. Items ordered via a One Source warehouse requisition will be pulled and checked against the requisition submitted. The items will be boxed or palletized and delivered to the site or department on their normal delivery day.
3. Warehouse trucks are loaded every morning and delivery routes begin no later than 8:00 A.M. Warehouse employees arrive at the site and place items at the sites delivery point. The shipment will be verified by the site and items signed for.
4. Warehouse employees return to the warehouse after all items are delivered and submit their copies to the Storekeeper.
5. When the signed delivery copies are given to the Storekeeper, the requisition is closed and the signed delivery copies are filed.
6. In the event that the warehouse is out of stock on an item that is ordered via a warehouse requisition, the item will show as back-ordered on the warehouse requisition. The requisition will be left open until the back-ordered item is received by the warehouse and delivered to the site.

**PURCHASING HANDBOOK
HEMET UNIFIED SCHOOL DISTRICT
WAREHOUSE PROCEDURES MAIL SERVICE**

All District sites will have U.S. mail delivered and picked up once per day. Warehouse personnel will pick up all District mail from the U.S. Post Office, and return it to the warehouse for sorting. Mail will be delivered to the sites the next day after pick up from the Post Office.

Interdepartmental mail and outgoing U.S. mail will be delivered and picked up once per day from each site or department. Warehouse personnel will pick interdepartmental and regular U.S. mail from each District site and deliver it the next day or process for delivery to the Post Office.

First Class Mail will be processed through the Districts mail processing area and delivered to the post office before 4:00 P.M. each day. All certified mail will be handled and processed through by warehouse personnel. Each site is responsible for the cost of first class and certified mail. Any outgoing mail that is not received by the warehouse when mail pickup is made will be delivered to the Post Office the day after pick up.

Bulk Mail will be picked up in the same manner as first class mail; however, each site must include form 1010, listing the number of pieces of bulk mail, site location, and account number, number of pieces and administrators signature. The District will not be responsible for bulk mail charges. All bulk mail will be charged to the appropriate sites.

Personal mail is not considered a District priority. Any personal mail must be in a self addressed stamped envelope. The mail room will assume no responsibility for personal mail that may become lost by the U.S. Post Office.

**PURCHASING HANDBOOK
HEMET UNIFIED SCHOOL DISTRICT
DEFINITIONS**

ACKNOWLEDGEMENT:

A form used by a vendor to advise a purchaser that their order has been received. It usually implies acceptance of the order.

ADDENDUM:

Supplementary documentation, written or graphic, issued prior to the contract award that changes or clarifies information contained in the bid documents. As such, addenda are intended to become part of the contract documents when the construction contract is executed.

AFFIDAVIT:

A written statement sworn to before a notary public.

APPROVED EQUAL:

Material, equipment, or method other than what was actually specified but which is approved by the architect or engineer for use in the work as an acceptable substitute equivalent in essential attributed for the material, equipment or method stated in the contract documents.

AS IS:

A term indicating that goods offered for sale are without warranty or guarantee. The purchaser has no recourse on the vendor for the quality or condition of the goods.

BACK ORDER:

The portion of an order which the vendor cannot deliver at the scheduled time and which they have reentered for a shipment at a later date.

BID:

A binding offer, as a price, whether for payment or acceptance. A quotation specifically given to a prospective purchaser upon their request, in competition with other vendors.

BID DOCUMENTS:

The documents distributed to contractors by the owner for bidding purposes. They include drawings, specifications, for of contract, general and supplementary conditions, proposal form, bonding and insurance requirements, and other information.

BIDDER PRE-QUALIFICATION:

A process used by owners to screen bidders based upon their capabilities, capacity, competence and track record on prior similar projects. Its goal is to increase the quality of the bidding pool for the projects. The procedure can vary greatly from owner to owner and generally goes through a legal review prior to implementation.

BILL OF MATERIALS:

A list specifying the quantity and character of materials and parts required to produce or assemble a stated quantity of a particular product.

BOILER PLATE:

A term used to describe standardized language used in contracts and specifications. Items that usually fall into this category would include: Standardized General Conditions language; bid forms and bidder instructions; bid bonds, performance bonds, and labor and material payment bonds; standard forms of agreement; indemnifications documents; warranties etc.

BOND(PERFORMANCE):

A bond executed in connection with a contract and which secures the performance and fulfillment of all the undertakings, covenants, terms, conditions, and agreements contained in the contract.

CASH ON DELIVERY:

Commonly known as C.O.D. Payment due and payable upon delivery of goods.

CHANGE ORDER:

The purchaser's documents used to amend a purchase transaction previously formalized by a purchase order.

COLLUSION:

An agreement by two or more people to obtain something by fraudulent or illegal means.

COMMON CARRIER:

A person or corporation, licensed by an authorized State, Federal, or other Governmental agency, engaged in the business of transporting personal property from one place to another for compensation. A common carrier is bound to carry for all who tender their goods and the price for transportation.

COMPETITIVE BIDDING:

The offer of estimates by individuals or firms competing for contract, privilege, or right to supply specified services or merchandise.

CONTRACT:

A deliberate agreement between two or more competent persons to perform or not to perform a specific act or acts. A contract may be verbal or written. A Purchase Order, when accepted by a vendor, becomes a contract. Acceptance may be in either in writing or be performance, unless the purchase order requires acceptance thereof to be in writing, in which case it must be accepted.

CONTRACTOR:

Any one of the parties to a contract or one who contracts to perform work or furnish materials in accordance with a contract.

CONSTRUCTION CHANGE ORDER:

A document signed by the owner and engineer or architect issued after the execution of the contract that authorizes a change in the work, or an adjustment of the contract sum, or the contract time, or other contract requirements of the original contract. These may be minor or very substantial depending upon the circumstances of the project.

DAMAGES:

Compensation, usually in money, for injury to goods, person, or property.

DELIVERY:

The transfer of possession; as applied to shipping, it occurs when lading is surrendered and title to goods passes to the receiver or consignee.

DISCOUNT- QUANTITY:

An allowance determined by the quantity or value of a purchase.

LOW BIDDER:

The bidder who has submitted the lowest price proposal on a competitively bid project, as determined by a cursory examination of the bids received.

DATE OF SUBSTANTIAL COMPLETION:

The date certified by the architect when the work or a designated portion thereof is sufficiently complete, in accordance with the contract documents, so that the owner may occupy the work or designated portion thereof and use it for the purpose for which it is intended.

ETHICS:

Self-imposed rules or standards of performance or behavior for professionals set by the organization or association to which the professional belongs, or established by public trust.

FINAL PAYMENT:

Payment made by the owner to the contractor, upon issuance by the architect or engineer of the final certificate for payment of the entire unpaid balance, including retentions previously withheld, of the contract sum as adjusted by change orders.

GENERAL CONDITIONS:

The part of a contract that prescribes the rights, responsibilities, and relationships of the parties signing the agreement and outlines the administration of the contract for construction.

GENERAL CONTRACTOR:

A business entity that provides independent contractor services to owners through the use of subcontractors when using the general contracting system.

INSPECTOR OF RECORD(IOR):

Consultant hired by a public agency or district to generally oversee the assembly of the components of the construction in accordance with the contract documents and codes affecting their assembly. Specific duties and responsibilities of the IOR may vary depending upon the use of a separate construction manager or available agency/district staff.

INVENTORY:

The amount of property on hand at any given time, or an itemized listing of amounts of property indicated as on hand at a particular time.

INVOICE:

A document showing the character, quantity, price, terms, nature of delivery, and other particulars of goods sold or of services rendered.

LABOR AND MATERIAL BOND:

A guarantee provided by a surety to pay claims against the owner from contractors, subcontractors, laborers, material and equipment suppliers, and union trust funds who have not been paid for labor, material, or equipment incorporated into the project, and fringe benefits due to workers under collective bargaining agreements.

LEAD TIME:

The period of time from date of ordering to the date of delivery which the buyer must reasonable allow the vendor to prepare goods for shipment.

LETTER OF INTENT:

A notice from an owner to a contractor stating that a contract will be awarded to the contractor providing certain events occur or specific conditions are met by the contractor.

LIQUIDATED DAMAGES:

The parties to a contract may provide in advance that a specific sum be recoverable if the contract is breached. If the amount specified is reasonable and if the nature of the contract is such that actual damages would be difficult to determine, liquidated damage provisions are enforced.

NOTICE OF AWARD:

A letter from an owner to a contractor stating that a contract has been awarded to the contractor and a contract will be forthcoming.

NOTICE OF COMPLETION:

The official notice or document signed by the owner of private works of improvement as the conclusion of the project when all work has been completed by the construction team and signed off by the owner, its inspector, and the design team. This notice is recorded with the county recorder in the county in which the project is located.

NOTICE TO PROCEED:

A letter or written notification from the owner to the contractor or construction manager directing the start of work on a contract, subject to specific stated conditions.

PERFORMANCE BOND:

A guarantee provided by a surety to complete a project according to the terms of the contract documents in the event that the bonded contractor defaults on the contract to pay the owner the face value of the bonded amount.

PIGGYBACK BID:

A bid that allows other agencies to participate in the purchase of specific items listed on the original bid without formally bidding the items. The items being purchased against a piggybackable bid must be identical to the items shown on the initial bid. Piggybackable bids normally require the agencies Board approval to participate.

PRE-BID CONFERENCE:

The meeting that is held in advance of the complete bidding process, but is typically after the bidding documents have been made available to the potential bidding community. The conference will typically give a general definition to the scope of the project as well as any special considerations that may not be rapidly apparent to the bidders.

PURCHASE:

To procure property or services for a price; includes obtaining by barter.

PURCHASE ORDER:

The purchaser's document used to formalize a purchase transaction with a vendor.

PURCHASE REQUISITION:

A form used to request the purchasing department to procure goods or services from a vendor.

QUOTATION:

A statement of price, terms of sale, and description of goods or services offered by a vendor to a prospective purchaser; a bid. When given in response to an inquiry, it is usually considered an offer to sell.

REQUEST FOR PROPOSAL:

An invitation to qualified providers of services to submit their qualifications, experience, and price to perform work for a specific service.

SPECIFICATIONS:

A clear, complete, and accurate statement of the technical requirements descriptive of a material, an item, or a service, and of the procedure to be followed to determine if the requirements are met.

SUBCONTRACTOR:

A party who contracts with a prime contractor to perform all or any part of the prime contractor's obligations in a particular prime contract.

TERMS:

A statement of a seller's payment requirements. Included would be cash discounts for prompt payment, if any, and the maximum time allowed for payment.

VENDOR:

One who sells something; a "seller"