As a part of the process to define best practices for purchasing, the Texas Association of School Business Officials Purchasing Research Committee and the Board of Directors has created an Award of Merit for Purchasing Operations (AOM) in Texas school districts. The design of the award allows any size district to compete for recognition in this field. Much of the award’s emphasis is based on the Best Practices in Purchasing as identified by the Legislative Budget Board during the Texas School Performance Review process, and on the Purchasing Module in the Management Section of the Financial Accountability System Resource Guide published by the Texas Education Agency.

The TASBO Award of Merit (AOM) for Purchasing Operations provides recognition to school districts, open-enrollment charter schools and education services centers that are committed to following professional standards in the acquisition of goods and services. Those districts that earn additional points may receive Recognized Status as part of their award. These districts are considered the most innovative in Texas.

Definitions

Entity – Texas public schools – Independent and consolidated school districts and open-enrollment charter schools of the State. Also includes Regional Education Service Centers.

Application Period of Time – Submittals should be for the immediate school year just completed. (Example – 2015 submittal will be for the 2014-2015 school year)

Award of Merit Coordinator – Current Vice Chair of Programs

Small District – 3 or fewer FTE (Full-time Purchasing positions).

Large District – More than 3 FTE (full time purchasing positions).

Requirements for Consideration

1. The TASBO Award of Merit for Purchasing Operations evaluation is open to any Texas school district, including Region Education Service Centers.
2. Applicant school districts must supply complete and true documentation, certified by the Superintendent or the Chief Financial Officer of the district on district letterhead.
3. Proposals must be submitted electronically to the TASBO site using the guidelines for electronic submission.
4. A district may seek the AOM by reaching a minimum point total as described in the evaluation criteria.
5. The district may achieve a recognized status beyond the AOM by meeting the minimum point criteria for this level of recognition. The criteria for this part of the award are different from the standard award.
6. Award recommendations of the TASBO Purchasing AOM Coordinator (Vice Chair of Programs) will be submitted to the TASBO Board of Directors for approval.

The Proposal - Original

1. Complete the TASBO Award of Merit for Purchasing Operations Application Form.
2. Following the Application Form, a letter of certification from the Superintendent or Chief Financial Officer is required.

3. All forms should be in Adobe PDF format.

4. Electronic documents will be organized into folders and subfolders based on the Guidelines for Applications. Please follow the guidelines found in Appendix A.

5. All materials submitted will be marked to identify the school district making the proposal.

The Proposal – Recertification

Consecutive awards can be granted to school districts through a recertification submittal. A school district Purchasing Office that achieved the AOM may elect to pursue recertification of their AOM at the level previously awarded for up to two (2) consecutive years based on the guidelines listed below, unless notified that your district has been granted an extension to continue to apply for recertification for additional year(s). A district may choose to reapply for the AOM instead of the recertification, particularly if they received the first level of the award but desire to achieve recognition status.

Qualifications and Eligibility for Recertification

To qualify for recertification for the TASBO AOM, the school district’s Purchasing Office must meet the following:

- The district was awarded either the AOM the previous year or was recertified in the previous year;
- The district has not been recertified more than two (2) years in a row;
- The district’s current lead purchasing administrator (director, agent, coordinator or senior buyer) has been in the office for the entire application period of time;
- The application must be certified by the district’s Superintendent or the Chief Financial Officer on district letterhead.

Proposal Fee

The proposal fee for this award, original or recertification, is $300 to cover administrative costs. A check or money order payable to TASBO should be included with the district’s submitted proposal.

Proposal Deadline

All proposals may be uploaded to Dropbox with a sharing prompt to tcanby@tasbo.org between September 1 and September 30th of the current calendar year or submitted on CD/DVD or flash drive and received by TASBO by September 30th. If submitting by mail, the CD/DVD or flash drive should be mailed to TASBO, Attention: Tom Canby, Associate Executive Director for Governmental Relations, PO Box 91929, Austin, TX 78709-1929.

Proposals received after that date will not receive consideration and districts will be notified.

Management Process

1. The TASBO Purchasing Committee will identify candidates with a strong purchasing background to serve as coordinator for the Award of Merit Process.

2. The Board of Directors will choose the coordinator based on input from the Purchasing Committee.
3. The Executive Director will work with the Coordinator and the Purchasing Committee to handle administration of the process such as publicity, submissions, notices, etc.

Evaluation Process

The TASBO Award of Merit for Purchasing Operations has several thresholds that must be met before a district can be considered for this award.

1. Evaluation criteria are developed around proficiencies defined by the protocols for the Texas School Performance Review process managed by the Legislative Budget Board.

2. The Letter of Certification signed by the Superintendent or Chief Financial Officer requires a responsible and truthful submission of documents.

3. Evaluators will be approved by the Officers of the Purchasing and Supply Management Research Committee based on experience. Individuals interested in being evaluators need to send an email to the Coordinator (Vice Chair of Communications). The Vice Chair of Communications may send emails to invite additional individuals to serve as evaluators, as needed. It is preferred that evaluators have worked in a public school that has been awarded the AOM.

4. Each proposal will be sent to two reviewers who have no previous work experience with the district being evaluated. When possible, reviewers will review proposals from different geographical regions.

5. The recommendations of the reviewers will be submitted to the Coordinator.

6. If both reviewers recommend that the Award of Merit be granted, the coordinator will forward a recommendation for approval to TASBO. If both reviewers determine that the Award of Merit should not be given, the Coordinator will determine which comments should be sent to the applicants to help them in improving operations and/or the submission process for future submissions. If the two reviewers do not agree, the coordinator will send the application for additional review to the Purchasing and Supply Management Research Committee Officers. If the decision is to not accept an application for AOM, the decision may be appealed by the district to the Executive Director of TASBO.

7. Districts that have a minor deficiency will be notified by TASBO and have 30 calendar days to correct the deficiency. (A minor deficiency is defined as a technicality involving the application, independent of the substantive evidence of merit described in the application, such as lack of signatures)

8. It is anticipated that all districts approved for the AOM will be announced at the next scheduled annual TASBO Conference.

9. The top three submissions by small and large districts (see definition) will be reviewed by two additional evaluators to determine the top submission per small/large category. The submission per category receiving the highest number of points will be selected as the Elite Status Award of Merit for Purchasing Operations. Elite Status Award winning Districts will be recognized individually at the annual TASBO Conference.

Award

Presentation of the Award of Merit for Purchasing Operations will be made at the TASBO Conference each year. Districts will be notified in December that they are to receive the award and should plan on attending the conference to receive the award. The AOM award plaques are distributed at an Award of Merit for Purchasing Operations reception hosted during the annual TASBO Annual Conference. The Elite Districts will be recognized publicly at the conference.
AWARD OF MERIT FOR PURCHASING OPERATIONS

1. PURCHASING OPERATION ORGANIZATION

a. Organization Chart – Supply a recent organizational chart showing where the purchasing function is assigned in the organization hierarchy. In larger districts a second chart showing the organization of the purchasing department may be required. If warehousing is a function of purchasing operations, it should also be included. Documentation should not be more than 3 years old.

b. Job Descriptions – all staff members assigned to the purchasing function must have a job description showing job title, to whom the position reports, wage/hour status, date last updated, primary job duties, secondary job duties (if any), qualifications, education/certification, special knowledge or skills, and prior experience.

c. Staff Training – A record of in-service training, TASBO training, and any other training given to each staff member will be included. Training materials should also be supplied for additional documentation. The purpose is to provide evidence that training programs are available to improve staff member skills.

d. Purchasing Manual – Two parts of written procedures for purchasing operations must be supplied.

i. Operational procedures covering law, local regulations, and ethical behavior.

ii. Procedure for the creation of requisitions and purchase orders for manual or automated purchasing systems.

These procedures may be contained in standard operating manuals but may also be in training materials for new staff members.

2. PURCHASING POLICIES AND PROCEDURES

a. Board Policy – A copy of the district’s policy manual relating to regular purchasing operations as noted in CH Legal and Local and any special purchasing procedures as noted in CH Legal and Local policies.

b. Ethics/Conflict of Interest – A copy of the district’s policy relating to conflict of interest and ethics standards as noted in CH Legal and Local policies.

c. Payment Procedures - A copy of the district’s policy manual relating to petty cash reimbursements and payment procedures.
d. External Audit – A copy of the district’s most recent annual audit report from its independent auditor offering an unqualified opinion is required. The letter to management on internal control matters must also be included or a letter from the superintendent of the district (Executive Director for ESCs) certifying that the auditor found no deficiencies in the purchasing and/or warehouse departments in internal controls. Specific deficiencies about purchasing disclosed by the external auditor may be considered in denying an application.

e.

3. PURCHASING CONTRACT OPERATIONS

a. Contractors’ List – A copy of the list of district’s contracts or contractors showing annual dollar expenditure by vendor and length of each contract. This may be in several parts depending on the way the district keeps this information.

b. Cooperative Purchasing Agreements - A list of cooperative purchasing agreements supported either by board resolution or cooperative approval letters.

c. Annual Aggregate - Explanation of how the district establishes annual aggregate limits and verifies that contracts or cooperative agreements are in place to satisfy legal requirements.

d. Vendor Performance – Explanation of how the district communicates with and evaluates vendors. This should include documentation of surveys, meetings, letters, memorandum to contract files, memorandum of understanding, brochures, web site information, etc. There must be enough evidence to show that Purchasing makes efforts to provide vendors with information needed to effectively meet the needs of the district.

4. STAFF TRAINING AND CERTIFICATION

Small school districts will have slightly lower point requirements for Training and Certification (up to 6 points) due to a small staff (3 or fewer FTEs with primary function in purchasing as shown on the positions’ job description, ie, more than 2/3 of job description in purchasing duties); however, this will place greater weight on their organization and management functions. Support staff includes all staff other than the head of the department.

a. TASBO Certifications (List certifications other than TASBO also with a notation of the source of the certification.)

i. The Chief Purchasing Officer is TASBO certified.

ii. One or more of the support staff is TASBO certified.

b. Active TASBO Members – Attach a listing of activities that staff members (listed in the demographic information sheet) have participated in during the school year that ended immediately preceding the application deadline. Please include training from non-TASBO activities also with a notation of the source of the training.
i. The Chief Purchasing Officer participation in TASBO activities.
ii. One or more of the support staff participation in TASBO activities.

SUPPLEMENTAL COMPONENTS TO AWARD OF MERIT

5. PROCUREMENT CARD SYSTEM

If the district uses a procurement card system that involves multiple users (Note: This does not include fuel cards, department store cards such as Wal-Mart, HEB, etc.), it must provide the following:

a. A copy of the bid or statement from the cooperative (or state contract) that is providing the card vendor.
b. Written internal procedures for staff members using the card including vendor or spending limits.
c. Local Board policy establishing the use of the cards. [CH (Local) in most districts]
d. A copy of the latest internal or external audit which examines the P-card system of purchases should be included. If an external auditor performs this function, the management letter included with the audit report (Section 2, d) is sufficient. If the report includes the disclosure of significant deficiencies related to the procurement card system, the application will not be considered.

6. WAREHOUSING

If the district operates a warehouse under the supervision of the purchasing function, it must provide the following:

a. Policy and Procedures – A manual detailing operating procedures including services provided, procedure for requisitioning supplies, return procedure, and delivery schedule. If a district policy exists it should be included. If requisitions are processed by computer, documentation specifying procedures for data input must be included.
b. Staff Information - Job descriptions for all employees are to be provided along with the staff handbook detailing appropriate staff member behavior.
c. Inventory Information – An inventory report is to be provided showing the types and quantities of supplies maintained along with information about the number of orders filled.
d. Audit – Provide a copy of the latest physical inventory along with the internal auditor’s summary letter. If an external auditor does the test counts, the management letter included with the audit report (Section 2, d) is sufficient. If there is disclosure of significant deficiencies related to warehousing, the application will not be considered.
RECOGNIZED STATUS

Districts seeking recognized status will be required to obtain additional points in other areas of their operation based on trends in purchasing operations. If your entity is not applying for recognized status please add “Not Applying” to the end of the file directory name so the reviewers know not to expect files for this category.

7. STAFF TRAINING AND CERTIFICATION

a. Education Status
   i. Education of the Chief Purchasing Officer will be considered:
      Highest degree earned –
      Bachelor’s Degree = 1 point,
      Master’s Degree = 2 points,
      Doctorate = 3 points
      (Provide evidence of degree status.)
   ii. Support Staff holding a degree and working in purchasing operations receive 2 points
      (Provide evidence of degree status.)

b. Professional Development
   Participation in TASBO Purchasing Events = 2 point
   (Academy, Conferences, Committee Connect, Instruction courses, etc.)
   Participation in Local TASBO affiliate events = 1 point

c. Longevity Status
   i. The Chief Purchasing Officer has been working in purchasing operations for 10 years or more. (Provide evidence of work history.)
   ii. One or more support staff members in the school purchasing operation have had 10 years or more in purchasing operations. (Provide evidence of work history.)

8. USE OF TECHNOLOGY

The district will provide evidence of an automated purchase order system including remote entry of requisitions and centralized processing of purchase orders. Documentation including training manuals provided as part of the purchasing manual requirement may be used to satisfy this requirement. The district is to provide the following:
   a. a description of the automated purchase order system and how it works,
   b. a link to purchasing home page providing information to both vendors and staff members,
   c. a link to on-line vendor registration system,
   d. a link to website where on-line bids and requests for proposals are maintained,
e. evidence of the system used to contact vendors regarding available requests for goods and services,

f. a link to the posting of tabulations and awards,

g. evidence of most recent reverse auction procedure completed within 24 months of filing the application for the Award of Merit. This will include service or software used, bid prices received, and award by the board of trustees, and

h. evidence of on-line surplus property disposal sales. This may include the vendor or software used, a summary of the last 12 months of sales, and list of items offered for bid.

9. COMMUNICATION TOOLS

The district is to provide the following:

a. copies of issues of regular Business/Finance/Purchasing newsletter for the past 12 months,

b. documentation of regular in service/ training program for staff members involved in the creation of requisitions, receiving of merchandise, and evaluating vendor performance (i.e. end users),

c. documentation or a link to the listing of approved vendors available for use by staff members (This may be the list of awarded contracts and may also contain vendors available to provide goods and services through cooperative arrangements.),

d. documentation of the methods user information is obtained by the Purchasing Department about vendors and their goods and services (This can be written surveys, campus/department surveys, and similar data gathering techniques.), and

e. evidence of internal department meetings designed to assure appropriate communication and handling of purchasing operations.

10. MANAGING DISTRICT IN COOPERATIVE OR OTHER PROGRAM

If the district is a managing or lead district in operating a cooperative or other program for the benefit of other political subdivisions, describe the members, the procurement awards or services provided, and the communication structure with the other entities.
TASBO Award of Merit for Purchasing Operations  

Guidelines for Application – Recertification  

Each district applying for recertification is to provide the following information for consideration by the review committee. The response for each subject area should be comprehensive enough to provide the reviewing with the information necessary to show that the Purchasing Department has continued to strive towards quality improvements within their operations since they last achieved the Award of Merit. Each response should be limited to 500 words if at all possible.  

Completed recertification applications are to be e-mailed to the TASBO Associate Executive Director for Governmental Relations, Tom Canby, at: tcanby@tasbo.org prior to September 30th for the previous school year application.  

Recertification Application Format  
The response document requesting certification and/or recertification is to be provided an Adobe .pdf document using the following format:  
- Font sizes to be 12 point  
- Section Heading – bolded and uppercase, no bullet (e.g. “PURCHASING OPERATION ORGANIZATION”)  
- Summary Statement – italicized (e.g. “Provide a summary.”)  
- Indicate individual topics (bullets) as presented  
- Response to the summary statement and/or individual bullet is to be provided in plain text paragraph format  
- Note that each page of the response is to include the name of the applying district in the footer with the page number and the total page count (e.g. Page 1 of 10).  

RESPONSE EXAMPLE SHOWING FORMATTING:  

Subject Areas:
• COVER PAGE
  o Applying district name
  o Administrative offices’ address and main phone number
  o Superintendent name
  o Purchasing administrator name and contact information
  o Initial year district was awarded the AOM based on the TASBO Winter Conference
  o Original AOM award year, current recertification application year, and if this is the first or second recertification application

• LETTER OF CERTIFICATION
  o A current letter of certification from the Superintendent or Chief Financial Officer is required

• PURCHASING OPERATION ORGANIZATION
  Provide a summary of how your Purchasing department has changed in the following areas since the AOM was awarded to your district:
    o Personnel counts;
    o Personnel positions;
    o Organizational structure;
    o Are all of your job descriptions current for this AOM period?

• PURCHASING POLICIES & PROCEDURES
  Provide a summary of how your district / department has handled:
    o Legislative changes (if applicable) and policy updates;
    o Any ethical issues within the department and/or within the district;
    o Is your District Policy Manual current since the last award or recertification?; and
    o Any audit findings (if an audit was conducted since the last AOM application / recertification).

• PURCHASING CONTRACT OPERATIONS
  Provide a summary of how your district / department:
    o Has managed your bidders / suppliers lists by increasing / decreasing (purging) the number of potential vendors;
• **STAFF TRAINING AND CERTIFICATION**

  Provide a summary of your department’s:
  
  o Training philosophy;
  
  o Types of training received by the purchasing staff (e.g. TASBO);
  
  o Additional district staff outside the Purchasing department that may have been trained internally on the district’s purchasing processes and procedures; and
  
  o A list of staff that received professional certifications (not limited to TASBO).

The following areas are to be addressed by the applicant only as applicable and if provided in the original AOM application.

• **PROCUREMENT CARD SYSTEM**

  Provide an overview of how your district / department has:
  
  o Changed, modified or canceled their procurement card process; and
  
  o Adjusted internal procedures due to improper use or abuse of procurement cards.

• **WAREHOUSING**

  Provide a summary of the importance of your district’s warehousing operation in:
  
  o The overall goals of the district; and
  
  o How your department insures that these goals are met.

• **RECOGNIZED STATUS**

  NOTE: Only districts that received this status with the original AOM application are to provide updates for this section for recertification.
Appendix A

File Structure for Electronic Submission for Original Certification (Please do not use periods or special characters in the file and folder names and use abbreviations to keep the file names to under 80 characters)

Main Folder – District ISD County District XXXX2013 (abbreviate ISD name like AISD, followed by County District and date of submission like 7312013)

Subfolders include:

1 Purchasing Operation Organization
   A Organization Chart
   B Job Descriptions
   C Staff Training
   D Purchasing Manual
      i Operational procedures
      ii Requisition and PO procedures

2 Purchasing Policies and Procedures
   A Board policy
   B Ethics Conflict of Interest
   C Payment procedures
   D Audit

3 Purchasing Contract Operations
   A Contractors list
   B Coop Purch Agreements
   C Annual Aggregate
   D Vendor Performance

4 Staff Training and Cert
   A Certifications
      i CPO
      ii Staff
   B Activities
      i CPO
      ii Staff

5 PCard
   A Bid
   B Procedures
   C Policy
6 Warehousing
   A Procedures manual
   B Job descriptions
   C Inventory
   D Audit

7 Rec. Training and Cert
   A Education
      i CPO degree
      ii Staff degrees
   B Professional Development
      TASBO Participation
      Affiliate Participation
   B Longevity
      i CPO degree
      ii Staff degrees

8 Technology
   A PO system desc.
   B Links (b-f)
   G Reverse auction
   H Online surplus sales

9 Communications
   A Newsletter
   B Training
   C Approved vendor list
   D User information methods
   E Internal department meetings

10 District Coop Program