

Purchasing 2000

A quick guide to the Purchasing Process
And more.....

July 2022

Creating Requisitions

- OPEN** THE PURCHASING APPLICATION
- ENTER A BRIEF **DESCRIPTION** OF WHAT THE REQ IS FOR
- IS IT A **VENDOR** REQUISITION OR A **WAREHOUSE** REQUISITION?
- ENTER **REQUESTOR'S** NAME
- FROM THE DROP DOWN MENU CHOOSE THE TYPE OF **GOODS/SERVICES**
- FROM THE DROP DOWN MENU CHOOSE YOUR **LOCATION**
- VENDOR-** CLICK THE VENDOR SEARCH TAB (**3 DOTS**) ENTER VENDOR NAME AND SEARCH
- FROM THE LIST **CHOOSE** YOUR VENDOR BY DOUBLE CLICKING
- WHEN THERE ARE MULTIPLE LISTINGS FOR THE VENDOR- CHOOSE THE **VERY LAST ONE**, THIS INCLUDES ALL OF THE VENDORS MOST RECENT INFORMATION

Creating Requisitions (2)

- ITEM DETAILS- **ADD A LINE**, HERE YOU ENTER PART NUMBER AND **COMPLETE DESCRIPTION** OF ITEM YOU ARE ORDERING
- TAB OVER ENTER **QTY**, TAB OVER ENTER **PRICE**
- ADD LINES FOR ADDITIONAL ITEMS ORDERING
- ACCOUNT SEARCH- CLICK **ACCOUNT SEARCH TAB** ON THE RIGHT
- ENTER **RESOURCE CODE** AND **OBJECT CODE** CLICK SEARCH
- CHOOSE THE APPROPRIATE ACCOUNT LINE-**HIGHLIGHT AND SELECT**
- DISTRIBUTE EVENLY** AND **SEND** FOR APPROVAL

Tracking Your Requisition

- Once you have sent your requisition for approval you can **no longer** make changes.
- The requisition is now populated in your **Requisition In-Process** folder.
- To check the status do the following:
 - ✓ Double click req to open it up.
 - ✓ Go to the top and click **workflow** tab and check the box labeled **detail**.
 - ✓ A window will open up showing you the workflow, who has approved it and who needs to approve it.
- If you highlight your requisition from your “requisitions in process” and look under the seventh (7th) heading **currently with** it shows you whose workflow the requisition is sitting with.
- With your requisition **highlighted** you can go to the top of the page and click **message**.
- A new window will open up and you can pick an email address from the drop down menu and send that individual a reminder that you have a requisition waiting for approval.

Purchasing >> Requisitions (Workflow)

Home Purchasing Reports Utilities Configuration Send Message Close

- Requisitions
 - Requisition Inbox
 - For Review (0)
 - For Approval (4)
 - Rejected (0)
 - For Issue (0)
 - Vendor For PO Creation (0)
 - VFS For PO Creation (0)
 - For Quote/Bid/Info (0)
 - Requisition In-Process (1)
 - New Requisitions (9)
 - New Emergency Requisitions (0)
 - Templates
 - System Templates (2)
 - User Templates (0)
- Purchase Orders
 - Open Purchase Orders
 - Waiting for Requisition (0)
 - Available for Modification (439)
 - Available for Change Order (300)
 - Change Order In-Process (0)
 - Closed Purchase Orders (516)
 - Change Orders
 - Change Order Inbox
 - For Approval (0)
 - Rejected (0)
 - For Change Order Entry (0)
 - Change Order In-Process (0)
 - Receiving
 - Open Purchase Orders
 - Available for Receiving (941)
 - Receiving In-Process (78)
 - Pending Discrepancy (1)
 - Excluded (13)
 - Completed (222)

Search	Add	Edit	Workflow	History
Document #: 001885	Description: LETTER FOLDER/INSERTER - FOR MASS MAILINGS	Date Created: 01/20/2022	Entered By: 01POCREATOR	
Type: VENDOR	Workflow: FOR APPROVAL	FY: 2022	<input checked="" type="checkbox"/> Detail:	
TimeStamp	User	Action	Comment	
01/20/2022 11:57:53	POCREATOR	Requisition Created		
01/20/2022 12:20:42	POCREATOR	Added Attachment 6210 Series Spec Sheet 5-21.pdf		
01/21/2022 01:52:50	POCREATOR	Added Attachment IMAGESOURCE.pdf		
01/21/2022 01:53:48	POCREATOR	REQUISITION SENT FOR APPROVAL		
01/24/2022 11:04:44	NACHET	REQUISITION APPROVED - SENT TO NEXT APPROVER (POCREATOR)		
01/24/2022 11:42:14	POCREATOR	REQUISITION APPROVED - SENT TO NEXT APPROVER (accountant)		
01/24/2022 07:43:15	ZACHK	REQUISITION APPROVED - SENT TO NEXT APPROVER (CBO)		

Message: (No Messages)



Sending a Message to “Currently With”

Send Email

Available Email Addresses

First Name	Last Name	Logon	Type	Email
Kristina	Valenzuela	KristinaV		kristina_valenzuela@aesd.net
Karen	Ward	KWard		karen_ward@aesd.net
Michael	Assumma	MAssumma		michael_assumma@aesd.net
Michael	Baird	MBaird		michael_baird@aesd.net
Melanie	Olson	MelanieO		melanie_olson@aesd.net
Michele	McGraw	Mmcgraw		michele_mcgraw@aesd.net
Nache	Thompson	NacheT		nache_thompson@aesd.net

>> <<

Selected Email Addresses

First Name	Last Name	Logon	Type	Email
Michael	Krause	MKrause		michael_krause@aesd.net

Subject: REMINDER FROM LORI

Message: Just a reminder that requisition 1885 is still waiting for your approval. Thank you!

Spell Check?

Double-click email addresses to move them to the other side

Amazon Business Orders

Last school year we started a new process with Amazon Business.

- Sites/Departments enter blanket PO's for Office Supplies (4350), Instructional Supplies (4310) or Computer Supplies (4340).
- Once your req has been approved and the Purchase Order is created/signed, I will then go into the Amazon account and add your Blanket Purchase Order. The \$ amount will be allocated to the individual listed as "requestor" on the PO, unless you tell me otherwise.
- If you plan on purchasing a single item with a value >\$500.00 you will need to enter a line item requisition.
- Once your POs have been added in Amazon you can start shopping.
- If you attempt to use "office supply" PO for "instructional supplies" it will be rejected.
- If you attempt to order a single item with a value >\$500 using an "Open PO", it will be rejected.
- When placing orders using your "line item" PO's you cannot order items not listed on the Purchase Order.
- When your items ship you will be emailed an invoice from Amazon. Print it out and set it aside until your items arrive. Once you have received your items sign the invoice "ok to pay" and send over to Accounts Payable for processing.

Contracts

All Contracts/Agreements require Board Approval

- ✓ Professional Development
- ✓ Assemblies
- ✓ Legal Services
- ✓ Outside Transportation Services
- ✓ Public Speakers
- ✓ Contractors
- ✓ Vendors providing repairs
- ✓ Leases

Just to name a few!

How to Proceed

- Obtain copy of agreement/contract
- Create an agenda item and submit it to the Superintendent's office.
- Once Board approved you may proceed with entering a requisition.
- Enter your requisition as usual and in the body of the requisition include date of **Board Approval**.
- Attach copies of any quotes etc. directly to the requisition by using the "add attachment" feature.

Under no circumstances may employees, Principals or Department Managers sign Contracts. Contracts may only be signed by duly authorized District Office Personnel.

What is a Contract?

A contract is an agreement between two parties creating a legal obligation for both to perform specific acts. Each party is legally bound to perform the specified duties such as rendering a payment or delivering goods. For the contract to be enforceable, each party must exchange something of value (called “consideration”).

A contract may be used for various transactions, including the sale of land or goods, or the provision of services. They may be either oral or written, though courts prefer that agreements be put in writing.

PARTS OF A CONTRACT

- Parties
- Scope Of Services
- Period Of Performance
- Compensation
- Termination
- For Cause
- Without Cause
- Insurance
- General Provisions

Types Of Contract (Few Examples)

- Construction Agreements & Construction Related Services (Public Works) Projects
- Lease-leaseback Agreements
- License Agreement
- Affiliation Agreement.
- Memorandums Of Understanding
- Student Placement And Internship Agreements

Length Of Contract

- Supplies And Materials = Three (3) Years
- Services = Five (5) Years, In Compliance With Education Code Section 17596
- Leases = Ten (10) Years In Compliance With Education Code 17452.

Insurance

- General Liability
- Worker's Compensation
- Automobile Liability
- Professional Liability

ASB/PTA/PTO

- Contracts For Service Providers E.G. Booster Clubs, Fundraising
- Board Approval

Electronic Technology Software

- Subscription Agreement
- Data Protection
- Student Privacy Laws
- Terms and Conditions (**Read Them**)

Conferences

- When creating conference/workshop requisitions please be sure to include the following information on your requisition:
- **WHAT:** What is the name of the workshop/conference?
- **WHERE:** Where is the workshop/conference being held?
- **WHEN:** When is the conference work shop? (dates & times)
- **WHO:** Who will be attending?
- **BOARD:** What date was this conference/workshop attendance approved by the Board of Trustees?

Conferences (2)

Do you have a signed/approved **Conference Request Form**?

There is a SYSTEM template available in F-2000. Find the conference template, highlight, right click and create requisition. This will generate a new requisition. Go to “new requisitions” open it up and enter all of the information as it pertains to **YOUR** workshop/conference.

ALWAYS INCLUDE THE BOARD APPROVAL DATE WITHIN THE BODY OF YOUR REQUISITION

How do I pay for my Lodging/Travel Expense's for Conference?

- The employee can pay using their own money and then complete an employee expense report to seek reimbursement and submit it to Accounts Payable for processing.
- Or the employee can complete a Check Out Cal Card Application from the District office to take with them on conference to cover their expenses. This form can be found on the District websites Purchasing page (Under Business Services).

Original Itemized Receipts.....

Whether seeking reimbursement or utilizing a District Cal Card the following applies to both:

- No Tips >15%
- **Conference Request Form**
- Agenda/Handout from Conference/Workshop
- \$100 per day per diem for food (No Exceptions) If workshop provides a meal and you forgo that and eat elsewhere, that expenditure will not be covered.
- Original Itemized Receipt (list who ate/drank what if you paid for multiple co-workers)
- No Alcohol
- No Snacks
- Copy of Hotel Portfolio/Invoice
- All small/loose receipts shall be affixed to 8 ½ x 11 sheet of paper

Cal Card Holders - *Do's and Don'ts*

For those employees who have been issued District Purchasing card or Cal Card. With that privilege comes responsibility.

The Cal Card program is not intended to avoid or bypass appropriate purchasing or payment procedures established by the Adelanto Elementary School District, the program compliments the existing processes available. All purchases must comply with current Adelanto Elementary School District purchasing standards.

Examples of when the Purchasing card may be used:

- *Subscriptions, seminars
- *Books (workshops attended)
- *Instructional Supplies (workshops attended)
- *Travel expenses for hotel, airline and conference registrations
- *Refreshments for staff meetings (agenda/sign-in sheet)

More *Do's and Don'ts*

Examples of when the Purchasing card may **not** be used:

- *Any contracted work of any kind, including consulting, professional services, repair or maintenance contracts or construction/public works contracts
- *Equipment, Capital Outlay >\$500.00
- *Technology software
- *Stock items through our District warehouse or District contracts
- *Office supplies available from our warehouse
- *Organization or Personal Memberships
- *Personal charges are not allowed on your AESD Cal Card
- *Gasoline Purchase (personal)
- *Alcoholic beverages

**To Gift or Not to Gift
(Public Funds)
A Primer**

The following slides were presented at CASBO Annual Conference on April 5, 2018 and speak to District's being fiscally responsible as the custodians of Public monies. The Presentation was created and facilitated by **FCMAT**- Fiscal Crisis & Management Assistance Team and **CSIS** California School Information Services.

Many times sites and departments question why certain requisitions were rejected. I believe this presentation that I have included here will answer many of those questions. All of our expenditures should support the District's educational mission. Does the expenditure support public education?

A Gift of Public Funds

Public Scrutiny Test

- All funds received by the district:
 - Are considered public funds
 - Must be used to support the educational mission
- The best test to use when determining whether the expenditure is appropriate is called the “public scrutiny test.”
- Question: Whether the tax-paying public would view the expenditure as necessary to support public education.
- Answer: If you are already questioning whether the expenditure is appropriate, it may not be!

Public Finds Definition

- For purposes of state law, public funds are identified as any monies that are collected and retained in a district account. This includes all student activity dollars, which are designated as “quasi-public funds” and are subject to board of education direction and control in the same manner as all other district funds. Any “district” fund is considered public funds, unless the district is acting as a custodian for privately raised funds in a separately maintained agency fund or account.
- Funds maintained by associated student body organizations, or ASBs, are public funds subject to the constitutional gift clause.

Non-Public Funds Definition

- Dollars that are collected and retained by outside organizations such as parent and booster groups. This also includes collective bargaining association accounts.
- The district should not act as custodian for privately funded monies of a separately maintained agency fund or account, such as flower funds paid for exclusively by employee contributions, or profits from vending machines that are exclusively used and paid for by district employees.

California State Constitution Definition

- The use of public funds is strictly defined in the California State Constitution (Article 16, Section 6)
- Prohibits public agencies, including school and community college districts, from making a gift of public funds to any individual (including public employees), corporation, or even to another government agency.
- Article 16 states that in the absence of a statute granting public local educational agencies (LEAs) the legal authority to make a special expenditure (e.g., for food, clothing, awards, etc.), "... the Legislature shall have no ... power to make any gift, or authorize the making of any gift, of any public money or thing of value to any individual, municipal or other corporation ... whatever ..." Thus they cannot authorize any county, city, or other political subdivision to make any gift of public money to an individual, corporation, or other government agency.

Let's Be Accountable

- “Due to their unique operating environment, governments have a responsibility to be accountable for the use of resources that differs significantly from that of business enterprises. Although businesses receive revenues from a voluntary exchange between a willing buyer and seller, most governments obtain resources primarily from the involuntary payment of taxes.” (GASB White Paper: Why Governmental Accounting and Financial Reporting Is – And Should Be – Different (April 2013)).
- The prohibition against gifts of public funds is in place to ensure accountability to constituents and to prevent misuse of this public money.

Public or Private Purpose

- As the California Supreme Court explained in *City of Oakland v. Garrison* (1924) 194 Cal. 298, 302: Where the question arises as to whether or not a proposed application of public funds is to be deemed a gift within the meaning of that term as used in the constitution, the primary and fundamental subject of inquiry is as to whether the money is to be used for a public or private purpose. If it is for a public purpose within the jurisdiction for the appropriating board or body, it is not, generally speaking, to be regarded as a gift.
- The gift of public funds, such as any expenditure which benefits an individual or small class of individuals only, with no benefit to all of the residents of the political entity is prohibited.
- The purpose of the expenditure, not the recipient, is the most important factor to be considered.

Connection to Education?

- An expenditure that does not have an obvious benefit or connection to education of the district's pupils should be carefully reviewed.
- For purposes of approval of district orders for payment, a governing board's expenditure of funds will not be considered a gift of public funds if one of the following is true:
 - The Legislature has provided that a school board must or may make such an expenditure.
 - The expenditure falls under a specified exemption (e.g., joint powers agreement)
 - The district's governing board has found and determined that the expenditure serves a public education purpose.

Consideration

- Importantly, an expenditure is not a “gift” within the meaning of the constitutional prohibition if the district receives adequate consideration in exchange for the funds expended.
- Consideration is a benefit or something of value commensurate with amount of the payment.
- Courts have interpreted this provision to include all payments of public money for which there is no authority or enforceable claim, even if there is a moral or equitable obligation.

Is the Expenditure in Code?

- LEA expenditures determined to be for a public purpose are generally authorized by statute. So if in Code....not a gift of public funds.
- In the context of public education, an expenditure serves a legitimate public purpose when it will directly and tangibly benefit the education of students in the district.
- To justify an expenditure of public funds, a district's governing board must determine that the expenditure will benefit the education of its students. If the governing board has reasonably determined that a particular type of expenditure serves a legitimate, and approved, public purpose, and is within the scope of the LEA's jurisdiction and purpose, courts will generally defer to the board's decision.
- An LEA's jurisdiction does not extend to the aid of the indigent and the like, or the promotion of social welfare, though these may be lawful public purposes for other agencies.

Is the Expenditure in Policy?

- Expenditures driven by personal motives or moral obligations, or for noble or virtuous purposes such as a desire to convey compassion, sympathy, joy, or gratitude, are not justified and generally do not serve a primarily public purpose, and thus are likely unlawful gifts of public funds, even if they have been a longstanding custom locally or are based on benevolent feelings.
- If the LEA's governing board has determined that a particular type of expenditure serves a public purpose, courts will almost always defer to that finding.
- Thus, if the district has a board policy or resolution stating that specific items are allowable (e.g., scholarships or donations), there is more certainty that the expenditure might be considered allowable.

Can't Merely be for Goodwill

- The board policy or resolution should state the reasons that the board has determined that the expenditure serves a public purpose.
- Even if an expenditure incidentally benefits an individual, it is not a gift if it serves a public purpose of the district.
- The public purpose must be something more tangible than abstract “goodwill” or “public relations.”
- It is up to the school district governing board to determine whether it has a legitimate public purpose other than mere goodwill to justify a public expenditure.

Reminders:

- School districts and their employees are prohibited from using public funds for private purchases and expenses.
- In general any use of school district funds that is not either expressly or impliedly legally authorized is unlawful.
- Districts should consult legal counsel if they believe an expenditure could be construed as a gift of public funds.

Example to Consider

- There are various circumstances when a decision must be made about whether a particular expenditure is a gift of public funds. Let's talk about some common scenarios and examples that reflect current executive, administrative, and judicial interpretation of this legal principle.

Unallowable Expenditures

- A social gathering where a meal is provided for employee recognition such as for teacher appreciation, secretary day, etc.
- Contributions or donations to religious, community, charity, or other non-profit groups
- Purchase of flowers for personal gift
- Giving of flowers or items to convey compassion, sympathy or meet a perceived moral obligation
- Presents or gifts to anyone including employees, volunteers, or students
- Alcohol
- Holiday or other staff parties or picnics
- Employee reimbursement for mileage from their residence to their place of work

Allowable Expenditures

- School furniture, supplies and equipment
- Teacher and faculty salaries
- Uniforms and regalia for school bands, choirs or athletic teams
- Caps and gowns for graduation ceremonies
- Instructional materials and textbooks
- Maintenance of buildings and facilities
- Research and promotional activities to advance public education
- Awards to students for excellence or to employees for exceptional contributions (if in board policy)
- Flowers or decorations for a district awards ceremony or commemorative event
- Transportation for students living in outlying parts of the district
- Refreshments/meals for meetings for the purpose of conducting school business (e.g., curriculum meeting during lunch)
- Snacks, refreshments and food for students in the course of the school day that are deemed to contribute to the educational process (e.g., during testing)

What can Happen?

- Districts and public officials can face potential legal liability, including taxpayer lawsuits, civil and criminal penalties, and the loss of public confidence, for the misuse or improper expenditure of public monies. (See Gov. Code § 8314; Pen. Code § 424.)
- The California Supreme Court also held that public officials may be held personally liable if they fail to exercise due care and reasonable diligence in authorizing the expenditure of public funds.
- Whether or not an official has acted with due care depends on various factors including, for example, whether the expenditure's impropriety was obvious or not, whether the official was alerted to the possible invalidity of the expenditure, and whether the official relied upon legal advice in making the expenditure.

Conclusion

- As public agencies, school and community college districts are subject to the constitutional prohibition against gifts of public funds.
- In reviewing proposed expenditures, districts should exercise due care and diligence in determining whether or not a particular expense serves a primarily public purpose.
- Although the analysis may be somewhat confusing and unclear at times, in the world of public education, expenses are most likely justified when they will directly benefit the education of students in the district.
- The best way to guard against gift of public funds issues is through board policy.

Additional Resources

There Are a Host of Resources Available on the Purchasing Page

- Creating Reqs in F2000
- Purchasing Manual
- Employee Expense Report
- Guidelines for Travel
- Conference Request Form (CRF)
- Agreement for On Site Events (No Cost)
- Purchasing Refresher Training (Feb 2021)
- Facilitator Agreement
- Vendor Registration Link
- Surplus Pick Up Request Form
- Updated Donation Process

<https://www.aesd.net/administration/purchasing>

- Frequently Asked Questions
- Conflict of Interest Form
- Return Merchandise Form
- Request for Direct Payment (In Lieu)
- Hold Harmless
- Insurance Requirements Matrix
- W-9
- Cal Card Temporary Limit Increase
- Check Out Cal Card Guidelines
- Check Out Cal Card Policies
- Check Out Cal Card Request Form

Purchasing Handles the Following:

- Contracts
- Fixed Assets
- Requisition's/Purchase Orders
- Surplus Property
- Grants
- RFP's
- Bids
- Vendor Relations
- Certificates of Insurance
- PWC-100
- Cost Accounting
- District Wide Inventory
- Cal Card Administrator
- Leases
- Amazon Administrator
- Use of Facilities
- Maintaining Records Room
- Public Works Contracts
- Vehicle Inventory/Titles
- Piggyback Contracts
- Financial 2000 Administrator
- Obtain Quotes for Furniture, Computers and Equipment as needed.

THANK YOU!

I hope you found this presentation helpful. As always if you have any questions or need assistance, please reach out to me. I am open to any suggestions you may have as well.

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