



**Texas Association of School Business Officials
TASBO Award of Merit for Purchasing Operations
Application Guidelines**

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PURPOSE

On behalf of the Texas Association of School Business Officials, the TASBO Purchasing and Supply Management Research Committee has created an Award of Merit for Purchasing Operations (AOM) to recognize Texas school districts, open-enrollment charter schools, and education services centers that are committed to following professional standards in the acquisition of goods and services.

Much of the AOM's evaluation emphasis is based on purchasing guidelines as identified by the Texas Education Agency (TEA) Financial Accountability System Resource Guide (FASRG) Purchasing Module and the Best Practices in Purchasing as identified by the Legislative Budget Board (LBB) during the Texas School Performance Review process.

The Award of Merit for Purchasing Operations will be presented at the TASBO Annual Conference each year. Entities will be notified in December that they are to receive the award and should plan to attend the conference to receive the award. AOM award plaques are distributed at an Award of Merit for Purchasing Operations breakfast hosted during the Annual Conference.

ELIGIBILITY FOR CERTIFICATION

The TASBO Award of Merit for Purchasing Operations is open to Texas independent and consolidated school districts, open-enrollment charter schools, and education service centers regardless of their size.

Recertification

Consecutive awards can be granted to entities through a recertification submission. A purchasing office that achieved the AOM may elect to pursue recertification of its AOM for up to two (2) consecutive years based on the following guidelines:

Eligibility for Recertification

- The entity was awarded either the AOM the previous year or was recertified in the previous year;
- The entity has not been recertified more than two (2) years in a row;
- The entity's current chief procurement officer (CPO) (director, administrator, agent, coordinator, or senior buyer) is the same person who was identified on the original application;
- The application must be certified by the entity's superintendent or chief financial officer on entity letterhead.

SUBMISSION DATE AND REQUIREMENTS

The application period for certification and recertification is for the previous school year. (Example: The 2021 application is for the 2019-20 school year.) **SUBMISSION DEADLINE: AUGUST 31st of each year.** Applications received after August 31st will not receive consideration and entities will be notified.

Method of Submission

Submissions for **original AOM certification** may be uploaded to Dropbox with the folder being shared with tracyg@tasbo.org between July 1 and August 31 of the current calendar year. No paper submissions will be accepted.

Application Fee

A fee of \$450 is required to submit an AOM application for original certification. The fee covers administrative costs. A check or money order payable to TASBO can be mailed to TASBO, ATTN: Tracy Ginsburg, Executive Director, PO Box 91929, Austin, TX 78709-1929.

Requirements for Consideration: Original Certification

1. All applicants must complete the TASBO Award of Merit for Purchasing Operations Application Form and Submission Components, and submit by the stated deadline. (**Note:** The application form may be sent electronically, along with the mailed fee, earlier than the submission components, so long as all materials are received by the deadline.)
2. A letter of certification from the applicant's superintendent or chief financial officer must be included with the submission packet.
3. All forms and documentation should be in Adobe PDF format.
4. Electronic documents will be organized into folders and subfolders based on the **Guidelines for Application** (see separate guideline documents for Original and Recertification). Failure to follow the guidelines will result in the rejection of your application.
5. All materials submitted should be marked to identify the entity making the application. Documents should include the county district number followed by the entity name and document. Example: 246909 Round Rock ISD Organizational Chart

GUIDELINES FOR APPLICATION: ORIGINAL CERTIFICATION

Use the following structure to organize the application into folders and subfolders. See the **Submission Components** section for detailed requirements for each application element. The total points that can be awarded to each component are provided below. An applicant may receive the AOM by attaining a minimum point total of 100 out of the possible 200 total points. Applicants are challenged to continue to seek additional points in subsequent years to achieve the highest possible score.

File Structure for Electronic Submission

Main Folder Name: County District Number XXXXXX District ISD (DO NOT abbreviate ISD name)

Example: 246909 Round Rock ISD

IMPORTANT: 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.

Subfolders:	<u>Points</u>
1 Purchasing Operation Organization	
A Organizational Chart	5
B Job Descriptions	5
C Staff Training	5
D Purchasing Manual	10
2 Purchasing Policies and Procedures	
A Board Policy	5
B Ethics/Conflict of Interest	5
C External Audit	5
3 Purchasing Contract Operations	
A Contractors List	5
B Cooperative Purchasing Agreements	5
C Annual Aggregate	5
D Vendor Performance Feedback	5
4 Purchasing Staff Engagement, Training and Certification	
A TASBO Certifications	
i CPO	5
ii Staff	5
B TASBO Engagement	15
i Attended Purchasing Academy	
ii Attended Annual Conference	
iii. Attended Summer Conference	
iv. Purchasing Committee Member	
v Participated in community discussions	
5 Procurement Card	
A Procedures	5
B Policy	5
C Audit	5
D Staff Certification	5
6 Warehousing	
A Policy and Procedures	5
B Staff Information	5
C Inventory Information	5
7 Procurement Knowledge	
A Education Status	
i CPO degree (Bachelor's, Graduate)	5,10
ii Staff degrees (Bachelor's Degree)	5
B In-Service Training of Non-Purchasing Staff	5
C Longevity Status	
i CPO longevity	5
ii Staff longevity	5

8	Technology	
	A PO System Description	5
	B–F Links (1 point each)	5
	G E-commerce	5
	H Online Surplus Sales	5
9	Communication Tools	
	A Active TASBO Members	5
	B Approved Vendor List	5
	C External Vendor Surveys	5
	D Internal Customer Surveys	5
	E Purchasing Department Meetings	5
10	Cooperative Strategy	5

SUBMISSION COMPONENTS: ORIGINAL CERTIFICATION

AWARD OF MERIT FOR PURCHASING OPERATIONS FORM

Please provide complete information for the following elements:

1. PURCHASING OPERATION ORGANIZATION

- a. Organizational Chart — Supply a recent organizational chart illustrating where the purchasing function is assigned in the organization hierarchy. *The purchasing function must be clearly noted on the organizational chart.* In larger entities, 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 three (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 — Provide a record of training given to purchasing staff members, including TASBO training and any other procurement-related training within the fiscal year being submitted. The purpose is to show evidence that training programs are available to improve purchasing staff member skills. This does not apply to non-purchasing staff training (which will be addressed in Section 7b).
Examples of evidence meeting this criterion include but are not limited to:
 - TASBO transcripts
 - Certifications of completion of classes/courses/seminars/webinars
 - Training materials
- d. Purchasing Manual — Provide a copy of the entity's purchasing manual. The manual should have been updated within the last two (2) years and include the procurement components of the FASRG.

2. PURCHASING POLICIES AND PROCEDURES

- a. Board Policy — Provide a copy of the entity's local board policies relating to purchasing operations and any other purchasing related policies and regulations, such as CH – Purchasing and Acquisition; CDB – Other Revenues—Sale, Lease or Exchange of School-owned Property; CHE – Purchasing and Acquisition—Vendor Relations; CJA – Contracted Services; CQ – Technology Resources; CI – School Property Disposal; CV – Facilities Construction (plus additional method specific policies) and DBD – Employment Requirements and Restrictions—Conflict of Interest.
- b. Ethics/Conflict of Interest — Provide a copy of the entity's local board policies relating to conflict of interest and ethics standards.
- c. External Audit — Provide a copy of the entity's most recent annual audit report from its independent auditor offering an unqualified opinion and a copy of any findings and questioned costs issued by the external auditor. Include the letter to management on internal control matters or a letter from the entity superintendent (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.

3. PURCHASING CONTRACT OPERATIONS

- a. Contractors List — Provide a list of the entity's contracts or contractors/vendors showing annual dollar expenditures by vendor and length of each contract. This may be in several parts depending on how the entity keeps this information.
- b. Cooperative Purchasing Agreements — Provide a list of cooperative purchasing agreements either supported by board resolution or approved minutes from a board meeting.
Examples of required evidence meeting this criterion include but are not limited to:
 - Executed board resolutions approving interlocal agreements or other authorizations
 - Copy of the interlocal agreement signed by both parties.
- c. Annual Aggregate — Explain how the entity establishes annual aggregate limits and verifies that contracts or cooperative agreements are in place to satisfy legal requirements. Merely submitting copies of the entity's policy or manual does not meet this criterion.

Examples of evidence meeting this criterion include but are not limited to:

- Narrative of the entity’s internal process for determining aggregate spend
- Flow chart of decision-making process to determine aggregate spend

- d. Internal Customer Feedback Regarding Vendor Performance — Explain how the purchasing department receives feedback from internal customers regarding vendor performance.

Examples of evidence meeting this criterion include but are not limited to:

- Internal customer surveys of vendor performance
- Meeting minutes discussing vendor performance
- Letters/forms from internal customers regarding vendor performance

In addition, the entity must provide evidence to show that the purchasing department makes efforts **to provide vendors with performance feedback** and other information needed to effectively meet the needs of the entity. Evidence can include letters/email to vendors regarding feedback received by internal customers.

4. PURCHASING STAFF ENGAGEMENT, TRAINING AND CERTIFICATION

- a. TASBO Certifications (or other procurement/purchasing certification)
- i. Chief purchasing officer certification.
 - ii. One or more of the purchasing staff is certified.
- b. TASBO Engagement — Purchasing staff participation in TASBO events and collaborative discussions will be compiled and weighted in accordance with the TASBO engagement criteria which includes but is not limited to the following:
- i. Attended Purchasing Academy
 - ii. Attended Annual or Summer Conference
 - iii. Participating Purchasing Committee member
 - iv. Participated in community discussions

The allotment of points for this criterion is based on a consolidated average of the entity’s purchasing staff’s TASBO Engagement scores and is allocated as follows:

Average Engagement Score	AOM Points
10 – 29	5 pts
30 – 59	10 pts
60 or greater	15 pts

NOTE: For this criterion, “Purchasing Staff” are defined as all full-time staff involved in the purchasing function including, but not limited to the Chief Procurement Officer, Purchasing Director, Assistant Purchasing Director, Purchasing Coordinator, Purchasing Manager, Buyer, Contract Specialist, Contract Analyst, etc.

5. PROCUREMENT CARD SYSTEM

(Note: A procurement card system does not include fuel cards or store cards such as Wal-Mart, HEB, etc.)

If the entity uses a procurement card system that involves multiple users, it must provide the following:

- a. Procurement Card Procedures — Written internal procedures for staff members using the card, including vendor or spending limits
- b. Local Board Policy — Copy of the local board policy establishing the use of the cards [CH (Local) in most entities]
- c. Audit — A copy of the latest audit, or peer review, that specifically examines the procurement card program.
- d. Staff Certification — Evidence of a staff member with Certified Purchasing Card Professional (CPCP) certification, if applicable

6. WAREHOUSING

If the entity 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 procedures and delivery schedule. If an entity policy exists, it should be included. If requisitions are processed electronically, documentation specifying procedures for data input must be included.
- b. Staff Information — Job descriptions for all employees, along with the staff handbook detailing appropriate staff member behavior
Inventory Information — An inventory report showing the types and quantities of supplies maintained, along with information about the number of orders filled and the age of the stock on hand

7. PROCUREMENT KNOWLEDGE

a. Education Status

- i. The education level of the chief purchasing officer will be considered, with the highest degree earned to be scored as follows:

Bachelor's Degree = 5 points

Graduate Degree = 10 points

Provide evidence of the degree status (photocopy of diploma or transcript)

- ii. If any purchasing support staff members hold at least a four-year college degree, the entity will receive 5 points.

Provide evidence of degree status.

b. In-Service Training of Non-Purchasing Staff — Provide documentation of regular in-service training for non-purchasing staff members involved in the creation of requisitions, receiving of merchandise and evaluation of vendor performance.

Examples of evidence meeting this criterion include but are not limited to:

- Sign-in sheets for in-service meetings
- Agenda topics
- Presentation slides

c. Longevity Status

- i. Indicate if the chief purchasing officer has been working in purchasing operations for 10 years or more. Provide evidence of work history.

- ii. Indicate if one or more purchasing support staff members have worked 10 or more years in purchasing operations.

For item 7c, examples of evidence meeting this criterion include but are not limited to:

- Service records clearly stating purchasing work history
- Letter from the human resources department, on letterhead, clearly stating purchasing work history
- Letter for current or former supervisor, on letterhead, clearly stating purchasing work history

8. TECHNOLOGY

The entity will provide evidence of an automated purchase order system, including remote entry of requisitions and centralized processing of purchase orders. Documentation provided as part of the purchasing manual requirement (See Section 1d) may be used to satisfy this requirement. The entity is to provide the following:

- a. PO System Description — A description of the automated purchase order system and how it works
- b. Links — A link to purchasing website home page providing information to both vendors and staff members
- c. Links — A link to online vendor registration system
- d. Links — A link to website/webpage where online bids and requests for proposals are maintained
- e. Links — A link to website/evidence of the system used to contact vendors regarding available requests for goods and services
- f. Links — A link to the posting of purchasing awards
- g. E-commerce — Evidence of e-commerce system, including “punch-out”

Examples of evidence meeting this criterion include but are not limited to:

- Screenshots of purchasing system showing punch-out
- Screenshots of vendor website dedicated to the entity

- h. Online Surplus Sales — Evidence of online surplus property disposal sales. This may include the vendor or software used a summary of the last 12 months of sales or list of items offered for bid.

9. COMMUNICATION TOOLS

- a. Active TASBO Members — Attach a list of activities each staff member (as shown on the organizational chart) participated in during the school year that ended immediately preceding the application deadline (activities and staff can be grouped when multiple staff attended training). Please include training from non-TASBO activities with a notation of the source of the training.

Examples of evidence meeting this criterion include but are not limited to:

- Teaching classes, presenting webinars, teaching TASBO courses

- Writing content for TASBO courses
 - Serving as a board member/director in TASBO or TASBO affiliates
 - Publishing a purchasing-related article in TASBO publications
- b. Approved Vendor List — Provide documentation or a link to the list of approved vendors available for use by staff members. (This may be the list of awarded contracts and may contain vendors available to provide goods and services through cooperative arrangements.)
 - c. External Vendor Surveys — Provide documentation of the methods the purchasing department uses to obtain information on how the entity is meeting vendor needs. Also, provide a document showing what the department will do with the results of the survey.
 - d. Internal Customer Surveys — Provide documentation of the methods the purchasing department uses to obtain information on how the department is meeting internal customer needs. Also, provide a document showing what the department will do with the results of the survey.
 - e. Purchasing Department Meetings — Provide evidence of purchasing department staff meetings designed to ensure appropriate communication and handling of purchasing operations.

10. COOPERATIVE STRATEGY

The entity will provide evidence of a cooperative procurement strategy. A strategy will include continued analysis, review, and methodology used to determine a proper mix of cooperative purchases. Responses may include one or more of the following strategies:

- Attendance at training sessions or webinars related to cooperative procurement and the evolving trends and practices. Provide evidence of attendance. Training must have been completed after January 1, 2018.
- Formal checklist of questions that is used to evaluate the cooperative program and/or vendor
- Methodology or Key Performance Indicators showing decision-making process for determining whether to use a cooperative vendor or amount of spend with cooperative vendors.

AWARD OF MERIT EVALUATION PROCESS

AOM Management Process

1. The TASBO Purchasing Committee will identify candidates with a strong purchasing background to serve as the coordinator for the Award of Merit process.
2. The TASBO Board of Directors will choose the coordinator based on input from the Purchasing and Supply Management Research Committee.
3. The TASBO Executive Director will work with the AOM Coordinator and the Purchasing Committee to handle administration of the process, such as publicity, submissions, notices, etc.

AOM Evaluation Process

The TASBO Award of Merit for Purchasing Operations has several thresholds that must be met before an entity 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 LBB and requirements included in the purchasing section of the FASRG.
2. The letter of certification signed by the entity's superintendent or chief financial officer requires a responsible and truthful submission of documents.
3. AOM application evaluators will be approved by the officers of the TASBO Purchasing and Supply Management Research Committee based on experience. Individuals interested in being evaluators shall send an email to the AOM Coordinator no later than July 1 of the current calendar year. The AOM Coordinator may send emails to invite additional individuals to serve as evaluators, as needed. It is preferred that evaluators have worked within the purchasing organization of an entity that has been awarded the AOM.
4. Applications must be submitted to TASBO by August 31 of the current calendar year. Each application will be reviewed by two evaluators who have no previous work experience with the entity being evaluated. When possible, evaluators will review applications from different geographical regions. Evaluations will be completed within 90 days.
5. The recommendations of the evaluators will be submitted to the AOM Coordinator.
6. If both evaluators recommend that the Award of Merit be granted, the AOM Coordinator will forward a recommendation for approval to the TASBO Board of Directors. If both evaluators determine that the Award of Merit should not be given, the AOM Coordinator will determine which comments should be sent to the applicants to help them in improving operations and/or their application for future submissions. If the two evaluators do not agree, the AOM Coordinator will appoint a third evaluator to review the application. If the decision is to not accept an application for AOM, and the applicant believes the decision is in error, the decision may be appealed by the applicant to the TASBO Executive Director, who shall refer the matter to the TASBO Board of Directors if it cannot be resolved.
7. Entities 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, such as a missing signature, independent of the substantive evidence of merit described in the application.)
8. It is anticipated that all entities approved for the AOM will be announced at the next scheduled TASBO Annual Conference.