

CHAPTER 4 – WHERE TO BEGIN YOUR PROCUREMENT?

PSD encourages competition for all District acquisition, regardless of dollar value, to ensure the most competitive price.

A. PURCHASING SUPPLIES AT DISTRICT GENERAL STORES DISTRIBUTION

The General Stores Distribution Section stocks over 2,800 educational tools, office supplies, furniture, equipment, and specialty items that support a variety of instructional programs. In accordance with Memorandum MEM-6326.0, schools and offices are required to purchase items from the District's General Stores Distribution Center. The District's *Supplies and Equipment Catalog*, which is distributed to all schools and offices at the beginning of each school year, provides specifications and photos of all items stocked. A special section entitled *Top Selling 30 Categories* highlights the most frequently purchased items. The catalog may also be viewed online at <https://storescatalog.lausd.net>.

All products available through the General Stores Distribution Section carry a 100% satisfaction guarantee.

A.1. Ordering

Schools and offices may place orders for items from the General Stores Distribution Section by entering a Shopping Cart transaction in SAP.

Regular Delivery (3 to 4 business days)	Items may be ordered by entering a Shopping Cart (Delivery Priority 1 – Regular) transaction in SAP and scheduling for regular delivery to the school or office. Orders are delivered within four (4) business days after the order is accepted and approved in SAP. For instructions on entering a Shopping Cart transaction, refer to the Job Aid available at http://www.lausd.net/ol/basetraining/jobAids.html .
Same-Day Delivery	Items may be ordered by entering a Shopping Cart (Delivery Priority 4 – Same Day) transaction in SAP and accepting it before 9:00 a.m. If school/office does not have access to SAP, School/Office may fax or personally submit an approved requisition (signed by site administrator) to the Customer Service Unit before 9:00 a.m. and make a notation in the “Comments” section that order is a “same-day delivery.” Orders processed or received after 9:00 a.m. are not guaranteed to reach the ordering location on the same day. There is a \$13.00 charge for each order up to 80 pounds (the approximate weight of two (2) cartons of paper) and an additional \$13.00 for each 80 pounds thereafter.

	<p>For Same-Day Delivery transactions entered in SAP:</p> <ul style="list-style-type: none"> • Refer to the Create Shopping Cart STO Business Process Procedure available at http://www.lausd.net/ol/basetraining/shoppingCartBPP.html. • When faxing an approved requisition, <ul style="list-style-type: none"> a. include “Same-Day Delivery” in the “Comments” section, and the same-day delivery charge of \$13.00 for each 80 pounds using stock number 999-97-70000. • Fax the completed requisition, with approved signature, to the Customer Service Unit at (562) 654-9019.
Overnight Delivery	<p>Items may be ordered entering an Shopping Cart (Delivery Priority 3 – Overnight) transaction in SAP and in “Approved” status before 12:00 p.m.</p> <p>If school/office does not have access to SAP, School/Office may fax or personally submit an approved requisition (signed by site administrator) to the Customer Service Unit before 12:00 p.m. to ensure delivery by the next business day. School/Office must make a notation in the “Approval Note” field that order is an “overnight delivery.”</p> <p>Orders processed or received after 12:00 p.m. are not guaranteed to reach the school or office the next business day. There is a \$9.00 charge for each order up to 80 pounds (the approximate weight of two (2) cartons of paper) and an additional \$9.00 for each 80 pounds thereafter.</p>
	<p>For Shopping Cart (Delivery Priority 3 –Overnight) transactions entered in SAP</p> <ul style="list-style-type: none"> • Follow step 1, 2 and 3 above for Same-Day Delivery. • For 2.a. include on the requisition form “Overnight Delivery” in the “Approval Note” section, and the overnight delivery charge of \$9.00 for each 80 pounds using stock number 999-98-00000. • Fax must be sent before 12:00 p.m.
Walk Through (Will-Call)	<p>General Stores Distribution Will-Call Office 8525 Rex Road, Pico Rivera Telephone (562) 654-9005</p> <p>Hours 6:00 a.m. to 3:30 p.m.</p> <p>Schools and offices may walk-through (will-call) an order and pick up supplies from the Will-Call office of the General Stores Distribution by entering a Shopping Cart (Delivery Priority 2 – Will-Call) transaction into SAP. School/Office must make notation in “Notes and Attachments” field of the date and time of pick up. For example: “Pick-Up 08/12/08; ETA: 2:00 PM.” Call General Stores Distribution at (562) 654-9005 to verify the transaction was processed before coming to the Will-Call office to pick up items.</p>

If schools or offices do not have access to SAP, they may also fax or walk-through an approved requisition.

There is no fee for walk-through orders.

For Will-Call transactions entered in SAP:

- Refer to the Create Shopping Cart STO Business Process Procedure available at <http://www.lausd.net/ol/basetraining/shoppingCartBPP.html>.
- Call the Stores General Stores Distribution at (562) 654-9005 to verify the transaction was processed before coming to the Will-Call office to pick up items.
- When faxing a requisition:
 - Include on the requisition form the date and time of pick up in the “Comments” section.
 - Fax the completed requisition, with approved signature, to the Customer Service Unit at (562) 654-9019.
- When walking-through a requisition:
 - Hand-deliver the completed requisition form, with approved signature, to the General Stores Distribution Will-Call office between 6:00 a.m. and 3:30 p.m.

A.2. P-Card Purchases

General Stores Distribution no longer accepts P-Cards as a form of payment.

A.3. Student Body Purchases from District General Stores Distribution

Ordering Procedures

Schools should complete and submit a stock requisition form to the Materiel Management Branch, Customer Service Unit, 8525 Rex Road, Pico Rivera, CA. Orders can also be faxed to the Customer Service Unit at (562) 654-9019.

Include on the stock requisition the school's Student Body name (e.g., South Gate High Student Body), school location code, contact person and telephone number.

For Secondary Schools, the requisition only needs the name and signature of a school site administrator provided that the appropriate Student Body approvals are kept on file at the school.

For Elementary Schools, the requisition must show the name and signature of an administrator.

Materiel Management Branch inputs and processes requisitions into the SAP system as an Over-The-Counter (OC) document and indicates "STUDENT BODY ORDER" in the "Comments" field. The total cost for the supply order is faxed to the financial manager by the Customer Service Unit.

General Stores Distribution fills, checks, and packs the order for shipment to the Student Store or the Main Office. No backorders will be permitted. All boxes are marked "STUDENT BODY ORDER."

Truck Operations Section (562) 654-9001) delivers the order to the requesting Student Body Store or the Main Office. The truck driver presents a copy of the General Stores Distribution invoice to the Financial Manager (High/Middle Schools) or the School Administrative Assistant (Elementary Schools) and picks up a check to pay for delivered supplies. (All checks shall be made payable to the District).

For recordkeeping purposes, the pink copy of the General Stores Distribution invoice, with the total of the purchases, will be retained by the requesting Student Body Organization. The invoice number will also be noted on the check.

Upon receipt of the Student Body check, the Customer Service Unit will attach a memo with relevant information and forward to the Cash Receipts Unit, Business Accounting Branch.

A.4. Emergency Walk-Through Procedures

In case of an emergency, authorized Student Body staff may follow the walk-through procedure for ordering stock items, see Section A.1 in this chapter. However, before starting the procedure, schools should fax the requisition to the Customer Service Unit, at (562) 654-9019 to determine availability of the items and the exact amount of the order. Upon notification of the availability and amount, school staff can take a check to the Stores General Stores Distribution and pick up the order. General Stores Distribution will forward the check to the Customer Service Unit who will then forward to the Cash Receipts Unit in Business Accounting Branch.

A.5. Independent Charter School Purchases from District General Stores Distribution

Ordering Procedures

Independent Charter Schools should call a Fiscal Services Manager from the Charter School Services office at (213) 241-0399 to request a funding line (this step is required one time per funding line).

Inform the Fiscal Services Manager that the school would like to purchase supplies from General Stores Distribution.

Once the funding line has been set up, schools should complete and fax a stock requisition form to the Materiel Management Branch, Customer Service Unit, (562) 654-9019. Indicate the school is a charter on the requisition (e.g., in the school name), and include the location code, contact person name, contact telephone, and administrator's signature.

Customer Service will input the order and it will be delivered to the school within 5 days of when the order was processed and accepted.

A.6. Damaged Goods or Shortages from General Stores Distribution

To report damaged goods, shortages, or delivery/order errors for General Stores Distribution orders, complete and fax an *Order Adjustment Form* within 10 days after receipt of the merchandise. Fax the form and a copy of the General Stores pink invoice (Pick & Issue document) to the Claims Clerk at (562) 654-9015. *Order Adjustment Forms* are located in the back of the *Supplies and Equipment Catalog* or may be downloaded from <https://storescatalog.lausd.net>.

B. BENCH CONTRACTS

A "Bench" of firms is a group of pre-qualified contractors who have been issued Master contracts/agreements ("Bench Contracts") for various kinds of professional services of Indefinite Delivery and Indefinite Quantity (IDIQ). An often-employed feature of Bench Contracts is that each contract may be of no dollar value. Instead, Task Orders are issued to a Bench firm for services based on the Bench Contract pricing schedule, as the result of a mini-solicitation among similar Bench firms. Schools/Office requiring services covered by Bench Contracts must use the Bench Contracts. For more information, please refer to the Policy and Procedures for Master Agreement Bench Contracts Task/Work Orders on the website at http://psd.lausd.net/msa_achieve.asp.

C. MASTER CONTRACT/AGREEMENTS

Master contract/agreements are one of the District's main procurement vehicles for leveraging its buying power. Master contract/agreements can be utilized for a single school, office, or ESC, multiple Schools/Offices, consortium of Schools/Offices, or District-wide that have been competed through an open competitive process. Normally, they do not have dollar limits or limitations except as otherwise noted in the agreement or contract. Moreover, master contract/agreements have completed the competitive process so that each School/Office does not need to repeat the process, time and again, for the same products or services. Schools/Offices requiring products or services covered by master contracts/agreements must use the master contracts/agreements.

For a list of master service agreements approved by the District, please refer to the website at http://psd.lausd.net/msa_achieve.asp.

C.1. Ordering Services Using Online Shopping Carts

You may not utilize your P-Card or auto-generate a low dollar value Purchase Order under a Master Contract/Agreement.

You may utilize the Shopping Cart without a Vendor Number to order under a Master Contract/Agreement. Some Master Agreements also require that a fully executed Task/Work Order/Authorization document be submitted to Procurement with the Shopping Cart.

In addition, please observe the following special instructions:

When entering the Shopping Cart, the Supplier Number must be left blank. Procurement will enter the correct Supplier Number when it creates the Purchase Order.

An Order Form (task order) must accompany the Shopping Cart and have two signatures (authorizer and vendor) for Professional Services Master Agreements.

The vendor is obligated to render services only in accordance with the terms of the Purchase Order which PSD will distribute to the school/office and to the vendor.

C.2. Master Contract/Agreement for Computer Software/ Hardware Systems

It is required that all computer software and hardware (i.e., Desktops and mobile devices) be purchased from available master contracts. Information Technology Division (ITD) sets the requirements for computer specifications for the District. This ensures that computer software and hardware are compatible with the District's systems and that adequate support can be provided. Reference Guide REF-6277.1 provides computer software and hardware ordering procedures.

C.2.a. Internet Access

To allow schools and offices the flexibility to gather information on their own, each contracted vendor has established a dedicated page on their web site to allow access by District users. The web site will provide product line information and availability, contract pricing, Purchase Order tracking, warranty status, message center, inventory tracking, etc.

C.2.b. Warranty/Service

All computer products purchased under the District's master contract(s) are provided with an extended warranty. Extended warranties provided are: three (3) years on-site for notebook computer systems, and five years on-site for desktop and server computer systems. The warranty period starts the date of receipt of the equipment by the District. All computer systems purchased under District contracts automatically include the extended warranty service.

Extended warranty services include on-site repair or replacement within 24 hours or next business day from the time of a service call.

Please connect to <http://techsupport.lausd.net> if service or repair is needed.

C.2.c. Integration Services

The integration services are included with the delivery of each computer system, and are included in the District's contracted price with the approved vendor in the master computer contracts/agreements:

- Delivery, unpacking, removal of packing materials, set-up equipment on desktop or other suitable area, connect system cables, boot up, configure system, software conflict resolution, load software as

required, test system, apply District inventory tag, obtain sign off from user, and other tasks as may be required for a complete and efficient system install.

- Asset management of installed computers consisting of an electronic and hard copy of the information necessary for inventory purposes at the installation site will be provided by the equipment installer/integrator. Minimum information to be provided shall consist of the computer and monitor serial numbers, model numbers, location (room or office number) installed, name of location, District location code, and installed software on the computer. This information should be kept and used for insurance and inventory management purposes.

C.2.d. Recommended Expenditure

Schools and Offices should plan to replace computers that are between five and seven years old. New computers purchased through the District's master computer contracts include integration services and five year onsite repair/replace warranty (as specified above). Schools and Offices should budget between \$1,200 and \$2,000 per computer to replace outdated systems.

C.2.e. Administrative Password

Computers purchased under LAUSD contracts are configured with administrative passwords that must be entered to change the configuration of the computer or to load software. Administrative passwords are issued to the administrator signing off for delivery/installation of the computer. Password distribution is at the discretion of the site administrator.

C.2.f. Data Security

Data stored on hard drives should be considered volatile and it is strongly recommended users back up data in case of failure. Because all computers purchased under District contracts carry 24-hour repair or replace warranties, no requests for return of the same repaired computer (in the event of a replace) will be honored. In the event of a loss or theft, LAUSD school police must be contacted immediately and a report filed. In addition, ITD Customer Support Services Center (Helpdesk) at (213) 241-5200 must be called and the loss or theft reported to begin the tracking and recovery procedures.

C.3. Toshiba Unified Print Program

The Toshiba Unified Print Program is a District-wide Imaging Program designed to provide the District with the most efficient and cost effective imaging services available. Schools and Offices are provided networkable, multifunctional copiers and printers tailored to meet the specific needs of each location.

Imaging services are provided to schools and offices on a cost per image model.

Locations pay for imaging services by the amount of copies they make.

Black and white copies cost less than a penny per copy (\$0.0098)

Color copies cost less than four cents per copy (\$0.0395)

Duplo copies (existing machines) cost less than a penny per copy (\$0.0085)

Duplo copies (new machines) are billed at the same rate as the black and white copies (\$0.0098)

This pricing is considered to be the best in the industry and is based on a total cost of ownership excluding paper.

Schools and offices do not purchase equipment, pay lease/rental payments, pay for toner/supplies, or pay for maintenance service contracts. Network data drops and electrical connections for copier and print devices are provided at no charge. There are no excess copy charges. For more information about the Toshiba Unified Print Program, please log into the District's Toshiba Unified Print website at <http://achieve.lausd.net/Page/3839>.

For assistance or maintenance for Toshiba devices at your location contact Toshiba Customer Service at 1-800-260-6320.

The District no longer contracts to purchase copiers and Duplo machines; enter into maintenance agreements; offers copier supplies in the Warehouse catalog; or enter into new long or short term leases. Schools and Offices with leases which have not yet expired are responsible for all costs related to such leases. Upon lease expiration, schools and offices will be enrolled in the Unified Print Program.

Exceptions to enrollment in the program will be on a case by case basis and will be limited to schools and offices who can demonstrate superior savings to the Unified Print Program.

Invoices and Payment of Copy Charges

The Toshiba Ghost Credit Card is designated as the method of payment for invoices resulting from per copy charges incurred under the Toshiba Unified Print Program. The Toshiba Ghost Credit Card is not a physical card but is an account similar to a P-Card account. Schools and offices under the Program will no longer issue low value Purchase Orders. All per copy click charges will be paid using the Ghost Credit Card. Please log into the District's Toshiba Unified Print website at <http://achieve.lausd.net/Page/3839> to obtain Ghost Credit Card application forms, Frequently Asked Questions, other related forms and information related to the Toshiba Unified Print Program. The P-Card Unit manages the Toshiba Ghost Accounts. For new accounts or changes to existing Ghost Accounts contact your designated representative at the P-Card Unit.

C.4. Master Contract/Agreement for Ordering Diplomas

Diploma orders will be scheduled for production and delivery on the basis of date received. Please visit PSD website at http://psd.lausd.net/msa_achieve.asp for information regarding the Master Contract/Agreement for diplomas.

C.4.a. Diploma Unit Prices

Diplomas may be charged to the school's Instructional Materiel Account unless they are backdated diplomas paid for by the requester. Imprest Funds or P-Card should be used when ordering less than \$1,500 worth of diplomas.

C.4.b. Special Education

Schools may order a Certificate of Completion for students with disabilities who meet the any of the following criteria but have not satisfied the requirements for a diploma:

- Satisfactory completion of 230 credits of a prescribed alternative course of study as identified on the students IEP; or
- Satisfactory achievement of the student's IEP goals and objectives during high school as determined by the IEP team; or
- Satisfactory high school attendance, participation in the instruction prescribed in the student's IEP, and achievement of the objectives of the statement of transition services.

For additional information, please refer to the Special Education Policy and Procedures Manual or contact Special Education.

C.4.c. Backdated Diplomas

For payment for backdated diplomas, the school should issue either an Imprest Check or use their P-Card (if under \$1,500/\$3,000) when the school is to pay. A Student Body Purchase Order should be used if the requestor (student/parent) is to pay for the backdated diploma. A fee will be charged for backdated diplomas.

C.4.d. Ordering

The secure website for ordering is <https://diplomaorder.herffjones.com>.

List students' names on the name lists alphabetically by surname, exactly as they are to be printed on the diplomas, i.e., first name, middle initial or name, and surname (John A. Brown or John Allen Brown). The school is responsible for the correct spelling of students' names.

Computerized name lists may be used for submitting names. For more information regarding this option, contact School Information Branch/Secondary SIS at (213) 241-4850. Log in using the user name and password provided by the contractor. Lost login information can be obtained by contacting the vendor.

The use of a P-Card or a Purchase Order number is required to finalize the order. A confirmation e-mail will be sent once the order is finalized and submitted for production. An Imprest Check is required if the order is less than \$1,500/\$3,000. If the order is \$1,500/\$3,000 or more, a non-stock Shopping Cart can be processed in the SAP. PSD shall issue an "Open Purchase Order" to the contractor for the entire fiscal year's diploma requirements.

The contractor will not accept telephone orders or process any requests without receiving a Purchase Order, an Imprest Check or P-Card Number.

C.4.e. Facsimile Signature

If you changed school principals since the last diploma order, please use the facsimile signature information form to request a change in the principal's signature. If the principal is the same as last year, the signature is on file with the vendor.

C.4.f. Adjustments

Upon receipt of the diplomas, the school must verify the student's name, date and principal's signature. If there is an error with the student's name, return the incorrect diploma (This may be done when you place your next order). Vendor's errors will be corrected at no charge.

Problems regarding service, quality of work, etc., should be referred immediately to the vendor.

C.4.g. Diploma Accessories

Other Diploma related items are available from the Distribution Center, such as diploma covers. These items should be ordered from the District's Distribution Center, listing the quantity, commodity code, and description. These stock items may be charged to the school's Instructional Materiel Account. The catalog unit prices are fixed and include sales tax and delivery. See the Distribution Center Supplies and Equipment Catalog or contact the District's Distribution Center for any restrictions when ordering diploma accessories.

D. LOW-DOLLAR PURCHASES (\$1 up to \$25,000)

If you are unable to meet your needs through the Distribution Center, Master Contracts, or Bench Contracts, you may proceed to meet your need through the low dollar purchases if the good, commodity, general services or professional services purchase does not exceed \$25,000.

Low dollar value purchases are procurements within the range of \$1 up to \$25,000. These procurements typically are not subject to competition; however you should compete at all dollar thresholds to ensure that you obtain the best price. Also, keep in mind that conflicts of interests are to be avoided regardless of the purchase cost.

Due to the decentralization of purchases for \$1 up to \$25,000, schools and offices shall review Chapter 2, Getting Started (page 4) for your responsibilities regarding these transactions.

P-Card for Purchases from \$1 to \$1,500/\$3,000

For low dollar value transactions between \$1 to \$1,500/\$3,000, you may utilize your location's P-Card for goods, commodities, general services and professional services. If the vendor does not accept P-Card as a form of payment, you may utilize the Shopping Cart to select the vendor through SAP for the supplies, equipment and general services as indicated below in E.1. Supplies, Equipment and General Services. If the services are for professional services, you will need to create a Shopping Cart and follow the procedures described in E.2. Professional Service Contract.

D.1. Supplies, Equipment & General Services

You will have the ability to select the vendor and utilize a Shopping Cart transaction in SAP to generate a Purchase Order. You should select the vendor that offers the most competitive price. The vendor may commence delivery of supplies, equipment and/or general services only after receipt of Purchase Order.

D.1.a. Authorized Uses

An auto-generated low-dollar Purchase Order may be used to procure various supplies, equipment and general services not available from the Distribution Center or current Master Contracts/Agreements.

D.1.b. Unauthorized Uses (DD-1)

An auto-generated low-dollar Purchase Order may not be used to order/pay for:

- Items that are currently on a Master Contract, follow Chapter 4, C. Master Contract/Agreements
- State or District adopted textbooks and prepared Instructional Materials, including non-instructional textbooks;
- Items required to be purchased from the Distribution Center, follow Chapter 4, A. Purchasing Supplies At Distribution Center
- Items that have been received without a duly authorized Purchase Order or contract (After the Fact)

DD-1 After the Fact Contracts

DO submit your contract request in sufficient time to allow processing of your request and development of the competitive solicitation and contract, or justification of single source and contract. A minimum of 15 business days is recommended for Single Source procurements. If prior approval by the Board of Education is required for a Single Source contract, a minimum of 40 business days is recommended. Call Procurement for time estimates where the process will be competitive.

DON'T create an "After the Fact" contract. Don't authorize a contractor to commence services or ship products unless a valid, fully executed contract or Purchase Order has already been established by Procurement.

Contractors who provide services or goods without a fully executed contract or Purchase Order will not be paid.

D.1.c. SAP Online Procedures for Schools and Offices

Create Purchase Order by following instructions for entering a Shopping Cart. Refer to the Create Shopping Cart – Free Text with Vendor Business Process Procedure available at <http://www.lausd.net/ol/basetraining/shoppingCartBPP.html>.

Enter the appropriate funding line, amount of the products and/or general services including the appropriate sales tax and freight charges and Product Category Code. Use appropriate Product Category Codes for each line item. A list of Product Category Codes is available at <http://www.lausd.net/ol/basetraining/shoppingCartDocs/JobAidProductCategoryCodesAssets.pdf>.

D.1.d. Printing and Distributing Purchase Orders

You may print an unofficial 1 copy Purchase Order after it has been approved in SAP or save an electronic copy to your computer. The Purchase Order is electronically emailed to the vendor. The vendor may commence performance after receipt of Purchase Order. **Retain a copy of the Purchase Order for your records because they are subject to auditing and internal control verification.**

D.1.e. Acceptance of Products/Services

Since a Purchase Order represents an agreement between you and a specific vendor, you are responsible for all arrangements for the vendor's performance.

The vendor is obligated to deliver products or perform the services according to the terms specified on the quotation. Therefore, it is important to ensure the quotation includes any specific arrangements including shipping and handling to which the vendor has agreed. After the vendor performs to your satisfaction, the responsible administrator acknowledges receipt of the services and completes the online Goods Receipt via the SAP system. After completion of the receiver process, the Accounts Payable Branch matches the Goods Receipt to vendor invoices. Also keep in mind that if you do not complete the Goods Receipt, Accounts Payable Branch cannot process payment for the vendor. The vendor will not be paid until Accounts Payable can do the three way match with the Purchase Order, invoice and Goods Receipt. Therefore it is up to you to ensure prompt payment to the vendor.

NOTE: The SAP system will send a notification when the invoice is entered and the Goods Receipt is missing or it is not sufficient to cover the vendor's invoice.

D.1.f. Purchase Order Modification And Cancellation (DD-10)

Modification of a Purchase Order

Purchase Orders can be modified any time prior to acceptance of the services. Purchase Orders MAY NOT be modified to amounts greater than a total aggregate amount of \$25,000. **NOTE: Splitting contracts to avoid exceeding \$25,000 is strictly prohibited. Purchase Order modifications will be routed through workflow to the Head of the Organization for approval.**

DD-10 Bid Splitting

DO recognize that according to the California Public Contract Code, “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.”

DON'T issue multiple contract requests (or low-dollar Purchase Orders) for smaller sections of your total requirement to avoid going thru the competitive process, or to avoid obtaining the required District or Board approvals.

When Services May Be Cancelled

Orders placed with a vendor may be cancelled at any time prior to delivery of products or performance of services by mutual agreement between you and the vendor. Please note that canceling an order for convenience (no cause) may result in restocking charges being assessed by the vendor.

Orders for products/services not provided by the promised date(s) may be unilaterally cancelled by you on grounds that terms of the contract have not been met.

Procedure for Canceling Purchase Orders

Notice of cancellation should be given orally to the vendor and confirmed in writing to the vendor.

You are responsible for canceling your Purchase Order transactions in the SAP system. Enter notes on the Supplier Text to inform the vendor of the cancellation and attached any necessary documents to the purchase order in the SAP system.

D.2. Professional Service Contracts

A low-dollar Shopping Cart transaction to auto-generate a Purchase Order may be used to acquire professional services valued at \$25,000 or less and not available on Master Contracts/Agreements.

D.2.a. Unauthorized Uses (DD-10)

A low-dollar Shopping Cart transaction to auto-generate a Purchase Order MAY NOT be used to order/pay for:

- Services under a Master Services Contracts/Agreement. Instead, create a Shopping Cart without a selected vendor for processing by Procurement.
- Services related to an existing contract. (Amend existing contract.)
- Maintenance or repair of Equipment (Short-term or one-time Agreements for Audio, Video, Copiers and Printers.)

- Alterations and Improvements (A&I) projects. (Contact your Facilities Complex Project Manager.)
- Tuition Reimbursement. (Contact the Personnel Commission.)
- Two or more Purchase Orders transactions issued to the same contractor for services with a combined total exceeding \$25,000.
- Any order that does not fit into the categories above (e.g., no-cost agreements, memoranda of understanding, reimbursement agreements, etc.). Such orders must be processed by completing a Request for Procurement Action.

DD-10 Bid Splitting

DO recognize that according to the California Public Contract Code, “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.”

DON’T issue multiple contract requests (or low-value Purchase Orders) for smaller sections of your total requirement to avoid going thru the competitive process, or to avoid obtaining the required District or Board approvals.

D.2.b. Ordering Services Using the Low-Dollar Purchase Order

Selecting a Vendor

It is recommended that at least three (3) vendors are contacted to provide a written proposal for the desired professional services. Document the proposals obtained using the Internal Notes feature of the Shopping Cart. Proposal documentation should include the following: vendor name, contact person, phone number, description of services and total dollar value. Notify out of state vendors that they are subject to a 7% withholding unless the vendor is exempt. For further information, please visit the Accounts Payable website.

Request the date(s), time and location where services are to be performed.

Notify vendor that payments will be processed within 45 days from approval of invoice.

Ensure selected vendor has a District vendor Identification Number. To obtain a vendor identification number, go to <http://achieve.lausd.net/Page/3904>.

SAP Online Procedures for Schools and Offices

Create Purchase Order by following instructions for entering a Shopping Cart. Refer to the Create Shopping Cart – Free Text with Vendor Business Process Procedure available at <http://www.lausd.net/ol/basetraining/shoppingCartBPP.html>.

Enter the appropriate funding line, amount of the products and/or general services including the appropriate sales tax and freight charges and Product Category Code. Use appropriate Product Category Codes for each line item. A list of Product Category Codes is available at <http://www.lausd.net/ol/basetraining/shoppingCartDocs/JobAidProductCategoryCodesAssets.pdf>.

D.2.c. Printing and Distributing the Purchase Order

You may print an unofficial hard copy of Purchase Order after it has been approved in SAP or an official copy if you have selected the Purchase Order out to email to your email account. If you have emailed the Purchase Order to yourself, email a copy the vendor. The vendor may commence performance after receipt of Purchase Order. **Retain a copy of the signed Purchase Order for your records because they are subject to auditing and internal control verification.**

D.2.d. Acceptance of Services

Since a Purchase Order represents an agreement between you and a specific vendor, you are responsible for all arrangements for the vendor's performance.

The vendor is obligated to deliver products or perform the services according to the terms specified on the quotation. Therefore, it is important to ensure the quotation includes any specific arrangements including shipping and handling to which the vendor has agreed. After the vendor performs to your satisfaction, the responsible administrator acknowledges receipt of the services and completes the online Goods Receipt via the SAP system. After completion of the receiver process, the Accounts Payable Branch matches the Goods Receipt to vendor invoices. You should keep a copy of the Purchase Order and a copy of the vendor's invoice. Also keep in mind that if you do not complete the Goods Receipt, Accounts Payable Branch cannot process payment for the vendor. The vendor will not be paid until Accounts Payable can do the three way match with the Purchase Order, invoice and Goods Receipt. Therefore it is up to you to ensure prompt payment to the vendor.

D.2.e. Purchase Order Modification and Cancellation

Modification of a Purchase Order (DD-10)

Purchase Orders can be modified any time prior to acceptance of the services. Purchase Orders MAY NOT be modified to amounts greater than a total aggregate amount of \$25,000. **NOTE: Splitting contracts to avoid exceeding \$25,000 is strictly prohibited.**

DD-10 Bid Splitting

DO recognize that according to the California Public Contract Code, “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.”

DON’T issue multiple contract requests (or low-value Purchase Orders) for smaller sections of your total requirement to avoid going thru the competitive process, or to avoid obtaining the required District or Board approvals.

When Services May Be Cancelled

Orders placed with a vendor may be cancelled at any time prior to performance of services by mutual agreement between you and the vendor.

Orders for services not provided by the promised date(s) may be unilaterally cancelled by you on grounds that terms of the contract have not been met.

Procedure for Canceling Purchase Orders

Notice of cancellation should be given orally to the vendor and confirmed in writing to the vendor.

You are responsible for canceling your Purchase Order transactions in the SAP system.

E. PROCUREMENT FOR OVER \$25,000 TO BELOW STATE COMPETITIVE BID LIMIT

PSD recommends competition regardless of the dollar threshold. Please visit the PSD website at <http://achieve.lausd.net/Page/5326> for the current State Competitive Bid Limit.

E.1. Supplies, Equipment & General Services

You must enter a Shopping Cart in SAP and validate it is in “Approved” status. In addition, PSD always encourages competition and therefore it is recommended that you obtain price comparison/quotes to obtain the best price. This documentation should be submitted to PSD upon request.

You are not authorized to enter into contracts or issue an order over \$25,000. In addition a vendor cannot commence delivery of supplies, equipment and/or general services until they receive a valid Purchase Order.

Shopping Carts with a dollar threshold at or above State Competitive Bid Limit require formal competition conducted as a formal Invitation for Bid. These are handled exclusively by PSD.

E.2. Professional Services at \$25000 to the State Competitive Bid Limit (Informal RFP Process)

PSD requires three proposals in writing, with selection rationale explained, along with the RFP package, for contracts between \$25,000 and the State Competitive Bid Limit.

PSD requires competition even when the value of the contract is below the State Competitive Bid Limit. You are required to obtain three price comparisons/proposals to obtain the best price. If you are unable to obtain price comparisons/proposals, you must document your efforts by indicating the vendor contacted, proposal(s) received, name and phone number of individual price proposals, time contacted vendor, and additional comments. You may be required to obtain the Education Service Center office's participation in selecting the vendor. You must document the criteria you utilized in evaluating and selecting the vendor. Once you make your selection, you must complete a RFP, attach the supporting documentation and submit to PSD (Procurement and Contract Administration Branch). The vendor may commence services once PSD has prepared and fully executed a contract.

Instructions for the Informal RFP (IRFP) process are found on the PSD website at <https://psd.lausd.net/pca/userlogin.asp?goto=informalrfp>.

F. PROCUREMENTS AT OR ABOVE THE STATE COMPETITIVE BID LIMIT

F.1. Supplies, Equipment & General Services Only (at or above State Competitive Bid Limit)

Dollar thresholds at or above State Competitive Bid Limit require formal competition conducted as a formal Invitation for Bid. These are handled exclusively by PSD (Procurement and Contract Administration Branch).

F.2. Professional Services at State Competitive Bid Limit to \$150,000 ONLY (Informal RFP Process)

PSD requires written informal competition for professional services at or above the State Competitive Bid Limit up to \$150,000. You are required to conduct an informal request for proposal and must develop a scope of work, plan for payment, selection criteria and whatever information, if any, in addition to proposed price that you will want prospective vendors to submit. You may be required to obtain Education Service Center office's participation in selection of the vendor.

In addition to satisfying the selection criteria, the vendor chosen must be sufficiently "responsible" to do business with the District and must have been sufficiently "responsive" to the requirements of your solicitation document. Once you make the selection, you must complete a RFP and submit a complete Procurement package to PSD. Accompanying the RFP package shall be copies of the solicitation, proposals received, and a written checklist supporting the rationale for contractor selection. The vendor may commence services once PSD has prepared and fully executed a contract.

F.3. Professional Services \$150,000 up to \$250,000 ONLY (Informal RFP Process)

PSD also requires streamlined competition for dollar threshold over \$150,000 up to \$250,000 which is conducted by the school or office, using an informal source selection team to make the selection according to the criteria given in the solicitation.

You are required to complete a RFPA, attach Scope of Work, proposals/pricing received and selection criteria with minimum requirements. You must complete a RFPA as a complete procurement package and submit to PSD. Accompanying the RFPA package shall be copies of the solicitation, proposals received, and a written checklist listing the source selection team members, and supporting the rationale for contractor selection. The vendor may commence services once PSD has prepared and fully executed a contract.

Dollar thresholds above \$250,000 require competition conducted as a formal Request for Proposal. These are handled exclusively by PSD (Contract Administration Branch).

G. COMMODITY CODES

Due to Board approved recommendations to facilitate compliance with competitive bidding requirements and to improve the vendor payment process, all schools and offices are required to use specific commodity codes.

When ordering from the District's Distribution Center, schools and offices shall continue to use the detailed commodity codes as contained in the "Supplies and Equipment Catalog."

Please visit PSD website at <http://achieve.lausd.net/Page/3257> for a list of the commodity code to use for procurements.