

**ALBUQUERQUE PUBLIC SCHOOLS**  
**PROCUREMENT DEPARTMENT**  
**Purchasing User Guide**

**MISSION STATEMENT**

**Our mission is to provide for the fair and equal treatment of all persons involved in public procurement, to maximize the purchasing value of public funds, and to provide safeguards for maintaining a system of quality and integrity.**

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## PURCHASING STATEMENT

Albuquerque Public Schools requires that staff who plan for or purchase products, equipment, supplies, and services with District funds and Federal Funds, base purchases on sound business practice, best value, accountability, and compliance with statutory and regulatory requirements.

APS staff planning for or making purchases must follow this procurement user manual and other established District Board directives, policies and procedures. APS personnel must purchase goods and services using practices that are compliant with applicable laws, regulations and obligations and that are aligned with Districts' policies and objectives.

The Albuquerque Public Schools Board Directive regarding purchasing should be reviewed and is available at <https://www.aps.edu/about-us/policies-and-procedural-directives>.

The State of New Mexico mandates that purchases made with state appropriated funds follow the State of New Mexico Procurement Code (Chapter 13 Public Purchases and Property NMSA 1978). The District strictly follows the Procurement Code for purchases made with state appropriated funds, capital funds and other non-federal funds.

Purchases made with federal funds must follow The Federal Uniform Guidance (CFar 200). In addition, all federal purchases must comply with all terms and conditions of the funding source (Grant).

If direction differs between this manual and external laws, federal regulations, grant terms, or other internal policy or procedures, the more restrictive instruction will apply.

Whenever possible, all individuals purchasing on behalf of APS should purchase goods and services from APS Materials Warehouse and/ or APS Awarded contracted Vendors / Suppliers to reduce administrative burden and maximize the District's buying power.

## REASON FOR PURCHASING END USER GUIDE

This Purchasing End User Guide is intended to ensure that Albuquerque Public School resources are used properly in purchasing activities. Consistent adherence to policy and procedures provides the reliability and assurance that purchasing activities meet laws and regulatory requirements and sound business practice for acquisitions, contracts and third-party arrangements.

The District expects individuals to make sound and ethical purchasing and contracting decisions that will ensure the continued and efficient operation of the District.

By adhering to the manual, we ensure that supplies, equipment, general and professional services necessary for the operation of school sites and central operation are obtained at competitive prices in a manner that guarantees fairness in the selection of contractors and minimizes opportunities for fraud, waste and abuse.

## WHO MUST COMPLY

All Albuquerque Public Schools personnel at all schools, District offices, Affiliate schools, and District-wide initiatives must comply with this policy, as well as any non-employees making purchases on behalf of the District.

This includes purchases made with a Purchasing Card (PCard), check requests, electronic commerce, as well as legitimate purchases of goods and services purchased with personal funds and later reimbursed.

## RESPONSIBILITIES

Superintendent, Deputies, Associate Superintendents, Chief level staff, School Principals and Department Directors are responsible for ensuring that Schools and Departments abide by this guidance and the accompanying procedures.

APS Procurement, is responsible for advising Schools and Departments on questions about this policy.

APS Grant and Capital Department is responsible for advising schools and Departments on rules and requirements on federal and capital awards.

Requestors (may also be called Purchasers) are individuals incurring expenditures on behalf of APS are responsible for ensuring that policy and procedures are followed and must follow the responsibilities of "Following their Purchase" (Appendix A).

Approvers are responsible for ensuring that purchases they approve are compliant with this user manual, any related policies, and grant terms and conditions (if applicable). Approvers must follow the Responsibilities of Approvers. (Appendix B)

## APPLICABILITY

The Procurement Policies and Procedures ensure the prudent, economical use of public money and apply to all APS personnel and vendors who do business with APS. All personnel who make purchases, including personnel who submit purchase orders or request to register vendors, are subject to these directives and the statutory penalties that enforce them.

## REPORTING

All APS employees are responsible for the expenditure of taxpayer money and have a duty to ensure that their conduct does not raise suspicion or give the impression they are in violation of the public trust. All APS employees, including but not limited to the Procurement Department, shall report corruption and unethical practices in purchasing, wherever and whenever discovered, to the chief financial officer, and take any other preventative action as warranted by the circumstances, including filing a report with the New Mexico State Auditor's office.

## EMPLOYEE RESPONSIBILITY

### Conduct

You have a fiduciary responsibility to protect the interest of APS, to place APS' interest above your own, and most importantly, to safeguard APS' resources.

### Ethics

Ethics is an overarching theme for schools, offices, APS staff, vendors, and consultants from the time preceding the initiation of the procurement process through the fulfillment of a contract. Procurements utilizing APS funds are either direct or indirect spending of public funds and subject to public scrutiny. Therefore, before, during, and after the procurement process, we must all be responsible, honest, prudent, and avoid participating in any decision-making where there could be a conflict of interest or the appearance of a conflict.

### Conflict of interest

The District expects that all procurement is administered in accordance with its Code of Conduct and Conflict of Interest.

All staff conducting purchasing activities on behalf of the District must avoid conflicts of interest including but not limited to the following:

- Avoid the intent, appearance and conduct of unethical or compromising practice in relationships, actions and communications.
- Diligently following applicable laws, policies and procedures
- Avoid procuring goods or services from a vendor that participated in advising, developing or drafting scope of work and/or specifications for a formal procurement.
- District funds must not be used for personal expenses and purchases that are not made on behalf of the District or use by the District.

If an individual believes that they may have a conflict of interest, the individual must promptly and fully disclose the conflict to their supervisor and suspend participation on the purchase until conflict has been resolved. The Supervisor in conjunction with other relevant offices will assess the conflict and make a determination if the purchaser can resume participation or if a *management plan is needed*.

### Confidentiality

When discussions arise between vendors and the District, representatives of the District are to protect a vendor's confidentiality as well as the interests of the District by refraining from disclosing prices, terms, or conditions quoted by other vendors.

### Segregation of Duties

Departments involved in purchasing are to ensure that the responsibilities of purchasing are not performed by the same individual.

This includes safeguarding and not sharing access to any district accounts that have been authorized to you. Use of another individual's district authorized accounts, user-ids and/or passwords is strictly prohibited.

### Anti-Kickbacks

It is APS policy that all employees act with integrity and good judgment and recognize that accepting personal gifts from vendors may cause favoritism. No employee of the District shall solicit or accept any personal favor, gift, gratuity, or offer of entertainment directly or indirectly from a vendor who is doing or seeking to do business with APS.

### Rebates, Premiums, Incentives, and Kickbacks

APS employees must contact Procurement Department Director for advice if a vendor offers or suggests that the employee or the employee's school accept something of value that is not part of the official offer.

Do not accept any "kickbacks" from a vendor (personal favor, gift, gratuity or offer of entertainment). Do not accept premiums, rebates, or incentives for a school or office, unless they are clearly defined in the offer.

It is APS policy to not use incentives and rebates for personal benefit. In addition, it is APS policy to negotiate either quantity or trade discounts in lieu of accepting incentives or entering into rebate agreements with suppliers for all methods of purchase. APS employees are not to accept either incentives or offers for rebates from a supplier without the explicit advance approval of the Procurement Department. If a vendor proposes incentives or rebate agreements, refer the vendor to the Procurement Department Director who will review the conditions of the offer to determine if:

- it is reasonable;
- more favorable prices are available from other vendors; and
- either the rebate or incentive value can be applied toward the purchase price.

Rebates are offers from the supplier either to return part of the cost of the order to the purchaser or to provide additional consideration or compensation to encourage the purchase of goods and/or services. Examples are:

- cash or credit based on total purchases;
- value-added goods or services offered at a substantially reduced price; and
- checks to either the purchaser or APS.

If a manufacturer rebate is offered on a purchase you make, policy requires that the rebate check is made payable to Albuquerque Public Schools, and that the credit of the funds is returned to the same fund source as the expenditure. You must submit the rebate check to the

Accounting Department and indicate the funding line which the rebate is to be credited to. Failure to do so may result in investigation, criminal prosecution, and disciplinary action.

## UNAUTHORIZED PURCHASE (AFTER THE FACT PURCHASES)

Unauthorized purchases occur when vendors/contractors provide goods and/or services prior to the establishment and issuance of a valid approved purchase order. Under no circumstances should a vendor/contractor start or deliver goods/services prior to the issuance of a valid purchase order fully executed by APS Procurement. Unauthorized purchases expose the district to unnecessary liability when vendors/contractors begin to perform work on the district's behalf and many times on district premises without the authorization of a purchase order. There is liability because many legal requirements such as unavailability of funds, procurement statutes or regulations, insurance, fingerprinting, and scope of work was not detailed in an executed contract.

If such violation occurs, an Unauthorized Purchase Form must be completed and approved through the appropriate chief or associate superintendent. It shall state why the policy and procedure was not followed and what measures are being made not to repeat the violation. After-the-fact purchases are also violations of the Employee Code of Conduct and APS employees may receive disciplinary action and/or restricted procurement privileges, as a result of a fact-based determination. Vendors/contractors who violate this directive may be decertified as vendors.

## PLANNING A PROCUREMENT

Planning ahead is the most important step. The dollar threshold of the acquisition will determine whether the procurement will need to follow the competitive process. If the procurement must be competitive, you must plan ahead to ensure timeliness and efficiency. Urgency of a purchase because of lack of prior planning is not an acceptable reason to rush a purchase through. The competitive process can be lengthy depending on the complexity of the acquisition.

### Procurement Planning Elements

When planning the acquisition approach, first determine the following elements:

- the need you are trying to address;
- existing options for meeting your need(s) and the inherent trade-offs;
- funding and estimated dollar value;
- type of procurement (goods, commodity, professional service, information technology, etc.);
- review and approval process;
- impact of existing APS policies and procedures;
- ensure the purchase is not unnecessary or duplicative;
- method to acquiring goods, commodity and/or professional service;



- timeline; management and back-up plan
- scope of work & evaluation criteria and
- specifications and updates

The Federal Uniform Guidance requires Albuquerque Public School to consider ways to prevent the purchase of unnecessary or duplicate items. In addition, when possible, purchasers should compare the cost of leasing versus buying and assess the feasibility or consolidation, breaking out a purchase or sharing a product or service to reduce overall costs.

### Funding and Estimated Dollar Value

The first step is to identify the budget for the acquisition. Identifying cost accounts and budget will assist in determining the ability to acquire the supplies, equipment, general and professional service.

Ensure that contract funding is in place. Federal “Anti-Deficiency” law requires that contracting officers not enter into contracts unless they can be fully funded.

Do not submit procurement requests without having enough money to cover the complete payment obligations of the contract (or for at least the first year of contract performance, in the case of a multi-year contract request). Processing of your contract request will be delayed until the Procurement Department can confirm funding.

### Type of Purchase

Determining the type of purchase begins by identifying the major objective and/or purpose of the entire purchase. In doing so, ask yourself the following questions:

- What is the main purpose of the purchase?
- Is it available in APS’ Materials Warehouse?
- Is a Contract/Price Agreement available?
- Is it for supplies, equipment, general services, or professional services?

## BOARD OF EDUCATION APPROVAL

All district purchases and expenditures which **equal or exceed five hundred thousand dollars (\$500,000)**, or that are projected to equal or exceed two hundred fifty thousand dollars (\$500,000) by the end of their completion, shall be taken to the Board of Education by the appropriate Albuquerque Public Schools department for approval. Expenditures made in the cases of an emergency, as approved in writing by the superintendent, or his/her designee, in compliance with applicable federal and state statute and regulation, shall be exempt from prior Board of Education approval but shall be approved by the Board of Education at the next appropriate Board of Education meeting. Other purchases exempt from Board of Education approval may be defined through administrative procedural directive but that procedural directive shall be reviewed by the Board of Education before being implemented.

All proposed projects, for which district purchases and expenditures will equal or exceed five-hundred thousand dollars (\$500,000), implemented by Albuquerque Public Schools shall be reviewed and approved by the appropriate Board committee(s) and the Board of Education.

District purchases and expenditures included in a project approved by the Board of Education which equal or exceed five-hundred thousand dollars (\$500,000) shall not require separate and/or additional Board of Education approval other than the initial approval done at the time the entirety of the project was approved,

## DISTRICT PROCEDURES - PURCHASING GUIDELINES

### Procurement Thresholds

- Small purchases of **\$10,000 or less** must be requested on a Purchase Requisition based on the best obtainable price.
- Purchases of services, construction, and/or items of tangible personal property **exceeding \$10,000 but not greater than \$60,000** must be requested on a Purchase Requisition and school personnel shall attempt to obtain 3 written quotes which shall be recorded and placed with the purchase documents. In the event and when circumstances warrant, the requirement of three written quotes may be waived by the Executive Director or designee in part or in full provided a written documentation to this effect is included with the purchase documents.
- Purchases having a value of **\$60,000 or more** must be requested on a Purchase Request and include product or service information in such detail as to be used for obtaining formal bids or Request for Proposals.

## CUMULATIVE/AGGREGATE PURCHASES

APS Procurement monitors repetitive district-wide purchases of same/similar goods and/or services. If repetitive cumulative district wide purchases exceed established purchasing thresholds, the dollar threshold will be identified and the appropriate procurement method will be followed.

## APS MATERIALS WAREHOUSE

The APS Materials Warehouse offers lower prices by taking advantage of APS large purchasing volume. The APS Materials Warehouse price includes delivery. Schools and Departments shall purchase supplies and materials from the APS Materials Warehouse before ordering from an external vendor so school and department budgets can be better utilized for other resources.

## ALBUQUERQUE PUBLIC SCHOOL CONTRACTED VENDORS

APS contracted vendors have been selected through a formal procurement process resulting in a contract and/or pricing agreement with negotiated pricing, terms and conditions favorable to APS. A complete list of contracted vendors may be found on APS Procurement Website.

<https://www.aps.edu/procurement/price-agreements>

<https://www.aps.edu/procurement/purchasing-guides>

## COOPERATIVE PROCUREMENT AND PROCUREMENT UNDER EXISTING CONTRACTS

APS may access competitively bid contracts conducted by different purchasing groups or cooperative such as: Cooperative Education Services (CES), E& I Cooperatives, NASPO, etc. This is in compliance with 13-1-44 NMSA 1978 and 13-1-135 NMSA 1978

Additionally, APS may access competitively bid contracts conducted by other government agencies and/or local public bodies such as: State of New Mexico General Services Department, City of Albuquerque, Bernalillo County, etc. This is in compliance with 13-1-129 NMSA 1978.

## PROFESSIONAL SERVICES / PROFESSIONAL DEVELOPMENT

Professional services/development contracts will be processed under the following conditions:

Professional service/development contracts can be used to engage qualified individuals or firms to provide temporary special services in areas such as financial, economic, accounting, engineering, architect, technical, design-build, legal, or administrative matters.

Professional service/development contracts may not be used to hire persons who should be classified as employees rather than as contractors under federal and State guidelines, or to perform work that could be assigned to certificated, classified, or unclassified APS employees.

When procuring professional services/professional development, the purchases shall follow the processes outlined in the Procuring Professional Services guide.

If purchasing professional services/development utilizing non-federal funds, a small purchases in accordance with 13-1-125-B NMSA 1978 (\$60,000 or less) may be utilized by APS Procurement.

A guide for procuring professional service / professional development is found on the APS Procurement website. <https://www.aps.edu/procurement/procuring-professional-development>

## FORMAL COMPETITION

Formal competition is required by law for the procurement of supplies, equipment, and services. The intent of the law is to ensure a fair and open competitive process for bidders, so that governmental agencies get the best value for our dollars.

Therefore, it is APS policy to require formal competition for supplies, equipment, and services in amounts above the State-mandated thresholds. Competition is a method to promote fairness, obtain competitive prices, and minimize opportunities for fraud, deceit, and corruption.

The dollar thresholds previously discussed above indicate when competition is required. Formal competition is conducted by Procurement Department staff and cannot be conducted by staff at a school or department. Federally-funded projects are required to be procured by competitive selection (34 CFR 80.36). It is required that competitive solicitation be publicized and must identify all evaluation factors and their relative importance. Solicitation must also be from an adequate number of qualified sources and technical evaluations must be conducted.

## PURPOSE AND INTENT OF COMPETITIVE PROCESS

The purpose and intent of competition is to:

- Safeguard public funds;
- Create efficient and effective selection of commodities, goods and services;
- Assure the public that the procurement is ethical; and
- Ensure fair and open competition among contractors/vendors.

## CAUTION DURING PLANNING

All too often a vendor is influential in defining the “best” solution, or staff will come to view a single vendor as the preferred vendor. **Writing RFP specifications to match a specific vendor’s product or service is prohibited.** Vendors who write the Statement of Work or the RFP violate the Contractor Code of Conduct if they submit a bid. Preparing specifications or Statements of Work is the individual responsibility of APS employees because employees have the greatest understanding of the functional and performance requirements. Employees who submit a SOW or RFP specification written by a vendor, even if only partially written or drafted by a vendor, **violate the Employee Code of Conduct.** Vendors that participate in the writing of specifications may not submit a bid or offer to an Invitation to Bid or Request for Proposal issued by APS.

The Procurement Department will review a Statement of Work for exclusionary specifications. An SOW with an exclusionary specification will be rejected. The Procurement Department can help re-word the SOW so that the language is not exclusionary.

You and the leadership of your department or program need to clearly understand the Procurement Department’s role and partner with Procurement to accomplish several objectives:

- Obtain the best value for your school/office and APS which requires an evaluation of all the service quality, cost, schedule, and other objectives of APS’ operating functions;
- Compliance with federal, State, local, and APS procurement requirements;
- Ensure an understanding of your authority in dealing with vendors who, while partners in many respects, have interests that sharply conflict with your duties as a public employee;
- By establishing clear, professional boundaries, control or lessen the possibility of corruption or unethical practices; and
- Make vendors accountable for specific deliverables by defining them clearly.

## STATEMENT OF WORK

The elements of a Statement of Work (SOW) can vary with the objective, complexity, size, and nature of the work to be performed. A SOW should be drafted in clear, simple, and concise statements. There should never be a question as to what work is to be completed, or what the contractor is obligated to do—nothing should be implied. Requirements should be clearly stated to easily determine compliance to the contract. All requirements should be described in sufficient detail to assure clarity. **Every effort should be made to avoid being ambiguous.**

There are five basic parts that provide a basic template for drafting a SOW.

They are as follows:

<p><b>Scope</b></p>	<p>A broad, <b>non-technical</b> description of the nature of the work required. This part summarizes the actions to be performed by the contractor and the results expected by APS</p>
<p><b>References</b></p>	<p>All documents mentioned elsewhere in the SOW should be listed by document number and title. Pinpoint specific chapter sections, etc. applicable to the contract. Explain where the material may be obtained. The documents may include APS bulletins, laws, scholarly studies and technical publications, reports, standards, specifications, and other references needed to clarify or support the</p>

	work task.
<b>Requirements (References/Tasks)</b>	Explain precisely the work to be performed in <b>clear, understandable language</b> . Set out exactly what is needed and the specific objectives.
<b>Program Management</b>	This is where you list any project meeting requirements, reports required, or anything else to do with project management.
<b>Deliverables</b>	Specify what “tangible” or “intangible” work products should be produced as a result of project execution, and when they should be delivered (i.e. status report due 30 days after contract start).

APS **will not accept** a SOW which does any of the following:

- Fails to use complete paragraphs or begins every sentence in a paragraph with a verb. For example:
  - Oversees all tasks performed in the public relations department. Creates the public relations strategy and ensure it matches with goals. Aligns efforts to improve the promotion of products and services. Reports the performance of digital and print campaigns.
- Uses technical or industry jargon. For example, educational jargon:
  - Higher-order thinking, common core aligned, balanced reading, IEP, chunking, differentiated instruction, formative assessment, inquiry-based learning, mainstreaming, flexible grouping, SMART goals, DIBELS, etc.
- Fails to address a point or goes off-topic. For example, “Scope” should not contain a description of a vendor’s business or product, nor should it speak generally about educational goods/services.

A SOW is unique for each procurement, but usually consists at least of some the following:

1. A general statement of the scope or extent of the work to be performed.
2. The period of performance of the work.
3. The place for performance of the work.
4. Reference documents, procedures, or specifications governing the work to be performed.
5. The specific work requirements:
  - a. A detailed statement of the purpose, objective, or goals to be undertaken by the vendor.

- b. The job classification or approximate skill level of the personnel to be made available by the vendor.
  - c. An identification of all significant data deliverables and material to be developed by the vendor and delivered to APS.
  - d. An identification of all significant data or materials to be delivered by APS to the vendor.
  - e. An estimated time schedule for the provisioning of these services by the vendor.
  - f. Completion and acceptance criteria for the work to be performed.
6. Management or administrative requirements of the work.
  7. Compliance or progress reporting requirements.
  8. Completion or close-out requirements.

You have the right to make your requirements known.

## CONE OF SILENCE

Upon completion of the ITB or RFP, it will be released to the general public. It is APS policy that once the solicitation is released, a “Cone of Silence” is applied. This means that any lobbying or marketing activities to APS officials by a bidder or its representatives must cease from the moment the solicitation is released until the time the final contract is awarded.

## AWARD OF FORMAL PROCUREMENTS

Procurement will assist with the award of formal procurements by submitting action memos to the Board of Education (if applicable), executing contracts/pricing agreements, and sending non-award and award letters to vendors.

## SPLITTING A PURCHASE TO AVOID THE COMPETITIVE PROCESS

***DO NOT issue multiple low-value Purchase Orders for smaller sections of your total requirement to avoid going through the competitive process, or to avoid obtaining the required APS or Board approvals.***

It is unlawful to split or separate into smaller work orders/projects any work, project, service, or purchase for the purpose of evading the competitive process. No person shall willfully split a single transaction into a series of transactions for the purpose of evading the requirements.

Moreover, it is against Board policy to split professional service contracts to avoid the competitive negotiation requirement. Internal control verification will be conducted routinely to monitor and provide oversight to prevent splitting. Violations may result in disciplinary action and/or restricted procurement ability.

Splitting a purchase is never acceptable as it is a violation of APS Directives and Policies and may result in disciplinary action and/or restricted procurement ability. Whether you are purchasing 50 items or 1 item, if the total of that purchase is greater than the dollar threshold and the purchase is split into multiple transactions in order to complete the transaction, it is still considered splitting a purchase.

Multiple Purchase Order(s) shall not be used in place of a competitively bid contract. If you are already anticipating that you will exceed the dollar threshold for a particular purchase, APS Procurement staff must evaluate which procurement method is appropriate and pursue that procurement method rather than risk splitting a purchase.

## SOLE SOURCE/SINGLE SOURCE

### Sole Source

Sole source procurement is a purchase /contract entered into without a competitive process, based on a justification that only one known source exists to fulfill the requirements. The Board of Education and Procurement Department policies commit to legal compliance (competitive award) and good stewardship of public funds. Therefore, the use of the single source and/or sole source purchases is limited and every effort must be taken by schools and offices to solicit competition when procuring goods and services.

In cases where the Certified Procurement Officer (CPO) agrees with the justification that a vendor is the only business that will properly meet the needs of APS, the procurement is exempted from the competitive process.

### Requests for Sole Source Procurements

Provide a sole source justification form to CPO for consideration. The justification must provide the following information:

1. Why is this necessary? Explain why this purchase is required
2. Why was this business selected? Do we have prior experience with the vendor that this procurement will build upon?
3. A description of the unique features that prohibit competition;
4. Documented research conducted to verify that the supplier as the only known source;
5. Known compatibility issues and/or
6. Capacity issues
7. Sales channel is dictated by geographic or industry boundaries (e.g. exclusive distribution)
8. Explain why this contract could not be competitively bid. Describe why this contract



request could not undergo the normal competitive bid process required by the Board.

9. How was a fair price established? Provide details and supporting documentation about the firm's pricing; how this is a best value for the District.
10. What would happen if this were not approved? Clarify ramifications of taking action versus not taking actions; including delay for competitive procurement.

### Public Posting of Sole Source Procurements

Sole source procurements must be posted on APS Procurement website and State of New Mexico Sunshine Portal at minimum 30 calendar days prior to awarding of purchase order/contract. Suppliers may challenge a sole source within the first 15 calendar days of posting, a sustained protest negates the sole source request and a competitive procurement method must be used.

### Inappropriate Sole Source Justification

1. Sole sourcing is not appropriately justified when used as a method of selecting a preferred vendor.
2. A District requirement for a particular proprietary product or service does not automatically justify a sole source procurement if there is more than one potential bidder or Offeror for that item or service or its equivalent.
3. A particular brand name preference does not justify a sole source.
4. A product's or service's "uniqueness" alone may not qualify the producer or supplier as a sole source, particularly if the "unique" feature is not essential to the district's operation.
5. An emergency condition does not by definition create a sole source justification.

### Sole Source – Using Federal Funds

The Uniform Guidance (CFar 200.323.b) states that an entity must negotiate profit as a separate element of the price for each contract in which there is no price competition. Additionally a cost analysis should be performed to establish fair and reasonable pricing.

## EMERGENCY PROCUREMENTS

A School or Department must obtain approval from the Executive Director of Procurement in advance of an Emergency Procurement.

The APS Procurement Office may make emergency procurements when there exist a threat to public health, welfare and safety or property requiring procurement under emergency conditions; provided that emergency procurement shall be made with competition as is practicable under the circumstances.

An emergency condition is a situation that creates a threat to public health, welfare or safety such as arise by reasons of floods, fires, epidemics, riots, acts of terrorism, equipment failure or similar events.

The existence of the emergency condition creates an immediate and serious need for services, construction, or items of tangible personal property that cannot be met through normal procurement methods and the lack of which would seriously threaten:

1. Functioning of government;
2. The preservation or protection of property; or
3. The health or safety of any person

The purchasing office shall use due diligence in determining the basis of the emergency procurement and for the selection for the particular contractor. The determination shall be in writing and part of the procurement file.

Within three business days of awarding an emergency procurement contract; the purchasing office shall post the contractor's name, address, amount and term of the contract, listing of services, construction or items under contract, and justification for procurement on APS website.

## UNSOLICITED PROPOSALS

If you are approached by a vendor with a proposal for professional services, general services, or goods, refer them to the Procurement Department.

It is the policy of APS to encourage new and innovative ideas. These ideas may be submitted as unsolicited proposals. Unsolicited proposals allow unique and innovative ideas or approaches to be considered by APS.

Unsolicited proposals may come forth when a company sees a potential business opportunity with APS. It may appear from such proposals and marketing materials that no other company could offer the same product or service. However, **this does not justify a sole source contract**. If the idea or activity is of interest to a department, the concept should be evaluated on its own merit. If the decision is to implement it, then a competitive process should be used.

## PROCEDURES FOR PURCHASE REQUISITIONS

A valid vendor quote or proposal is required for purchase requisitions. The vendor quote or proposal should provide detailed information on what is being purchased. If the vendor quote is related to an awarded contract, the price should reflect the contract price.

A professional services agreement may be required for purchases of general or professional services.

## PURCHASE REQUISITION ORDERS

All orders for specific items selected from a vendor must be entered **in detail** on the purchase requisition in Infor Lawson. (If 50 different items are being ordered, then there should be 50 detail lines on the requisition.) The user should include all information required by the vendor to identify the items requested on the purchase requisition. At a minimum, each item ordered should include the following information:

- Quantity
- Unit of measure (ea., box, doz., etc.).
- Vendor Part or Order Number
- Basic description to include make and model (if applicable)
- Unit cost
- Valid cost accounts

### REQUIRED APPROVALS

Financial transaction approval (such as approving purchase requisitions) is the process of reviewing and ensuring financial transactions are “proper”.

“Proper” means an expenditure is:

- authorized by law (Constitutional, Statutory and Contractual Mission) and
- for Public Benefit and Purpose and
- a necessity and
- has appropriation, budget and available resources

**Approvers** are responsible for the review of financial transactions submitted to them, making informed judgments about the necessity and reasonableness of those transactions, evidencing their authorization of those transactions (either on paper or online) and approval (or rejection) in a timely manner. Note that the approver of a transaction may or may not be the “approve” button in APS’s financial system; some Schools/Departments may have approvers who review and sign off on transactions on paper. Approvers must be knowledgeable about applicable policies and external requirements/regulations where relevant (i.e., federal guidelines for grant awards, etc.).

**Knowledge of the transaction:** all transactions must have an authorized approver who has sufficient knowledge to make an informed judgment that the transaction is appropriate. Ideally, an approver will have direct knowledge about the transaction or circumstances to validate the expense; if not, the approver should rely on compensating procedures to gain a reasonable level of assurance that the expense is valid.

Due diligence: approvers must perform due diligence if there are questions or concerns about the expenditure; if the approver has questions or concerns regarding the expense, it is the approver’s responsibility to seek help from an appropriate resource until the questions are resolved.

Additional information regarding roles and responsibilities of approvers found in Appendix B.

## **APPROVAL OF PURCHASING REQUISITIONS**

**Purchasing requisition are approved electronically in APS ERP system (Lawson)**

<b>Approval Level</b>	<b>Appropriate Approver</b>	<b>Amount</b>
Requestor	Secretary/ Administrative Assistant	All amounts
Site Administrator	Principal or Department Head	All amounts
Assets	Capital Asset Controller	All amounts that use the Asset cost account number.
Software	Technology Department Staff	All amounts that use the software cost account number.
Hardware	Technology Department Staff	All amounts that use the hardware cost account number.
Control Agent	Depends on funding:  Chief level or Associate Supt.	Over \$10,000
Program/Project	Depends on funding: Capital, Legislative or Grant Executive Director or Associate Supt. or Chief level Capital –	All amounts
Finance or Categorical	Depends on Funding Operational, Capital, Legislative or Grant	All amounts

\*\*\*Effective 8/12/2021 APS highly discourages having the same individual approve at more than one approval level. All necessary effort will be made to identify an appropriate separate individual for each approval level.

### Grant Fund Purchases

Grants shall not be exempt from public purchasing statutes and all applicable state and federal requirements. Any such appropriation shall be accomplished within district guidelines. The fact

that certain businesses or individuals may be contacted for cost projections or other information shall not guarantee that business or individual any payment or future work within the grant.

Professional services as well as the purchase, rental or lease of any equipment and/or supplies that are to be provided under the grant shall be completed in compliance with this procedural directive.

## Additional Approvals Required

**Technology Purchases – Software and Hardware:** Purchases for technology systems, software and hardware require the approval of the Executive Director of Technology or designee. This approval review ensures technology purchases are inter-operable and compatible with current APS systems.

## STEPS FOR REQUESTING A PURCHASE ORDER

- Personnel should allow 7 to 10 business days for Purchase Requisitions to be processed and converted to a Purchase Order.
- Purchase Requisitions must be approved by the Principal/Administrator.
- Purchase Requisitions are routed electronically through Infor Lawson to obtain additional and/or necessary approvals.
- APS Procurement staff will process the Purchase Requisition and create an authorized Purchase Order on Infor Lawson, which encumbers the purchase and obligates the budget.
- APS Procurement staff will ensure vendor and requesting school/department receive copy of approved purchase order.

## Changes to Purchase Orders

School personnel or Vendors are prohibited from changing purchase orders without authorization from the APS Procurement.

Change Orders or Purchase Order Revisions will be approved if they are related to the original scope of work and intent of purchase and no changes will be made for services or goods that are not related per the determination of the executive director of Procurement.

## Canceling a Purchase Order

If a Purchase Order needs to be cancelled/voided, the requestor shall send an email to the APS Buyer to cancel or void the PO. The vendor must be notified of cancelation or void in order to avoid the vendor fulfilling the order.

## STEPS FOR “RECEIVING” THE PURCHASE

Goods/Items/Merchandise - Persons receiving shipments should, upon acknowledging receipt of an order, conduct an inspection to verify the following minimum conditions:

- The products conform to the purchase order requirements and other relevant documents (for example: correct model number, description, size, type, color, ratings, etc.)
- The quantity ordered against the quantity shipped or delivered.
- There is no damage or breakage.
- The unit of measurement count is correct (e.g. if the unit of measurement on the purchase order is one dozen, there should be 12 in the package).
- Delivery documentation (packing list, certifications, etc.) is acceptable.
- Products are operable or functional

It is imperative that as soon as goods/items/merchandise is delivered at a school/department and inspection is completed that the process of “receiving” is completed in Infor Lawson.

***Vendors expect to be paid within 30 days of a purchase. If the Purchase Order is not “received” by school personnel, payment cannot be issued to the vendor.***

### Unauthorized Receiving

Receiving in Financial System should only be performed if goods have been physical delivered and inspected as operational/functional. If an APS staff performs “receiving” when a good(s) are not physically delivered, it is an unauthorized receiving.

Unauthorized Receiving is also violations of the Employee Code of Conduct and APS employees may receive disciplinary action and/or restricted procurement privileges, as a result of a fact-based determination.

### Receiving Services

Services – An approver shall process invoices for payment in compliance with established procedures found in Appendix C of this user manual.

## CONTRACTS

### WHAT IS A BINDING CONTRACT WITH APS?

A contract is an agreement to do or not do a certain thing. Only specified personnel within the APS are capable of entering into a contract that binds APS. Authority to sign contracts is limited to those employees who have been authorized by APS Board of Education Directive

– Signatory Authority for Contractual Agreements.

<https://www.aps.edu/about-us/policies-and-procedural-directives/procedural-directives/d.-fiscal-management/signatory-authority-for-contractual-agreements>

Anyone not following the guidelines herein **may be personally liable** to APS for any and all money that APS paid as a result of such malfeasance.

A contract or agreement signed by an unauthorized person, or for an amount exceeding an individual’s authority, will not be legally-binding, will not be honored by the District, nor will payment be made for services rendered.

Procurement is available to assist the school/office in meeting the requirements for a legally binding contract. Purchase Orders are considered enforceable contracts.

#### CONTRACT AMENDMENTS AND EXTENSIONS

A contract can be amended to extend the period of performance, increase the contract amount to obtain additional services, allow for a change in the contract’s current scope of work, or any combination of the above. Any change or alteration of a contract shall be specified in writing, processed through the Procurement Department, and the cost agreed upon with APS.

At the discretion of the Executive Director of the Procurement Department, extensions to contracts may be granted.

#### Procurement Card (P-CARD)

Procurement card purchases must follow this procurement user manual and other established District Board directives, policies and procedures. In addition, Procurement Card Cardholders shall follow PCard Policy and Procedures found on APS Accounts Payable Website.

<https://www.aps.edu/finance/accounts-payable/documents/purchasing-card-policy>





# II. PURCHASING CYCLE

1. Budget Status Report is a report that you can nm to look at your budget in real time.
2. It may be helpful to review past fiscal year's purchase orders and coming events to identify purchases.
3. Check the Procurement 111 website [www.aps.edu/procurement](http://www.aps.edu/procurement) for pricing agreements and purchasing guides to help you select a vendor that has a current contract.
4. Don't forget to have shipping, handling and tax (if applicable) included on your quote/proof of cost.
5. The QUOTE document will be uploaded into Atlas. Name your quote: Requisition Number + Q. Instruction here: <http://www.aps.edu/procurement/procurement-process-instructions>
6. Follow the progress of your requisition approval. Use the helpful Lawson screens for following your purchase: Requisition Status Report, RQ.10 and RQ.44. Procurement cannot process the order until all approvals have been submitted.
7. Procurement MUST issue official PO to the vendor BEFORE they are allowed to provide ANY goods/services.
8. IMPORTANT: All invoices that are dated BEFORE the purchase order are considered Unauthorized Purchases and may not be eligible for payment.
9. Remember: all fixed assets & all computers over \$1,000 must be tagged and recorded in inventory within 15 business days of purchase... See the Capital Fiscal website for more information: [www.aps.edu/finance/capital-fiscal-services/cfs-asset-management-documents](http://www.aps.edu/finance/capital-fiscal-services/cfs-asset-management-documents)
10. ONLY receive items in Lawson if they have been PHYSICALLY DELIVERED TO YOUR WORKSTATION. Services do not require receiving in Lawson - the Principal/Department Head must sign the invoice then send it to accounts payable instead of receiving in Lawson.
11. Your invoice must have the PO# referenced on it by the vendor & send it to Accounts Payable (A/P).
12. Payment made

If using a Check Request, don't forget to submit your invoice! Send a copy of invoices to A/P via email (accounts payable@aps.edu).

13. [School/Dept/11/18>1 fol. j. ws. up 1D ensure POs closed.](#)

Follow up on your Open PO report at least once a month to identify POs which need to be closed or canceled.

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## Approval of Financial Transactions (Appendix B)

**Financial transaction approval** is the process of reviewing and ensuring financial transactions are “proper”.

“Proper” means an expenditure is:

- authorized by law (Constitutional, Statutory and Contractual Mission) and
- for Public Benefit and Purpose and
- a necessity and
- has appropriation, budget and available resources

**Approvers** are responsible for the review of financial transactions submitted to them, making informed judgments about the necessity and reasonableness of those transactions, evidencing their authorization of those transactions (either on paper or online) and approval (or rejection) in a timely manner. Note that the approver of a transaction may or may not be the “approve” button in APS’s financial system; some Schools/Departments may have approvers who review and sign off on transactions on paper. Approvers must be knowledgeable about applicable policies and external requirements/regulations where relevant (i.e., federal guidelines for grant awards, etc.).

**Knowledge of the transaction:** all transactions must have an authorized approver who has sufficient knowledge to make an informed judgment that the transaction is appropriate. Ideally, an approver will have direct knowledge about the transaction or circumstances to validate the expense; if not, the approver should rely on compensating procedures to gain a reasonable level of assurance that the expense is valid.

**Due diligence:** approvers must perform due diligence if there are questions or concerns about the expenditure; if the approver has questions or concerns regarding the expense, it is the approver’s responsibility to seek help from an appropriate resource until the questions are resolved.

### Definitions:

**Approval** – means in agreement with

**Approver**- any individual (staff, Principal, Administrator, etc.) who is authorized to certify that a transaction (or a particular element of a transaction) is correct and appropriate; these certifications may happen online in APS ERP system (Lawson) or on paper.

**Appropriate**- necessary, proper and correct

**Business-related:** not a personal expense.

**Cost Account** – accounting line where funds are budgeted

**District Need** – goods and/or services for student instruction, student/staff support, or operation of school/department

**Goods** – items that are physical and can be easily identified and inventoried (in applicable)

**Necessity** – relates to why is this particular good and/or service necessary to achieve goal or mission.

**Quote** – a document from a vendor or supplier that list the cost for particular items or services

**Reasonable**- fair and sensible related to project/program

**Requisition** – purchase request entered into APS ERP system (Lawson)

**Services**- a transaction in which there may be no physical item to transfer from the vendor to APS, however APS does obtain a benefit that is measurable. (i.e., training, professional development, shredding services, counseling, etc.)

*Continued on page 27*

## Approvers

Site, Control Agents, Program/Project Approvers, Finance Approvers may have related and overlapping responsibilities when approving purchase requisitions. The table below lists the minimum required by role. At their discretion, Supervisors may add additional responsibilities to each role.

#	Responsibility	Site Approver	Control Agent	Program /Project	Finance
1	Expenditure is consistent with the APS District and School/Department mission	X	X	X	
2	Expenditure is APS business-related, benefits APS, and advances the work of the District	X	X	X	
3	Expenditure contributes to the School/Department achieving its constitutional, statutory, or contractual	X	X	X	
4	Expenditure contributes to either public purpose or public benefit	X	X	X	X
5	Expenditure provides the public benefit desired in the least amount of expenditure possible	X	X	X	
6	The amount of the purchase is reasonable (i.e., an appropriate level of spending for the circumstances)		X	X	
7	Expenditure is for the purpose intended by the appropriation.	X	X	X	
8	The business purpose is legitimate, i.e., that the expenditure is an appropriate use of APS funds			X	X
9	The purchase requisition is prepared and forwarded with any required documentation, to an appropriate approver with sufficient time for review and approval before goods and/or services are	X		X	
10	Expenditure is within approved budget	X			
11	There are sufficient budgeted funds to cover the expense	X			X
12	Expenditure utilizes correct cost accounts	X			X
13	There is a documented business purpose description provided that clearly and completely explains the purchase i.e., includes the who, what, why, where, when	X	X	X	X
14	Completed supporting documentation is provided from the requester (e.g., vendor quote, proposal, contract, etc.) with sufficient time for processing, review, and approval	X	X	X	X
15	The purchaser is authorized to spend the funds	X	X	X	X
16	The purchase is in compliance with established policies and procedures of the District and any required	X	X	X	X
17	For restricted funds (categorical capital legislative), the expenditure is in accordance with the terms of the fund; for all categorical funds (grant funds), the expenditure is within the budget and project period and in accordance with terms of the grant and with applicable external requirements and regulations.			X	X
18	The transaction is approved, returned for correction, or rejected in a timely manner		X	X	X
19	Each approver has documented the approval/rejection of the expenditure		X	X	X

## Approval of Vendor Invoices - Services – (Appendix C)

### Definitions:

**Accurate** – correct in details;

**Approval** – means agreement with a vendor invoice(s)

**Approver**- Site Administrator or Department Administrator that approves requisitions, invoices, payroll, time-off etc.

**Appropriate**- necessary, proper and correct

**Invoice** – a payment request sent by vendor after delivery and/or completion of work. The invoice must contain a valid APS Purchase Order number before the invoice can be paid.

**Compliance**- review of vendor invoice for appropriate, reasonable, accurate and complete

**Complete**- finished, completed, finalized

**Reasonable**- fair and sensible related to project/program

**Services**- a transaction in which there may be no physical item to transfer from the vendor to APS, however APS does obtain a benefit that is measurable. (i.e. training, professional development, shredding services, counseling, etc.)

**Vendor** – External business that provides goods or services to APS

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### Process

Invoice approval is the process of:

- reviewing vendor invoices for compliance;
- ensuring services have been received and/or performed;
- amount requested by vendor for payment is accurate;
- Approving vendor invoices before the payment is processed.

The Approver is responsible for protecting APS's interests and should conduct a thorough review of the invoice(s) to ensure:

1. Invoice is appropriate, reasonable, accurate and complete. (Compliance)
2. Amount requested by vendor for payment is accurate
3. Services were received and/or performed
4. Obtained supporting documentation as necessary. (i.e. sign-in sheets for professional development, etc.)

Once invoice approval is complete, the Approver (Site or Department Administrator) shall:

1. note "Ok to Pay" on invoice
2. sign, print name and date invoice
3. Once approval process is complete the invoice should be emailed to [Account.Payable@aps.edu](mailto:Account.Payable@aps.edu) for payment processing.