



Pennsylvania Association of School Business Officials Award of Excellence in School Purchasing Operations (AOESPO)

OVERVIEW OF PROCESS

As a part of the process to define best practices for purchasing, the PASBO Procurement Committee and the Board of Directors have created The PASBO Award of Excellence in School Purchasing Operations (AOESPO). The design of the award allows any size LEA to apply for recognition in this field. The award's emphasis is based on the Best Practices in Purchasing as identified by the PASBO Procurement Committee and the Board of Directors. This program is jointly sponsored by PASBO and Keystone Purchasing Network.

The PASBO Award of Excellence in School Purchasing Operations (AOESPO) provides recognition to LEAs that are committed to following professional standards in the acquisition of goods and services. Those LEAs that earn additional points may receive Recognized Gold Status as part of their award. These LEAs are considered the most efficient, innovative and successful in purchasing.

Requirements for Consideration

1. The PASBO Award of Excellence in School Purchasing Operations evaluation is open to any Pennsylvania local education agency (LEA) including school districts, intermediate units, career and technology centers and charters.
2. Applicants must be a PASBO member and must supply complete and true documentation, certified by the Chief Financial Officer (CFO) of the LEA on LEA letterhead.
3. Proposals must be submitted electronically to PASBO using the guidelines for electronic submission. Also one complete hard copy application must be mailed to PASBO.
4. A LEA may seek the AOESPO by reaching a minimum point total as described in the evaluation criteria.
5. The LEA may achieve a recognized Gold Status of the AOESPO by meeting the minimum point criteria for this level of recognition. The criteria for Gold Status are different from the standard award.
6. Award recommendations of the PASBO Purchasing Committee will be submitted to the PASBO Board of Directors for approval.
7. An award is valid for 3-year duration. Awarded LEAs may submit applications for reconsideration in the fourth year or any year thereafter after having received a prior award.





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The Proposal

1. Complete the PASBO Award of Excellence in School Purchasing Operations Application Form.
2. A letter of certification from the CFO is required with the Application Form.
3. All electronic forms should be in Adobe PDF format.
4. Electronic documents will be organized into folders and subfolders based on the Guidelines for Applications. Please follow the guidelines found in Appendix A.
5. All materials submitted must be marked to identify the LEA making the proposal.

Proposal Fee

The proposal fee for this award is \$100 to cover administrative costs. A check or money order payable to PASBO should be included with the LEA's submitted proposal.

Proposal Deadline

All proposals must be mailed to the PASBO office at 2608 Market Place, Harrisburg, PA 17110 on CD or flash drive, plus one complete hard copy in a three ring binder organized as required and received by November 30. *Proposals received after that date will not receive consideration and LEAs will be notified accordingly.*

Management /Evaluation Process

1. The PASBO Procurement Committee will identify candidates with strong purchasing and business backgrounds to serve as reviewers for the Award. The Executive Director and the staff liaison will work with the Procurement Committee to handle administration of the process such as publicity, submissions, notices, etc.
2. The Award has several thresholds that must be met before an LEA can be considered for this award.
3. Evaluation criteria are developed around proficiencies defined by the Procurement Committee.
4. The Letter of Certification signed by the CFO requires a responsible and truthful submission of documents.
5. Each proposal will be reviewed by a minimum of 3 reviewers or the whole review committee. Any current reviewer's LEA is prohibited from submitting an application while they serve as a reviewer.
6. The recommendations of the reviewers will be submitted to the Procurement Committee Chairman and PASBO staff liaison.
7. If reviewers recommend that the Award of Merit be granted, the reviewer's recommendation will be forwarded for approval to Procurement Committee Chair and the PASBO staff liaison. If reviewers determine that the Award of Merit should not be given, the applicant will receive a letter outlining the reasons for rejection to help them in improving operations and/or the submission process for future submissions.
8. LEAs that have a minor deficiency will be notified by PASBO and have 30 calendar days to correct the deficiency. (A minor deficiency is defined as a technicality involving the application, independent of the substantive evidence of merit described in the application, such as lack of signatures).

Scholarship Awards

Presentation of the award will be made at the PASBO Annual Conference each year. LEAs will be notified in January that they are to receive the award and should plan on attending the conference to receive the award. There will be a maximum of \$5,000 in scholarships awarded annually:

- Gold Status Recipients will receive a \$1,500 scholarship.
- Other recipients will receive a \$500 scholarship (or the equally distributed remainder of prize funds after Gold Awards).



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The scholarship awards are designated for training of the purchasing staff of the recipient's LEA.

APPLICATION GUIDELINES

1. PURCHASING OPERATION ORGANIZATION

- a. Organization Chart – Supply a recent organizational chart showing where the purchasing function is assigned in the organization hierarchy. In larger LEAs a second chart showing the organization of the purchasing department may be required. If warehousing or other functions are a function of purchasing operations, it should also be included.
- b. Job Descriptions – All staff members* assigned to the purchasing function must have a job description showing job title, to whom the position reports, date last updated, primary job duties, secondary job duties (if any), qualifications, education/certification, special knowledge or skills, and prior experience.
 - * The majority of Pennsylvania LEA's does not have centralized fulltime purchasing staffs but still must perform the purchasing tasks. They may be using a more decentralized purchasing model. When this is the situation in an organization the job descriptions of those performing the Purchasing task should include the purchasing job duties, qualifications, education / certifications, special knowledge or skills and prior experience necessary to be considered qualified purchasing professionals.
- c. Staff Training – A record of in-service training, PASBO training and any other purchasing training given to each staff member (minimum 5 hours per year) will be included. The purpose is to provide evidence that training programs are available to improve staff member skills.
- d. Purchasing Manual – A manual for purchasing operations must be supplied. It will include:
 - i. Operational procedures covering law, local regulations, local board policies and ethical behavior
 - ii. Procedures for the creation of requisitions and purchase orders for manual or automated purchasing systems

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

2. PURCHASING POLICIES AND PROCEDURES

- a. Board Policies – A copy of any Board Policy relating to regular purchasing operations.
- b. Ethics/Conflict of Interest – A copy of the Board's policy relating to conflict of interest and ethics standards.
- c. Payment Procedures – A copy of the Board's policy relating to cash reimbursements and payment procedures.
- d. Audit – The district's annual audit letter certifying that the auditor found no deficiencies in the purchasing and/or warehouse departments in internal controls, must be included with the application. Specific deficiencies about purchasing disclosed by the external auditor may be considered in denying an application.



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3. PURCHASING OPERATIONS

- a. Vendor List – A list of the LEA vendors showing annual dollar expenditure by vendor should be included. This may be in several parts depending on the way the LEA keeps this information.
- b. Cooperative Purchasing Agreements – A list of cooperative purchasing agreements supported either by board resolution or cooperative approval letters.
- c. Annual Aggregate – An explanation of how the LEA establishes annual aggregate limits and verifies that contracts or cooperative agreements are in place to satisfy legal requirements and local regulations and policies.
- d. Vendor Performance – An explanation, including five samples, of how the LEA communicates with and evaluates vendors. These samples can include surveys, meetings, letters, emails, memorandum to contract files, memorandum of understanding, brochures, web site information, etc. There must be enough evidence to show that the LEA’s purchasing procedures includes efforts to provide vendors with information needed to effectively meet the needs of the LEA.

4. PROFESSIONAL MEMBERSHIP

- a. Active PASBO Members – Attach a listing of activities that staff members (listed in the demographic information sheet) have participated in during the fiscal year immediately preceding this application. Please include training from non-PASBO activities also with a notation of the source of the training.



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SUPPLEMENTAL COMPONENTS TO AWARD OF MERIT

5. PROCUREMENT CARD SYSTEM

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

- a. Please provide a statement as to the card vendor (BANK) and card type: (VISA, MASTERCARD) you are using.
- b. Written internal procedures for staff members using the card including vendor or spending limits.
- c. Board policy establishing the use of the cards.

6. WAREHOUSING

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

- a. Policy and Procedures – A manual detailing operating procedures including services provided, procedures for requisitioning supplies, return procedures and delivery schedule. If an LEA policy exists, it should be included. If requisitions are processed by computer, documentation specifying procedures for data input must be included.
- b. Staff Information – Job descriptions for all employees are to be provided along with the staff handbook detailing appropriate staff member responsibilities.
- c. Inventory Information – An inventory report is to be provided showing the types and quantities of supplies maintained along with information about the number of orders filled.
- d. Physical Inventory Summary-Provide a copy of the latest physical inventory.



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RECOGNIZED GOLD STATUS AWARD

LEA's seeking Recognized Gold Status Award will be required to obtain additional points in other areas of their operation based on trends in purchasing operations. If your entity is not applying for Recognized Gold Status award, please add "Not Applying" to the end of the file directory name so the reviewers know not to expect files for this category.

7. TRAINING AND CERTIFICATION

- a. Education Status
 - i. Education of the Chief Purchasing Officer will be considered:
Highest degree earned (Provide evidence of degree status)
- b. Longevity Status
 - i. The Chief Purchasing Officer has been working in purchasing operations for 10 years or more. (Provide evidence of work history)

8. USE OF TECHNOLOGY

The LEA will provide evidence of an automated purchase order system including remote entry of requisitions and centralized processing of purchase orders. Documentation including training manuals provided as part of the purchasing manual requirement may be used to satisfy this requirement. The LEA is to provide the following:

- a. a description of the automated bidding system and how it works
- b. a description of the automated purchase order system and how it works
- c. a link to purchasing home page providing information to both vendors and staff members
- d. a link to on-line vendor registration system
- e. a link to website where on-line bids and requests for proposals are maintained
- f. evidence of the system used to contact vendors regarding bids/ proposals for goods and services
- g. a link to the posting of award summary
- h. evidence of on-line surplus property disposal sales. This may include the vendor or software used, a summary of the last 12 months of sales and list of items offered for bid.

9. COMMUNICATION TOOLS

The LEA is to provide the following:

- a. copies of issues of regular business / finance / purchasing newsletter for the past 12 months
- b. documentation of regular in-service/ training program for staff members involved in the creation of requisitions, receiving of merchandise and evaluating vendor performance (i.e. end users)
- c. documentation or a link to the listing of approved vendors available for use by staff members (This may be the list of awarded contracts and may also contain vendors available to provide goods and services through cooperative arrangements.)
- d. documentation of the methods user information is obtained by the Purchasing Department about vendors and their goods and services (This can be written surveys, campus/department surveys and similar data gathering techniques.)



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

10. MANAGING LEA IN COOPERATIVE OR OTHER PROGRAM

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

Appendix A: File Structure for Electronic Submission

(Please do not use periods in the file and folder names)

Main Folder – District Name PASBO AOESPO MM/DD/YYYY (date of submission)

e.g. "Southern York County School District, PASBO AOESPO" 10/15/2012"

Subfolders include:

1. Purchasing Operation Organization
 - A. Organization Chart
 - B. Job Descriptions
 - C. Staff Training
 - D. Purchasing Manual
 - i. Operational procedures
 - ii. Requisition and PO procedures
2. Purchasing Policies and Procedures
 - A. Board Policy
 - B. Ethics Conflict of Interest
 - C. Payment procedures
 - D. Audit
3. Purchasing Contract Operations
 - A. Vendor List
 - B. Cooperative Purchase Agreements
 - C. Annual Aggregate
 - D. Vendor Performance
4. Training and Certifications
 - A. Certifications



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- i. CPO (Chief Purchasing Officer)
 - B. Activities
 - i. CPO (Chief Purchasing Officer)
- 5. PCard
 - A. Statement
 - B. Procedures
 - C. Policy
- 6. Warehousing
 - A. Procedures Manual
 - B. Job Descriptions
 - C. Inventory Information
 - D. Physical Inventory Summary
- 7. Recognized Gold Status Training and Certifications
 - A. Education
 - i. CPO (Chief Purchasing Officer) degree
 - B. Longevity
 - i.i CPO (Chief Purchasing Officer) degree
- 8. Technology
 - A. Bidding and PO System Description
 - B. Links (b-g)
 - C. Online Surplus Sales
- 9. Communications
 - A. Newsletter
 - B. Training
 - C. Approved Vendor List
 - D. User Information Methods
 - E. Internal Department Meetings
- 10. District Cooperative Program



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Appendix B: Sample Application Cover

Pennsylvania Association of School Business Officials				
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APPLICATION				
Name of Entity				
Address				
Contact Person:				
E-mail				
Name of Chief Financial Officer				
	PASBO Member (Yes or No)		Certification	
Name of Chief Purchasing Official				
	PASBO Member (Yes or No)		Certification	
Purchasing Staff Member (Supervisory or Assistant)				
	PASBO Member (Yes or No)		Certification	
Purchasing Staff Member (Supervisory or Assistant)				
	PASBO Member (Yes or No)		Certification	
Purchasing Staff Member (Supervisory or Assistant)				
	PASBO Member (Yes or No)		Certification	
Purchasing Staff Member (Supervisory or Assistant)				
	PASBO Member (Yes or No)		Certification	
Purchasing Staff Member (Supervisory or Assistant)				
	PASBO Member (Yes or No)		Certification	



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Certification	
The undersigned attest that the information included in this application and all submittals are true and accurate.	
Signature	Date
Chief School Administrator	
Signature	Date
Chief School Business Official	
Signature	Date
Purchasing Department Leader	

SIGNATURE PAGE: Please attach a signed copy of this page with your application.

Please submit completed application by November 30 to:

Hannah Barrick – hbarrick@pasbo.org
 PASBO, Executive Director
 2608 Market Place
 Harrisburg, PA 17110