



Huntington Beach Union High School District Board Policies and Administrative Regulations

AR 3310
Page 1 of 6

Business and Non-Instructional Operations

Purchasing Procedures and Code of Ethics

The Huntington Beach Union High School District (“District”) purchases a wide variety of goods and services through a centralized purchasing system, administered by the Purchasing and Contracts Department, under the general direction of the Assistant Superintendent of Business Services.

The district’s Purchasing and Contracts Department is also responsible for informal and formal bidding processes, requests for proposals, and business contract negotiations and development. The goal of the Purchasing and Contracts Department is to ensure fair and open competition in strict conformance with the district’s policies and procedures, California’s Public Contract Code requirements, and all other applicable state and federal government laws and regulations.

Ethics Codes, Conflicts of Interest, Reporting Suspected Impropriety, Gross Waste, Fraud and Other Acts

Any district employee, and/or vendor who suspects any type of impropriety relating to purchasing or contracting activities, or gross waste, fraud, or abuse of district funds or resources, a gross abuse of authority, a specified and substantial danger to public health or safety due to any act or omission of any district official, employee, or vendor, or the use of a district resource for personal gain, should report the act by calling the district’s Assistant Superintendent of Business Services at (714) 903-7000. All such reports shall remain anonymous if desired by the reporting party.

The Purchasing/Contracts Department abides by the following General Code of Ethics and Principles

- To regard public service as a sacred trust, giving primary consideration to the interests of the public agency that employs us.
- To purchase without prejudice, seeking to obtain the maximum value for each dollar expended.
- To avoid unfair practices, giving all qualified suppliers/contractors equal opportunity.
- To honor our obligations and require that obligations to our public agency be honored.
- To refuse to accept any form of commercial bribery, and prevent any appearance of so doing.
- To conduct ourselves with fairness and dignity, and to demand honesty and truth in the purchasing process.
- To abide by all district policies and practices when conducting purchasing and contracting responsibilities.

Purchasing Procedures and Code of Ethics

The Purchasing/Contracts Department abides by the following General Code of Ethics and Principles (continued)

- To accord supplier representatives courteous treatment, remembering that these representatives are important sources of information and assistance in solving our purchasing needs.
- To be receptive to input from our colleagues, and to cooperate with them to promote a spirit of teamwork and unity.
- To strive for greater knowledge of purchasing methods and of the materials we purchase.
- To cooperate with all organizations and individuals involved in activities designed to enhance the development of the purchasing profession, remembering that our actions reflect on the entire purchasing profession.

Contractor Ethics

Contractors shall not provide or promise to provide any gift or other consideration, directly or indirectly, to any officer, employee, or agent of the district to obtain a district contract. Contractor shall not, at any time, have any financial interest in a district contract or the project that is the subject of a contract, other than the compensation to be paid to contractor as set forth in the contract.

Conflicts of Interest

The following requirements are inherently included in District contracts:

1. No officer, official, employee, agent, representative or volunteer of the district shall have any financial interest, direct or indirect, in the district contract, or participate in any decision relating to the district contract that affects his or her financial interest or the financial interest of any corporation, partnership, association or other entity in which he or she is interested, in violation of any Federal or State statute, law, or district regulation. Contractor shall not employ any such person while the district contract is in effect.
2. The contractor represents, warrants and covenants that he, she or it presently has no interest, direct or indirect, which would interfere with or impair in any manner or degree the performance of contractor's obligations and responsibilities under the district contract. Contractor further agrees that while the district contract is in effect, contractor shall not acquire or otherwise obtain any interest, direct or indirect, that would interfere with or impair in any manner or degree the performance of contractor's obligations and responsibilities under the district contract.
3. Contractor represents and warrants that it has not provided or promised to provide any gift or other consideration, directly or indirectly, to any officer, employee, or agent of district to obtain district's approval of the district contract. Contractor shall not, at any time, have any financial interest in the district contract or the project that is the subject of the district contract other than the compensation to be paid to

Business and Non-Instructional Operations

Purchasing Procedures and Code of Ethics

Contractor as set forth in the contract. In the event the work and/or services to be performed hereunder relate to a project and/or application under consideration by or on file with the district, (i) Contractor shall not possess or maintain any business relationship with the applicant or any other person or entity which contractor knows to have a personal stake in said project and/or application, (ii) other than performing its work and/or services to district in accordance with the district contract. Contractor shall not advocate either for or against said project and/or application, and (iii) contractor shall immediately notify district in the event contractor determines that contractor has or acquires any such business relationship with the applicant or other person or entity which has a personal stake in said project and/or application. The provisions in this section shall be applicable to all of contractor's officers, directors, employees, and agents, and shall survive the termination of the district contract.

District Purchasing Methods

Purchase Orders

A purchase order is required prior to the commencement of work to be performed, and any goods provided to the district, in order for payment to be made, with the exception of purchases made using a district credit card.

Blanket Purchase Orders / Standing Purchase Orders

The Purchasing/Contracts Department strongly encourages consolidation of annual requirements for certain commodities and services. Blanket purchase orders and standing purchase orders (BPO's and SPO's) are issued so that supplies or services can be requested by authorized personnel on an as-needed basis for certain district requirements. Such orders achieve economies of scale and reduce administrative handling costs. BPO's and SPO's require a detailed scope of services or description of materials to be purchased, along with pricing information. The district requires contractors' complete written agreements, including adherence to district's insurance requirements, prior to the issuance of a purchase order, and before any work can be performed by contractor.

Invoicing and Payment Terms

No work shall be performed until the receipt of a signed district purchase order is issued, and, as applicable, a contract is signed. The purchase order number must be included on all invoices. Failure to reference the correct purchase order number may result in the return of the unpaid invoice.

District Invoice Payment Requirements

The district's standard payment terms are net 45 days after receipt of materials or satisfactory completion of services, and receipt of an approved invoice, although the district diligently strives to remit payments net 30.

Business and Non-Instructional Operations

Purchasing Procedures and Code of Ethics

District Invoice Payment Requirements (continued)

All suppliers must submit completed W-9 Forms prior to receiving a purchase order. Any change in the W-9 information (such as address change) requires that a new W-9 form be submitted. Forms should be sent to the attention of:

Huntington Beach Union High School District
Attn: Purchasing/Contracts Department
5832 Bolsa Avenue, Huntington Beach, CA 92649

Invoices should be sent via email to: purchasing@hbuhsd.edu. Please reference your purchase order number when remitting invoices.

Bidding Requirements

Formal price quotations/proposals must be obtained on all purchases for goods and services where the dollar amount exceeds \$15,000, unless there is a substantiated sole source condition. Informal quotes and/or proposals may be solicited where the dollar amount is less than \$15,000.

If formal bids or proposals are required, they are solicited from at least three firms, including those suggested by the end user department. The Invitation for Bids or Request for Proposals documents state an opening date and time, and no late bids or proposals will be accepted.

Formal bid openings are held for public works projects greater than the state bid limit then in effect – at dates, times, and locations specified in the bid documents, and are open to the public and may be attended by any interested party. After the bids are opened, they are evaluated. After which the lowest responsive bid is determined. The contract award is recommended to the district's governing board.

The district, and state law, prohibits the separation or splitting of work or projects to circumvent our bidding requirements. A project is defined as work that is of similar nature (e.g., painting, roofing, electrical, etc.), is in close proximity, and with project start dates within two weeks of each other. However, another criterion to consider would be that the district could realize a lower price due to economies of scale, where combining smaller projects would likely result in a lower overall project cost.

Cooperative or "Piggyback" Agreements

The district may take advantage of cooperative or "piggyback" agreements. Competitive bidding is not required for orders covered by these contracts. If your firm has been awarded a contract with another government agency, and can offer the same pricing to the district, please contact the Purchasing/Contracts Department with information. An example of such an agreement is the California Multiple Award Schedule (CMAS).

Business and Non-Instructional Operations

Purchasing Procedures and Code of Ethics

Professional Consultants

The district often utilizes a consultant team relating to contracts with professional services providers. Categories covered in the program include architects, engineers, financial professionals, human resources professionals, planning professionals, project managers and others.

Advertising of Bids / Posting on District Website

It is the district's process to advertise public works projects exceeding the applicable bid limit in newspapers of local circulation, and in trade journals such as the Associated General Contractors of America; Construction Bidboard; F.W. Dodge (The Green Sheet); and Southern California Builders Association. The district also posts all Invitations to Bid and Requests for Proposals on the district's Bidding/RFP website, located at: <https://www.hbuhd.edu/apps/pages/bids-rfps>

Direct Contact with Departments

Due to the centralized nature of the purchasing function at the district, supplier and contractor representatives should contact the Purchasing/Contracts Department, rather than other site staff members, with new product information or questions about bids or RFPs.

All potential contractors and suppliers are strongly encouraged to register online, as they will then be notified of any bidding or Request for Proposals opportunities. Suppliers are cautioned that only Purchasing staff is authorized to issue written purchase orders. Failure to follow these procedures will result in delayed payments or the return of material to suppliers.

Communications during Competitive Bid / RFP Solicitation Period

No employee or agent of the district shall discuss or otherwise communicate with any firm any specific information related to an open competitive bid or Request for Proposals (RFP) process prior to bid/RFP closing, except as follows:

Questions or requests for clarification must be submitted via email to the designated project manager and Director, Purchasing/Contracts prior to the deadline for receiving such requests, as is set forth in the bid/RFP documents. This process allows staff to respond to all questions via an addendum, which is distributed to those firms who hold the bid/RFP documents. Using the addendum process, whereby all potential bidders/proposers receive the same information at the same time, ensures a level playing field, so that no firm benefits from an unfair advantage which could be gained by way of a direct communication with a district employee or agent; however, any general questions or concerns regarding an open bid or RFP may be directed to Purchasing staff at any time.

Environmentally Preferred Products

The district encourages the use of environmentally preferred products such as recycled or "green" products whenever feasible. The Purchasing Department may be contacted if your firm has new environmentally preferred products offerings.

Business and Non-Instructional Operations

Purchasing Procedures and Code of Ethics

Emergency Transactions

"Emergency" as used in the Public Contract Code, means a sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential services. For such purchases, a purchase order may be issued after such work has been performed, if the work is required outside of normal business hours.

Business License Requirements

Firms doing business with the district are required to possess a current business license, and be able to furnish evidence of their corporate status or other business registration.

Insurance Requirements

Firms performing services for the district are required to provide proof of insurance coverage as set forth in the applicable contract or purchase order, or as otherwise specified by district staff after an assessment of the activity. A purchase order will not be issued until receipt of all required insurance certificates. Generally, insurance limits are General and Automobile Liability Insurance and Workers' Compensation in the amount of One Million Dollars (\$1,000,000) per occurrence, and two times aggregate for General Liability. Professional service providers are generally required to carry Professional Liability (Errors and Omissions) insurance at One Million Dollars (\$1,000,000) per claims made. Signed insurance certificates should be sent via email by the contractor's insurance broker/agent to the district's Risk Management/Purchasing Department, as set forth in the contract or purchase order.

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