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buyboard.com

December 11, 2009

RE: Report of Management Fees September 2008 – August 2009

Dear Administrator,

The Local Government Purchasing Cooperative (the "Cooperative") is providing the following report of fees received by the Cooperative from vendors for purchases your district made on the BuyBoard® during the last fiscal year. The Cooperative is providing this information to your district to assist your district with its compliance with Section 44.0331 of the Education Code, which states:

A school district that enters into a purchasing contract valued at \$25,000 or more under Section 44.031(a)(5), under Subchapter F, Chapter 271, Local Government Code, or under any other cooperative purchasing program authorized for school districts by law shall document any contract-related fee, including any management fee, and the purpose of each fee under the contract.

The Interlocal Participation Agreement executed by your district allows the Cooperative to collect a vendor fee of up to 2% of the purchase price paid by Cooperative members or a flat fee amount for vehicles that is set by the Cooperative Board of Trustees. These vendor fees compensate the Cooperative for the services and functions performed under the Interlocal Participation Agreement and enable the Cooperative to pay the administrative, endorsement, licensing, marketing, and other expenses involved in successfully operating a program of electronic commerce for Cooperative members. **These fees are collected from vendors, not Cooperative or BuyBoard members.**

This report is based on purchase orders processed through the BuyBoard and paid by the vendor as of August 31, 2009. Vendor fees are reflected based on those contracts or purchase orders valued at \$25,000 or more, and all other fees collected for those orders valued at less than \$25,000. The vendor fee reflects the amount invoiced and actually collected by the Cooperative. Please note that if your district made a purchase during the last fiscal year but the vendor had not yet sent its fee to the Cooperative, it is not reflected on this report.

The amazing growth of the Cooperative over the last couple of years has resulted in the Cooperative actually generating more in vendor service fees than it needs to cover its annual expenditures. As a result, the Cooperative Board approved a distribution of \$2.2 million to be rebated to 1052 members, with each entity's rebate based on the amount of vendor service fees generated by its purchases. The rebate is reflective of your participation in the Cooperative for the 2008-09 fiscal years. If you received a rebate, it is indicated on the management fee report that follows.

If you have any questions please call us at 800-695-2919. Thank you for past support of the Cooperative and we look forward to providing you continued service in the upcoming year.

Respectfully,

Sharon McAfee
BuyBoard Program Director



The Local Government Purchasing Cooperative is sponsored by the Texas Association of School Boards, Texas Municipal League, Texas Association of Counties, and the Texas Association of School Administrators.



Cooperative Management Fee Report: 9/1/2008 - 8/31/2009

Ector County ISD

Contracts or Purchase Orders at \$25,000 or more

Vendor	Date	PO Number	PO Amount	Vendor Fees
John F. Clark Company	3/4/2009	704937	\$32,696.00	\$653.92
Longhorn Bus Sales	3/18/2009	714577	\$579,741.00	\$800.00
Blue Star Bus Sales, Ltd.	6/5/2009	720289	\$328,320.00	\$800.00
Blue Star Bus Sales, Ltd.	1/9/2009	714580	\$328,320.00	\$800.00
Spectrum Corporation	10/27/2008	708314	\$41,385.00	\$827.70
The Playwell Group, Inc.	4/6/2009	715405	\$28,116.72	\$562.33
Caldwell Country Chevrolet	2/26/2009	717270	\$32,502.00	\$400.00
Caldwell Country Chevrolet	3/19/2009	718840	\$61,672.00	\$400.00
The Band Room	9/2/2008	708770	\$32,663.78	\$653.28
Total for contracts at \$25,000 or more			\$1,465,416.50	\$5,897.23



Cooperative Management Fee Report: 9/1/2008 - 8/31/2009

Ector County ISD

	PO Amount	Vendor Fees
Total for all other contracts or purchase orders	\$488,491.20	\$9,761.37
Total of all purchases orders processed	\$1,953,907.70	\$15,658.60
Rebate Paid		\$(4,705.52)
Net Amount of Fees Collected		\$10,953.08
Percentage of Vendor Service Fee Collected		0.56%