

December 18, 2015

RE: Report of Management Fees September 2014 – August 2015

Dear Administrator,

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

Sec. 44.0331. MANAGEMENT FEES UNDER CERTAIN COOPERATIVE PURCHASING CONTRACTS.

- (a) 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.
- (b) The amount, purpose, and disposition of any fee described by Subsection (a) must be presented in a written report and submitted annually in an open meeting of the board of trustees of the school district. The written report must appear as an agenda item.
- (c) The commissioner may audit the written report described by Subsection (b).

The Interlocal Participation Agreement executed by your district allows the Cooperative to collect a vendor fee up to 2% of the purchase price paid by a Cooperative member 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, 2015. Vendor fees that are reflected are 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—in essence, all purchase activity by your district. The vendor fees reflect 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 up to \$5.9 million to be rebated to 981 members, with each entity's rebate based on the amount of excess vendor service fees generated by its purchases. The rebate is reflective of your participation in the Cooperative for the 2014-15 fiscal year. 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



Cooperative Management Fee Report: 9/1/2014 - 8/31/2015

Ector County ISD

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

Vendor	Date	PO Number	PO Amount	Vendor Fees
D&H Distributing Company	12/9/2014	15003860-00	\$58,260.00	\$1,165.20
D&H Distributing Company	12/9/2014	15004064-00	\$43,695.00	\$873.90
Lone Star Furnishings	8/14/2015	15015502-00	\$49,637.15	\$992.74
Lone Star Furnishings	8/14/2015	15015589-00	\$404,664.70	\$8,093.29
Lone Star Furnishings	8/14/2015	15015590-00	\$42,303.84	\$846.08
Lone Star Furnishings	8/14/2015	15015591-00	\$388,582.71	\$7,771.66
Lone Star Furnishings	8/14/2015	15017019-00	\$65,236.00	\$1,304.72
N Tune Music and Sound, Inc.	6/10/2015	15013844-00	\$85,029.92	\$1,700.60
Athletic Supply, Inc.	8/17/2015	15002893	\$27,600.00	\$552.00
ExerPlay, Inc.	8/25/2015	15013495-00	\$99,949.00	\$1,138.10
Lone Star Furnishings	8/14/2015	15015225-00	\$28,886.89	\$577.74
Lone Star Furnishings	8/14/2015	15015588-00	\$49,174.43	\$983.49
ExerPlay, Inc.	8/25/2015	15013494-00	\$99,949.00	\$1,138.10
John Deere	4/30/2015	14003419-00	\$55,081.23	\$1,101.62
Lone Star Furnishings	8/14/2015	15015587-00	\$387,434.63	\$7,748.69
N Tune Music and Sound, Inc.	6/10/2015	15013845-00	\$88,905.83	\$1,778.12
N Tune Music and Sound, Inc.	6/10/2015	15013847-00	\$92,117.38	\$1,842.35
Triple Blade and Steel, Inc.	11/21/2014	14003414-00	\$35,844.00	\$716.88
Chrysler, Jeep, Dodge City of McKinney	2/17/2015	15005887-00	\$25,566.00	\$400.00
Chrysler, Jeep, Dodge City of McKinney	6/1/2015	15012578-00	\$99,440.00	\$400.00
Chrysler, Jeep, Dodge City of McKinney	6/1/2015	15012579-00	\$49,573.00	\$400.00
D&H Distributing Company	8/5/2015	15014970-00	\$67,970.00	\$1,359.40
ExerPlay, Inc.	8/25/2015	15013088-00	\$99,949.00	\$1,138.10
ExerPlay, Inc.	8/25/2015	15013235-00	\$99,949.00	\$1,138.10
Fred J. Miller, Inc.	5/27/2015	15012353-00	\$42,300.00	\$846.00
Fred J. Miller, Inc.	5/27/2015	15012468-00	\$43,200.00	\$864.00
Fred J. Miller, Inc.	5/27/2015	15013432-00	\$43,200.00	\$864.00
Lone Star Furnishings	12/17/2014	15005866-00	\$45,006.38	\$900.13
Lone Star Furnishings	8/14/2015	15015223-00	\$38,146.62	\$762.93
Lone Star Furnishings	8/14/2015	15015227-00	\$38,213.64	\$764.27



Cooperative Management Fee Report: 9/1/2014 - 8/31/2015

Ector County ISD

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

Vendor	Date	PO Number	PO Amount	Vendor Fees
N Tune Music and Sound, Inc.	6/10/2015	15013846-00	\$84,555.64	\$1,691.11
PCS Revenue Control Systems	6/23/2015	15013363-00	\$210,635.50	\$4,212.71
PCS Revenue Control Systems	7/13/2015	15015304-00	\$29,513.25	\$590.27
Total for contracts at \$25,000 or more			\$3,119,569.74	\$56,656.30



Cooperative Management Fee Report: 9/1/2014 - 8/31/2015

Ector County ISD

	PO Amount	Vendor Fees
Total for all other contracts or purchase orders	\$1,544,977.99	\$30,862.61
Total of all purchases orders processed	\$4,664,547.73	\$87,518.91
Rebate Paid		\$(54,554.00)
Net Amount of Fees Collected		\$32,964.91
Percentage of Vendor Service Fee Collected		0.71%