

Summary of Purchasing Cooperative Membership Fees and Rebates

July 24, 2018

SUMMARY:

This is an informational item to report the District's membership fees for participation in purchasing cooperatives and the rebates received from purchases thru various cooperatives.

BOARD GOAL:

VI. Growth, Change and Fiscal Responsibility...demonstrate effective and efficient management of District resources.

PREVIOUS BOARD ACTION:

Each purchasing cooperative requires an interlocal membership and a resolution be passed by members board of trustees or governing body. The last purchasing cooperative the District joined was the PACE Purchasing Cooperative administered by Education Service Center, Region 20. The interlocal agreement and the resolution were passed by the board of trustees on May 9, 2018.

BACKGROUND INFORMATION:

Texas Education Code 44.031(b) requires that any management fees paid to cooperative purchasing organizations must be presented in a written report and submitted annually in an open meeting of the board of trustees of the school district.

SIGNIFICANT ISSUES:

Denton ISD has active memberships in seventeen (17) purchasing cooperatives. Membership in purchasing cooperatives has several advantages for the District. Advantages include being able to provide a broad variety of vendors for the District needs, less price fluctuation throughout the year, and the ability to increase the efficiency of our purchasing processes.

FISCAL IMPLICATIONS:

Membership fees for participation in purchasing cooperatives are borne by the Purchasing Department's budget. Rebates received from a purchasing cooperative as a result of actual purchases from the cooperative vendors are recorded as revenue to the General Fund with the exception of a rebate received from a purchase using a federal funding source, that rebate must be reallocated to the funds from which the purchase was made.

SUPERINTENDENT'S RECOMMENDATION:

It is recommended that the report for purchasing cooperative membership fees and rebates be accepted for the District's fiscal year 2018.

ATTACHMENT:

Purchasing Cooperatives Fees & Rebates for 2018

STAFF PERSONS RESPONSIBLE:

Debbie Monschke, Assistant Superintendent of Administrative Services
Vicki Garcia, Executive Director of Financial Operations
Cindy Willis, Director of Purchasing

APPROVAL:

Signature of Staff Member Proposing Recommendation _____

Signature of Divisional Asst. Superintendent _____

Signature of Superintendent _____