



December 18, 2018

RE: Report of Management Fees September 2017 – August 2018

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, 2018. 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 \$8.4 million to be rebated to 1,001 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 2017-18 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
Department Director, Cooperative Purchasing



Cooperative Management Fee Report: 9/1/2017 - 8/31/2018

Ector County ISD

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

Vendor	Date	PO Number	PO Amount	Vendor Fees
Blue Star Bus Sales, Ltd.	9/20/2017	18002807-00	\$170,965.00	\$800.00
CED/Consolidated Electrical Distributers (Odessa)	11/9/2017	18003101-00	\$32,000.00	\$640.00
ExerPlay, Inc.	12/5/2017	18000472-00	\$99,949.00	\$1,998.98
ExerPlay, Inc.	12/5/2017	18000473-00	\$99,949.00	\$1,998.98
Otis Elevator Company	2/20/2018	17003121-01	\$200,460.00	\$4,009.20
Chastang Enterprises (formerly Chastang Ford)	12/7/2017	18001312-00	\$142,990.00	\$400.00
Edward Don and Co	2/1/2018	18000134-00	\$62,892.00	\$1,257.84
Edward Don and Co	8/8/2018	18010485-00	\$49,804.00	\$996.08
ExerPlay, Inc.	12/5/2017	18000474-00	\$99,949.00	\$1,998.98
N Tune Music and Sound, Inc.	6/11/2018	18011833-00	\$30,771.50	\$615.43
Smart Care Equipment Solutions (formerly Ecolab)	12/28/2017	18001085-00	\$40,000.00	\$800.00
Hydro Extrusion Delhi, LLC (formerly REDD TEAM by	2/22/2018	18004230-01 - OCT 2017V	\$35,351.00	\$707.02
N Tune Music and Sound, Inc.	6/11/2018	18012043-00	\$35,200.00	\$704.00
Contract Paper Group	7/26/2018	18011203-00	\$60,102.00	\$1,202.04
Education Advanced, Inc.	4/13/2018	18008671-00	\$30,000.00	\$600.00
ExerPlay, Inc.	12/5/2017	18000475-00	\$99,949.00	\$1,998.98
Longhorn Bus Sales LLC	1/30/2018	18005276-00	\$181,838.00	\$800.00
PCS Revenue Control Systems	9/25/2017	18002607-00	\$34,449.70	\$688.99
Caldwell Country Ford DBA Rockdale Country Ford	4/20/2018	18010458-01	\$32,591.02	\$400.00
Houghton Mifflin Harcourt Publishing Company	9/5/2017	18001241-00	\$43,140.55	\$862.81
Houghton Mifflin Harcourt Publishing Company	12/4/2017	18003886-00	\$45,926.00	\$918.52
Imagine Learning, Inc.	5/22/2018	18011375-00	\$90,000.00	\$1,800.00
Pitney Bowes	8/27/2018	19000591-00	\$25,000.00	\$500.00
Thomas Bus Gulf Coast GP, Inc.	5/21/2018	16003358-00	\$876,472.00	\$800.00
Wagner Supply Company	6/4/2018	18011105-00	\$63,162.53	\$1,263.25

Total for contracts at \$25,000 or more \$2,682,911.30 \$28,761.10



Cooperative Management Fee Report: 9/1/2017 - 8/31/2018

Ector County ISD

	PO Amount	Vendor Fees
Total for all other contracts or purchase orders	\$1,695,601.39	\$33,912.35
Total of all purchases orders processed	\$4,378,512.69	\$62,673.45
Rebate Paid		\$(37,695.00)
Net Amount of Fees Collected		\$24,978.45
Percentage of Vendor Service Fee Collected		0.57%