

Concord School District Policy #393

Procurement

All funds awarded directly or indirectly through any federal grants or subsidy programs shall be administered in accordance with this policy, and any administrative procedures adopted implementing this policy.

All purchases for property and services made using federal funds must be conducted in accordance with all applicable federal, state and local laws and regulations, the Uniform Grant Guidance, and the District's written policies and procedures.

Procurement of all supplies, materials equipment and services paid for from federal funds or District matching funds shall be made in accordance with all applicable federal, state and local statutes and/or regulations, the terms and conditions of the federal grant, District policies and procedures.

The Superintendent shall maintain a procurement and contract administration system in accordance with the USDOE requirements (2 CFR 200.317-.326) for the administration and management of federal grants and federally-funded programs. The District shall maintain a contract administration system that requires contractors to perform in accordance with the terms, conditions and specifications of their contracts or purchase orders. Except as otherwise noted, procurement transactions shall also conform to the provisions of [Policy #320 Purchasing Procedure](#).

The District avoids situations that unnecessarily restrict competition and avoids acquisition of unnecessary or duplicative items. Individuals or organizations that develop or draft specifications, requirements, statements of work and/or invitations for bids, requests for proposals or invitations to negotiate, are excluded from competing for such purchases. Additionally, consideration shall be given to consolidating or breaking out procurements to obtain a more economical purchase. And, where appropriate, an analysis shall be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach. These considerations are given as part of the process to determine the allowability of each purchase made with federal funds.

Contracts are awarded only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration is given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources. No contract is awarded to a contractor who is suspended or debarred from eligibility for participation in federal assistance programs or activities.

Purchasing records are sufficiently maintained to detail the history of all procurements and must include at least the rationale for the method of procurement, selection of contract type and contractor selection or rejection, the basis for the contract price and verification that the contractor is not suspended or debarred.

To foster greater economy and efficiency, the District may enter into state and local intergovernmental agreements, where appropriate, for procurement or use of common or shared goods and services.

A. Competition:

All procurement transactions shall be conducted in a manner that encourages full and open competition and that is in accordance with good administrative practice and sound business judgement. In order to promote objective contractor performance and eliminate unfair competitive advantage, the District shall exclude any contractor that has developed or drafted specifications, requirements, statements of work or invitations for bids or requests for proposals from competition for such procurements.

Some of the situations considered to be restrictive of competition include but are not limited to the following:

1. unreasonable requirements on firms in order for them to qualify to do business;
2. unnecessary experience and excessive bonding requirements;
3. noncompetitive contracts to consultants who are on retainer contracts;
4. organizational conflicts of interest;
5. specification of only a "brand name" product, instead of allowing for an "or equal" product to be offered, and describing the performance or other relevant requirements of the procurement; and/or
6. any arbitrary action in the procurement process.

Further, the District does not use statutorily or administratively imposed state, local or tribal geographical preferences in the evaluation of bids or proposals, unless

1. an applicable federal statute expressly mandates or encourages a geographic preference;
2. the District is contracting for architectural and engineering services, in which case geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

To the extent that the District uses a pre-qualified list of persons, firms or products to acquire goods and services, the pre-qualified list must include enough qualified sources to ensure maximum open and free competition. The District allows vendors to apply for consideration to be placed on the list as requested.

B. Solicitation Language:

The District shall require that all solicitations incorporate a clear and accurate description of the technical requirements for the material, product or service to be procured. Such description shall not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured and, when necessary, shall set forth those minimum essential characteristics and standards to which it shall conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible.

When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a “brand name or equivalent” description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which shall be met by offers shall be clearly stated, and identify all requirements which the offerors shall fulfill and all other factors to be used in evaluating bids or proposals.

The School Board will not approve expenditures for unauthorized purchases or contracts.

C. Procurement Methods:

The District shall utilize the following methods of procurement:

1. Micro-purchases

Procurement by micro-purchase is the acquisition of supplies or services the aggregate dollar amount of which does not exceed \$10,000. To the extent practicable, the District shall distribute micro-purchases equitably among qualified suppliers. Micro-purchases may be made without soliciting competitive quotations if the Superintendent considers the price to be reasonable. The District maintains evidence of this reasonableness in the records of all purchases made by this method.

2. Small Purchases (simplified acquisition)

Small purchase procedures provide for relatively simple and informal procurement methods for securing services, supplies and other property that does not exceed the competitive bid threshold of \$250,000. Small purchase procedures require that price or rate quotations shall be obtained from an adequate number of qualified sources.

3. Sealed Bids

Sealed, competitive bids shall be obtained when the purchase of, and contract for, single items of supplies, materials or equipment which amounts to \$250,000 and when the Board determines to build, repair, enlarge, improve or demolish a school building/facility, the cost of which will exceed \$250,000.

a. In order for sealed bidding to be feasible, the following conditions shall be present:

- i. a complete, adequate and realistic specification or purchase description is available;
- ii. two (2) or more responsible bidders are willing and able to compete effectively for the business; and
- iii. the procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

b. When sealed bids are used, the following requirements apply:

- i. Bids shall be solicited in accordance with the provisions of state law and [Policy #322 Bidding](#). Bids shall be solicited from an adequate number of qualified suppliers, providing sufficient response time prior to the date set for the opening of bids. The invitation to bid shall be publicly advertised.

- ii. The invitation for bids will include product/contract specifications and pertinent attachments and shall define the items and/or services required in order for the bidder to properly respond.
 - iii. All bids will be opened at the time and place prescribed in the invitation for bids; bids will be opened publicly.
 - iv. A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost and life cycle costs shall be considered in determining which bid is lowest. Payment discounts may only be used to determine the low bid when prior experience indicates that such discounts are usually taken.
 - v. The Board reserves the right to reject any and all bids for sound documented reason.
 - vi. Bid protests shall be handled pursuant to the process set forth in **DAF-3.I**.
4. Competitive Proposals

Procurement by competitive proposal, normally conducted with more than one source submitting an offer, is generally used when conditions are not appropriate for the use of sealed bids or in the case of a recognized exception to the sealed bid method.

If this method is used, the following requirements apply:

- a. Requests for proposals shall be publicized and identify all evaluation factors and their relative importance. Any response to the publicized requests for proposals shall be considered to the maximum extent practical.
- b. Proposals shall be solicited from an adequate number of sources.
- c. The District shall use its written method for conducting technical evaluations of the proposals received and for selecting recipients.
- d. Contracts shall be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered.

The District may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.

5. Noncompetitive Proposals

Procurement by noncompetitive proposals allows for solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:

- a. the item is available only from a single source;

- b. the public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
- c. the federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the District; and/or
- d. after solicitation of a number of sources, competition is determined to be inadequate.

D. Contracting with Small and Minority Businesses, Women's Business Enterprises, and Labor Surplus Area Firms:

The District must take necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.

Affirmative steps must include:

1. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
2. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
3. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
4. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;
5. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
6. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section.

- E. Contract/Price Analysis: The District shall perform a cost or price analysis in connection with every procurement action in excess of \$250,000 (i.e., the simplified acquisition/small purchase limit), including contract modifications. (See [2 CFR 200.323\(a\)](#).) A cost analysis generally means evaluating the separate cost elements that make up the total price, while a price analysis means evaluating the total price without looking at the individual cost elements.

The method and degree of analysis is dependent on the facts surrounding the particular procurement situation; however, the District shall come to an independent estimate prior to receiving bids or proposals.

When performing a cost analysis, the District shall negotiate profit as a separate element of the price. To establish a fair and reasonable profit, consideration is given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.

F. Time and Materials Contracts:

The District shall use a time and materials type contract only

1. after a determination that no other contract is suitable; and
2. if the contract includes a ceiling price that the contractor exceeds at its own risk.

Time and materials type contract means a contract whose cost to the District is the sum of the actual costs of materials, and direct labor hours charged at fixed hourly rates that reflect wages, general and administrative expenses, and profit.

Since this formula generates an open-ended contract price, a time-and-materials contract provides no positive profit incentive to the contractor for cost control or labor efficiency. Therefore, the District sets a ceiling price for each contract that the contractor exceeds at its own risk. Further, the District shall assert a high degree of oversight in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls, and otherwise performs in accordance with the terms, conditions and specifications of their contracts or purchase orders.

G. Suspension and Disbarment:

The District will award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of the proposed procurement. All purchasing decisions shall be made in the best interests of the District and shall seek to obtain the maximum value for each dollar expended. When making a purchasing decision, the District shall consider such factors as

1. contractor integrity;
2. compliance with public policy;
3. record of past performance/ and
4. financial and technical resources.

The Superintendent shall have the authority to suspend or debar a person/corporation, for cause, from consideration or award of further contracts. The District is subject to and shall abide by the non-procurement debarment and suspension regulations implementing [Executive Orders 12549 and 12689, 2 CFR Part 180](#).

Suspension is an action taken by the District that immediately prohibits a person from participating in covered transactions and transactions covered under the [Federal Acquisition Regulation \(48 CFR chapter 1\)](#) for a temporary period, pending completion of an agency investigation and any judicial or administrative proceedings that may ensue. A person so excluded is suspended. (See [2 CFR Part 180 Subpart G.](#))

Debarment is an action taken by the Superintendent to exclude a person from participating in covered transactions and transactions covered under the [Federal Acquisition Regulation \(48 CFR chapter 1\)](#). A person so excluded is debarred. (See [2 CFR Part 180 Subpart H.](#))

The District shall not subcontract with or award sub-grants to any person or company who is debarred or suspended. For contracts over \$25,000, the District shall confirm that the vendor is not debarred or suspended by either checking the federal government's System for Award Management ("SAM"), which maintains a list of such debarred or suspended vendors at www.sam.gov (which replaced the former Excluded Parties List System or EPLS); or collecting a certification from the vendor. (See [2 CFR Part 180 Sub part C.](#))

Documentation that debarment/suspension was queried must be retained for each covered transaction as part of the documentation required under [DAF-3, section J](#). This documentation should include the date(s) queried and copy(ies) of the SAM result report/screen shot, or a copy of the certification from the vendor. It should be attached to the payment backup and retained for future audit review.

H. Additional Requirements for Procurement Contracts using Federal Funds:

1. For any contract using federal funds under which the contract amount exceeds the upper limit for simplified acquisition/small purchases (see [DAF-3.C.2](#)), the contract must address administrative, contractual or legal remedies in instances where contractors violate or breach contract terms, and must provide for sanctions and penalties. (See [2 CFR 200, Appendix II\(A\).](#))
2. For any contract using federal funds under which the contract amount exceeds \$10,000, it must address the District's authority to terminate the contract for cause and for convenience, including the manner by which termination will be effected and the basis for settlement. (See [2 CFR 200, Appendix II\(B\).](#))
3. For any contract using federal funds under which the contract amount exceeds \$150,000, the contract must include clauses addressing the [Clean Air Act and the Federal Water Pollution Control Act](#). (See [2 CFR 200, Appendix II\(G\).](#))
4. For any contract using federal funds under which the contract exceeds \$100,000, the contract must include an anti-lobbying clause and require bidders to submit Anti-Lobbying Certification as required under [2 CFR 200, Appendix II \(J\)](#).
5. For each contract using federal funds and for which there is no price competition, and for each federal fund contract in which a cost analysis is performed, the District shall negotiate profit as a separate element of the price. To establish a fair and reasonable profit, consideration must be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of the contractor's past performance and industry profit rates in the surrounding geographical area for similar work. (See [2 CFR 200.323\(b\).](#))

I. Bid Protest:

The District maintains the following protest procedures to handle and resolve disputes relating to procurements and, in all instances, discloses information regarding the protest to the awarding agency.

A bidder who wishes to file a bid protest shall file such notice and follow procedures prescribed by the Request For Proposals (RFPs) or the individual bid specifications package,

for resolution. Bid protests shall be filed in writing with the Superintendent within seventy-two (72) hours of the opening of the bids.

Within five (5) days of receipt of a protest, the Superintendent shall review the protest as submitted and render a decision regarding the merits of the protest and any impact on the acceptance and rejection of bids submitted. Notice of the filing of a bid protest shall be communicated to the Board and shall be so noted in any subsequent recommendation for the acceptance of bids and awarding of contracts.

Failure to file a notice of intent to protest, or failure to file a formal written protest within the time prescribed, shall constitute a waiver of proceedings.

J. Maintenance of Procurement Records:

The District shall maintain records sufficient to detail the history of all procurements. These records will include, but are not necessarily limited to, the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, the basis for the contract price (including a cost or price analysis) and records regarding disbarment/suspension queries or actions. Such records shall be retained consistent with [Policy #249 Data/Records Retention](#).

Legal References:

2 C.F.R. Part 180 2 C.F.R. Part 200 200.305; 200.313(d); 200.317-.326; 200.403-.406; 200.413(a)-(c); 200.430; 200.431; 200.458; 200.474(b) 200 Appendix II 7 CFR Part 210 210.16; 210.19; 210.21; 215.14a; 220.16 Title 2 CFR Part 200

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