



Book	Policy Manual
Section	6000 Finances
Title	STANDARDS OF CONDUCT IN PURCHASING AND CONTRACT
Code	po6320
Status	Active
Adopted	July 9, 2018
Last Revised	October 23, 2023

*Current Policy*

**6320 - STANDARDS OF CONDUCT IN PURCHASING AND CONTRACT**

The School Board is committed to purchasing and contracting processes that promote the responsible stewardship and expenditure of District funds (inclusive of local, State, Federal, and all other sources), including the avoidance of conflicts of interest. Accordingly, in addition to all other applicable restrictions independently established by law or separately established by the District, the Board:

- A. Directs the administration, through its procedures and evaluative processes, to consistently enforce the standards of conduct imposed by the Board and by related State and Federal laws, including, as examples, the State’s Code of Ethics for Local Government Officials (“Code”), the State’s prohibitions against misconduct in office, the State’s prohibitions against private interests in public contracts, and the federal government’s minimum standards of conduct connected to any District officer’s, employee’s, or agent’s participation in purchasing and contracting activities that involve the use of federal funds.
- B. Extends the application of the State’s Code such that the provisions of the Code (as well as its applicable exceptions and exclusions) shall be enforced as District standards of conduct with respect to all District employees who are involved in District purchasing and contracting activities in other than a purely ministerial capacity. Further, in applying and enforcing the various provisions of the Code as local employment standards in connection with such activities, the following broader definitions shall be used in place of the narrower definitions found in the State statutes:
  - 1. “Immediate family” means all of the following: spouse, and parents thereof; children, and spouses thereof; parents, and spouses thereof; and siblings, and spouses thereof; financial dependents as identified in the State Code; or another adult sharing the same household as the employee of the District.
  - 2. An organization with which the employee is “associated” means any organization with which the employee or his/her spouse is associated as an owner, partner, or director, as further defined by the Code; any organization for which the employee or his/her spouse serves as an authorized representative or agent; or any organization which employs or is about to employ either the District employee or any member of the employee’s immediate family.
- C. Requires any employee of the District to disclose to the District Administrator, clearly and as early in the contracting process as practical, the employee’s desire to pursue in his/her private capacity (e.g., via bidding, negotiation, etc.) any contract with the District (a) in which the employee has a direct or indirect private pecuniary interest, and (b) that, but for the amount of the contract being below the dollar/cost threshold of the applicable criminal statute that prohibits private interests in public contracts, the employee would otherwise be criminally prohibited from pursuing even in his/her private capacity.

- D. Prohibits any authorized agent of the District from participating in the submission of a bid or proposal for any District procurement or contracting decision that is to be made through the solicitation, receipt, and evaluation of competitive bids or competitive requests for proposals when the same agent's designated role on behalf of the District included advising the District regarding the same project's specifications, requirements, statements of work, or invitations for bids or requests for proposals.

As to any District-established standard of conduct applicable to District purchasing and contracting activities where the standard exceeds the minimum restrictions and prohibitions imposed by State or Federal law, the Board may, at its discretion, make an exception to the local standard through policy or via other official action. Any employee or authorized agent who wishes to request such an exception shall contact the District Administrator and disclose the specific circumstances relevant to the request.

Even where no law or District policy, regulation, or procedure requires an officer, agent, or employee of the District to take a specific action (or to refrain from specific conduct), the Board expects all officers, agents, and employees to use sound judgment in identifying possible conflicts of interest or other situations giving rise to a reasonable perception of impropriety that may detract from public confidence in the District's purchasing and contracting activities. Upon identifying such situations, the officer, agent, or employee should consult with the Board or administration as necessary and determine a reasonable course of action. Examples of potential resolutions to such situations include making express disclosures (e.g., of particular familial or social relationships) and/or abstaining from participation in particular District processes and transactions.

### **Consequences for Violations**

Any officer, employee, or agent of the District who violates the standards of conduct applicable to participation in District purchasing and contracting activities, as established by the Board or by applicable law, is subject to referral to law enforcement when the conduct is independently subject to possible legal prosecution. In addition:

- A. A Board member who violates any standards of conduct established by State or Federal law is further subject to censure or other disciplinary sanction that is within the authority of the Board itself, and may also be subject to an action for removal from public office by the courts.
- B. Employees are further subject to possible disciplinary action, up to and including termination from employment.
- C. A non-employee agent of the District is further subject to termination of his/her authority to act as an authorized agent of the District.

A current or prospective vendor or contractor of the District who offers or provides gifts, favors, or gratuities to any officer, agent, or employee of the District that would constitute a violation of this policy or any applicable law is subject to possible disqualification as a future vendor or contractor of the District.

In setting forth such possible consequences, the Board neither absolves any officer, employee, or agent of the District from any other individual liability that may accrue to such representative of the District nor disclaims or waives any of the Board's or District's rights to void or terminate agreements or to pursue any other lawful claims or remedies.

Purchases of supplies, services, and equipment shall be done through a requisition process. The School District denies liability for any purchase made without a purchase order signed by the District Administrator and/or designee.

- A. Purchases of goods or equipment which individually or collectively exceed \$5,000, but are less than \$25,000 shall be made by obtaining at least two (2) competitive quotations that are to be attached to the purchase order.

The Board of Education shall make the final determination of the item selected if the administration recommends an item that is not the lowest price item. A. Goods or Equipment Expenditures of \$5,000 to \$25,000.

- B. Goods or Equipment Expenditures Greater than \$25,000.

Purchases of goods or equipment which individually or collectively exceed \$25,000, the District shall seek bids for the goods or equipment. The District Office may advertise in the appropriate media if appropriate as well as notifying known potential vendors who might be interested in the bid. Bids shall be approved by the Board.

- C. Expenditures for Construction Projects.

Formal bids for constructing, demolishing, or remodeling shall be obtained for all projects in excess of \$25,000. The bids shall have a stated time, date, and location where they are due. The Board shall select the winning bidder

based upon the bid criteria. For projects less than \$25,000, at least two (2) firm competitive quotations shall be obtained. In cases where the lowest quotation is not recommended, the Board shall make the final determination. All bids for services such as constructing, remodeling, demolishing, etc. shall require a performance bond in accordance with state statute. Bid lists of interested bidders shall be maintained for the District. For large projects requiring the issuance of bonds, The Board shall determine the bidding method and requirements for each project.

The Board does not expect bids for the following items:

1. Specialized educational items, e.g. textbooks and workbooks,
2. Professional services for attorneys, architects, or consultants,
3. Replacement parts for maintenance or mechanical systems which do not exceed fifty-percent (50%) of the cost to replace the entire unit,
4. Services received through CESA or supplies bid by CESA;
5. Items purchased off of State or Federal bids.

