

Morrow County School District

Federal Procurement Policy

The Morrow County School District will purchase goods, products, and/or services for use in Federal Programs in compliance with 2 CFR Part 200. This policy specifically addresses federal, *non-food service purchases*.

The primary purpose of this procurement plan is to assure open and free competition, transparency in transactions, comparability, and documentation of all procurement activities. The procurement process practiced by the District must not restrict or eliminate competition. For example, description of goods, products, and/or services to be procured should not contain features that unduly restrict competition. Competition helps assure that goods, products, and/or services will be obtained that best meets your organization's needs.

The District must perform a cost or price analysis when purchases are estimated to exceed the most restrictive small purchase threshold (Federal simplified acquisition threshold is currently valued at \$150,000) in connection with every procurement action in excess of the simplified acquisition threshold including contract modifications.

Regardless of procurement method, the following factors will be determined regarding the allowability of costs:

- Be necessary and reasonable for proper and efficient administration of the program(s).
- Be allocable to federal awards applicable to the administration of the program(s).
- Be authorized and not prohibited under federal, state, and local laws.
- Avoids wasteful or duplicate purchasing.

The District will determine if awarded vendor is debarred, suspended, or ineligible by checking the prescribed website: <https://www.sam.gov/SAM/pages/public/searchRecords/search.jsf>

Purchasing will be conducted using the following procurement threshold:

	<u>Federal and State Procurement Thresholds</u>
<u>Micro-purchasing</u>	<u>Less than \$10,000</u>
<u>Small/Informal</u>	<u>Less than \$150,000</u>
<u>Formal</u>	<u>Greater than \$150,000</u>
<u>Equipment</u>	<u>Over \$5,000</u>

A. Micro purchase procedures. This method applies to the purchase of supplies or services with federal funds when the aggregate dollar amount does not exceed \$10,000 per transaction. These purchases may be awarded without soliciting competitive quotes if the entity considers the price reasonable. District must maintain written documentation as evidence of this reasonableness in records of all micro-purchases equitably distributed. Purchases must meet program needs and be priced reasonable.

B. Informal/small purchase procedures. This method applies for purchases of goods, products, and/or services when the aggregate dollar amount is less than \$150,000 (current Federal simplified acquisition threshold) or the District's simplified acquisition threshold if lower. Solicitation of three (3) quotes from three (3) or more qualified vendor/contractor is required with adequate documentation of results.

- In developing the written specifications, the same information needs to be provided to all vendors/contractors, you may use prices found online, in catalogs, sale flyers, internet, etc.
- Each vendor/contractor will be contacted and given an opportunity to provide a price quote on the same specifications.
- The price quotes are to remain confidential information until the actual purchase has been made.
- Quotes are awarded by the Superintendent or Superintendent's designee. Superintendent will approve all purchases over \$50,000. Quotes awarded are to the lowest and best quote based upon price, quality, service availability, and/or discounts.
- The District Designee is responsible for documentation of records to show selection of vendor/contractor, reasons for selection, names of all vendors/contractors contacted, price quotes from each vendor/contractor, and written specifications.
- The District is responsible for documentation that the actual product specified is received.
- Any time an accepted item is not available, the District Designee will select the acceptable alternate. The District will document the reason for accepting an alternate and keep the documentation on file.
- Quotes are awarded on the following criteria: Must meet the requirements of the solicited product or service.
 1. Price
 2. Service
 3. Quality
 4. Delivery
- The District Designee is required to sign documentation, confirming a review and the approval of the purchase of the goods, products, and/or services.

C. Formal purchase procedures. This method applies to purchases of supplies or services when the aggregate cost amount is more than \$150,000 or greater than the District's simplified acquisition threshold. The formal procurement method requires the use of an Invitation for Bid (IFB) or a Request for Proposal (RFP).

- An announcement of an Invitation for Bid (IFB) or a Request for Proposal (RFP) will be placed in the Newspaper/media, Website, other internet source to publicize the intent of the District to purchase needed items.

- An advertisement is required for all purchases over the District's simplified acquisition threshold of \$150,000. The announcement (advertisement or legal notice) will contain a general description of items to be purchased, the deadline for submission of sealed IFB's and RFP's and the address where complete specifications and other procurement documents may be obtained.
- In an IFB or RFP, each vendor/contractor will be given an opportunity to bid on the same specifications.
- The developer of written specifications or descriptions for procurements will be prohibited from submitting bids or proposals for such products or services.
- The IFB or RFP will clearly define the purchase conditions. The following, shall be addressed in the procurement document:
 1. Contract time period;
 2. The District is responsible for all contracts awarded (statement);
 3. Date, time, and location of bid opening;
 4. How vendor/contractor will be informed of bid acceptance or rejection;
 5. Delivery schedule;
 6. Requirements which bidder must fulfill in order for bid to be evaluated;
 7. Benefits to which the District will be entitled if the contractor can not or will not perform as required;
 8. Statement assuring positive efforts will be made to involve minority and small business;
 9. Statement regarding the return of purchase incentives, discounts, rebates, and credits to the Federal Program, if applicable;
 10. Contract and/or purchase orders may be issued for firm fixed prices after formal bidding process;
 11. Price adjustment clause based on appropriate standard or cost index;
 12. Method of evaluation and type of contract to be awarded;
 13. Method of award announcement and effective date (if intent to award is required by State or local procurement requirements);
 14. Specific bid protest procedures including contact information of person and address and the date by which a written protest must be received;
 15. Provision requiring access by duly authorized representatives of the sponsoring Federal Government Agency, or Comptroller General to any books, documents, papers and records of the contractor, which are directly pertinent to all negotiated contracts;
 16. Method of shipment or delivery upon contract award;
 17. The Contractor will give assurances that the contractor understands and agrees to follow all applicable Federal and State laws, regulations, rules, and amendments;
 18. Certificate of Independent Price Determination: The vendor admits that all prices in their Offer have been arrived at independently, without consultation, communication or agreement, for restricting competition, as to any matter relating to such prices with any other Offeror or with any competitor certification regarding non-collusion;
 19. Debarment, Suspension, Ineligibility and Voluntary Exclusion: By signing the Offer & Award form, the contractor shall certify that they have not been debarred, suspended, or otherwise excluded from or ineligible for participations

in federal assistance programs under executive order 12549 and 12689. The contractor shall comply with regulations implementing Office of Management and Budget Guidance in Non-Procurement Debarment and suspension codified at 2 CFR Part 180 and 2 CFR Part 417. These regulations restrict transactions with certain parties that are debarred, suspended or otherwise excluded from, or ineligible for, participation in Federal assistance programs or activities. The District will determine if vendor is debarred, suspended, or ineligible by checking the prescribed website:

<https://www.sam.gov/SAM/pages/public/searchRecords/search.jsf>

20. Record Keeping: The books and records of the contractor pertaining to operations under this agreement shall be available to the District at any reasonable time. These records are subject to inspection or audit by representatives of the District, State Agency, the sponsoring Federal Program, and the US General Accounting Office at any reasonable time and place. The District shall maintain such records, for a period of not less than three (3) years after the final day of the contract, or longer if required for audit resolution;
 21. Invoicing: The contractor fully discloses all discounts, rebates, allowances and incentives received by the District from its suppliers. If the contractor receives a discount, rebate, allowance, or incentive from any supplier, the contractor must disclose and return to the District the full amount of the discount, rebate, or applicable credit that is received based on the purchases made on behalf of the District. The contractor must identify the amount of each discount, rebate and other applicable credit on bills and invoice presented to the District for payment and individually identify the amount as a discount, rebate, or in the case of other applicable credits, the nature of the credit. (2 CFR 200);
 22. Termination Clause: The contract may be terminated for cause and for convenience by the District. Appendix II to 2 CFR Part 200. (Only applies to contracts over \$10,000);
 23. Signed statement of non-collusion.
- Specifications will be prepared and provided to potential vendors/contractors desiring to submit IFB or RFP for the products or services requested. Vendors/contractors will be selected using the District's procedures such as:
1. Does the vendor's product meet the required specifications?
 2. Does the vendor's delivery schedule meet the District's needs?
 3. Other criteria that the District determines is a value to them.
- The District is responsible for securing all IFB or RFP.
- The District is responsible to ensure all District procurements are conducted in compliance with applicable Federal regulations, State General Statutes or policies of the program.
- The following criteria will be used in awarding contracts as a result of bids. (Examples: quality, delivery, service, etc.).
1. Price
 2. Service
 3. Quality
 4. Delivery

- In awarding a competitive negotiation (RFP), a set of award criterion in the form of a weighted evaluation sheet will be provided to each bidder in the initial bid document materials. Price alone is not the sole basis for award, but remains the primary consideration when awarding a contract. Following evaluation and negotiations a firm fixed price or cost reimbursable contract is awarded.
- The contracts will be awarded to the responsible bidder/proposer whose bid or proposal is responsive to the invitation and best meets the needs of the District, price, and other factors considered. Any and all bids or proposals may be rejected in accordance with law.
- The District is required to sign on the bid tabulation of competitive sealed bids or the evaluation criterion score sheet of competitive proposals signifying a review and approval of the selections.
- The District will review the procurement system to ensure compliance with applicable laws.
- The District is responsible for documentation that the actual product specified is received. Any time an accepted item is not available, the District will select the acceptable alternate.
- Full documentation as to the reason an accepted item was unavailable, and to the procedure used in determining acceptable alternates, will be available for audit and review. The person responsible for this documentation is Superintendent or Designee.
- The District is responsible for maintaining all documentation of the procurement process.

D. Non-Competitive Negotiation Procedures (only with Federal or State Agency approval).

If items are available only from a single source (aka Sole Source) when *the award of a contract is not feasible under simplified acquisition purchase, IFB or RFP* Non-Competitive Negotiation procedures will be used: (must have prior approval from State Agency or Federal, if applicable, before executing. (2 CFR 200.320)

- Written Specifications will be prepared and provided to the vendor/contractor.
- The District is responsible for the documentation of records to fully explain the decision to use the non-competitive negotiation. The records will be available for audit and review.
- The District is responsible for documentation that the actual product or service specified was received.
- The District is responsible for reviewing the procedures to be certain all requirements for using single source or non-competitive negotiation are met.
- The record of non-competitive purchases shall include, at a minimum, the following:
 - a. Item name
 - b. Dollar amount
 - c. Vendor/contractor, and
 - d. Reason for non-competitive procurement

E. Emergency Procurement. If it is necessary to make an emergency procurement to continue service, the purchase shall be made, and a log of all such purchases shall be maintained by the District. The following emergency procedures shall be followed. All emergency procurements shall be approved by the Superintendent or Designee. At a minimum, the following emergency procurement procedures shall be documented:

- a. Item name
- b. Dollar amount
- c. Vendor/contractor, and
- d. Reason for emergency

F. Record Keeping. The contractor shall agree to retain all books, records and other documents relative to the contract agreement for three (3) years after final payment. The District, its authorized agents, State Agency, and/or Federal auditors shall have full access to and the right to examine any of said materials during said period. Specifically, the District shall maintain, at a minimum, the following documents:

- a. Written rationale for the method of procurement
- b. A copy of the original solicitation
- c. The selection of contract type
- d. The bidding and negotiation history and working papers'
- e. The basis for contractor selection
- f. Approval from the State agency to support a lack of competition when competitive bids or offers are not obtained
- g. The basis for award cost or price
- h. The terms and conditions of the contract
- i. Any changes to the contract and negotiation history
- j. Billing and payment records'
- k. A history of any contractor claims, and
- l. A history or any contractor breaches

G. Equipment Purchases. If the amount of purchase for equipment is greater than \$5,000, the following procedure is used. Equipment means tangible personal property (including information technology systems) having a useful life of more than one (1) year and per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statements purposes, or \$5,000.

The District will receive the required approvals to purchase equipment greater than \$5,000 from the appropriate State and/or Federal Agency.

- Written specifications will be prepared and provided to vendors.
- Each vendor will be contacted and given an opportunity to provide a price quote on the same specifications. A minimum of two (2) vendors shall be contacted.
- The price quotes will receive appropriate confidentiality before award.
- Quotes will be awarded by the Superintendent Designee. Quotes awarded will be to the lowest and best quote based upon quality, service availability, price, and or discounts.
- The District is responsible for documentation of records to show selection of vendor, reasons for selection, names of all vendors contacted, price quotes from each vendor, and written specifications.

- The Morrow County School District Board, employees, officers or agents must follow established Board Policies and Administrative Rules around ethics, conflicts of interest, and nepotism (BBFA, BBFB, GBC, GBC-AR). Gratuities, favors, or anything of monetary value from prospective contractors/vendors, potential contractors, or parties of subcontract should not be solicited or accepted.

H. Minority, Women Owned and Small Business. The District must take all necessary affirmative steps to assure that minority business, women business enterprise, and labor surplus area firms are used when possible. (2 CFR 200.321)

A resource available to use is Certification Office for Business Inclusion and Diversity (COBID). This site provides information on Minority/Women Business Enterprise (MWBE), Emerging Small Business (ESB) and Disadvantaged Business Enterprise (DBE).
<https://oregon4biz.diversitysoftware.com/FrontEnd/VendorSearchPublic.asp?XID=6787&TN=oregon4biz>

I. Intergovernmental Agency. The District is encouraged to enter into state and local intergovernmental agreements or inter-entity agreements where appropriate for procurement or use of common or shared goods and services. (2 CFR 200.318)