

## **SECTION V BUSINESS AFFAIRS**

### **5.02 GENERAL POLICIES**

#### **A. Purchasing**

1. The Director of Purchasing will be responsible for organizing and administering acquisitions for the district in accordance with responsibility and authority delegated by the District's Superintendent, School Board and resultant policies. The procedures outlined in the handbook regarding centralized purchasing approved by the School Board will be used by the District Purchasing Department in its conduct of business.

2. Insofar, as possible or practical, all purchases from budgeted funds shall be based on requisitions. Requisitions must be approved by either the principal or the department head prior to issuance of the purchase order. No person, unless authorized to do so under regulations of the Board, may make any purchase involving the use of school funds; no expenditures for unauthorized purchases will be approved for payment by the Board.

3. Purchase orders will be executed by the Director of Purchasing. A properly completed purchase order form is to be considered a contract for goods, services, supplies or equipment between the School Board and a qualified vendor. The purchase order form is to be approved and signed by the Director of Purchasing or Superintendent. Insofar as possible or practical, no purchase order is to be mailed or issued until after it has been encumbered against budgeted funds. Purchase orders are not required for salaries, utilities, and other similar items that are exempt by law or regulation.

4. When it is the most economical method, blanket purchase orders will be used to procure items and services of a non-competitive nature. A blanket purchase order is an open end contract which designates one company as supplier for items frequently needed by a particular school/department. The blanket purchase order defines the terms, conditions, persons or departments authorized to use the blanket purchase order, delivery instructions and total dollar value for a specified period of time. It is the intention of the School Board that the use of blanket purchase orders be limited.

5. Except as authorized by law or rule, competitive solicitations shall be requested from three (3) or more reputable sources for any authorized commodities or contractual services exceeding \$50,000 or more. The School Board may not divide the procurement of commodities or contractual services so as to avoid this monetary threshold requirement. For expenditures less than \$50,000 and when practical, quotations will be requested as follows:

\$15,000-\$24,999 – documented telephone quotes from 2 or more qualified vendors

\$25,000-\$39,999 - written quotes from 3 or more qualified vendors

\$40,000 - formal written sealed quotes

It shall be the responsibility of the Director of Purchasing, with other qualified staff personnel, to recommend the lowest responsive and responsible proposers meeting specification and conditions of a competitive solicitation. When a competitive solicitation other than the lowest competitive

solicitation is being recommended, it will be the responsibility of the Director of Purchasing to submit to the School Board the reasons for this recommendation.

(Amended: 09/21/89, 02-17-94, 06-19-97; 10-19-00; 12/16/14)

6. In the event of tied or identical bids, preference shall be given to the bid which certifies that a drug-free workplace has been implemented in accordance with Section 287.087 F.S.. If all tied bids have a drug-free workplace program certification, then preference shall be given to the bidder whose business is physically located in Clay County, Florida. If neither vendor is located in Clay County, Florida then preference shall be given to the bidder whose business is physically located in the State of Florida. If more than one tied bidder is located in Clay County, Florida or if no tied bidder or more than one tied bidder is located in the State of Florida, the award of the tied bid shall be decided by the flip of a coin in the presence of witnesses. The coin flip shall be administered by the Director of Purchasing who shall designate the calling of heads or tails.

7. The School Board shall have the authority to reject any or all competitive solicitations; request new competitive solicitations; award alternate competitive solicitations not meeting the general specifications set forth; award competitive solicitations on a per item or total competitive solicitation basis; or purchase the required commodities or contractual services in any other manner authorized by law or rule – whichever would be in the best interest of the School Board. Competitive solicitation disputes will be resolved by following the procedures as outlined in the Handbook of Procedures Regarding Centralized Purchasing/ Accounts Payable/Warehouse of the School Board

8. The School Board will not, under any conditions, consider escalating prices at the time of the competitive solicitation or after the official time the competitive solicitation is awarded by the School Board unless the competitive solicitation document has a provision stating otherwise.

9. The requirement for requesting competitive solicitations and making purchases, insofar as they relate to purchases of petroleum and paper products, are hereby waived when the following conditions have been met:

- a. Competitive solicitation have been requested in the manner prescribed, and
- b. The School Board has made a finding that no valid or acceptable firm competitive solicitation has been received within the prescribed time.

When such a finding has been officially made the School Board may authorize the Director of Purchasing to negotiate with suppliers to execute a contract for such supplies under whatever terms and conditions are felt to be to in the best interest of the School Board.

As required by 1001.42(102)(j), Florida Statutes, the School Board shall receive and give consideration to the prices available to it under rules of the Department of Management Services, Division of Purchasing. The School Board shall have the option of purchasing under the contracts as may be established, if such purchases are to the economic advantage of the School Board and meet the standards and specifications prescribed by the Superintendent.

In lieu of requesting competitive solicitations from three (3) or more sources, the School Board may make purchases at or below the specified prices from contracts awarded by other city or county governmental agencies, other district school boards, community colleges, federal agencies, the public or governmental agencies of any state, or from state university system cooperative bid agreements

and cooperative organizations/networks or contracts, when the proposer awarded a contract by another entity defined herein shall permit purchases by the School Board at the same terms, conditions and prices (or below such prices) awarded in such contracts, and such purchases are to the economic advantage of the School Board.

A contract for commodities or contractual services may be awarded without competitive solicitations if state or federal law, a grant or a state or federal agency contract prescribes with whom the School Board must contract or if the rate of payment is established during the appropriations process.

A contract for regulated utilities or government franchised services may be awarded without competitive solicitations.

10. An emergency purchase is defined as one brought about by a sudden unexpected turn of events (i.e. acts of God, riot, fires, floods, accidents, or any circumstances or cause beyond the control of the cost center head in the normal conduct of its business) involving health, welfare, injury, or loss to the School Board, and which can be rectified only by immediate purchase of equipment, supplies, materials, or services. When the Superintendent of Schools determines in writing that a bona fide emergency exists, he/she may authorize the purchase of equipment, supplies, materials or services without compliance with policies which require requisitions, competitive solicitations or other preliminary measures leading to the issuance of a purchase order. A confirming purchase order shall be issued for all purchases made under this heading. The confirmation shall contain an explanation of the nature of the emergency.

11. It is the responsibility of each principal or department head, or their authorized representative, to acknowledge receipt of goods or services to their school or department immediately upon receipt, by signing and returning to the Accounts Payable Office the copy of the purchase order provided for that purpose. Any discrepancy between the items specified in the purchase order and what is received shall be noted, in writing rejected and a note attached in Business Plus, by the principal or department head or authorized representative of the school. Payments will not be made until the signed purchase order receiving copy is returned to the Accounts Payable Office

12. No lease agreement shall exceed a period of twelve months; however, acquisitions by this method may be subject to a clause granting option to renew. The School Board may not enter into a lease or lease/purchase agreement, the term of which exceeds one year, unless the agreement contains the stipulation, “ ... subject to the availability of funds.”

13. Petty cash funds will be established for the primary purpose of small day-to-day purchases and minor equipment repairs. No equipment may be purchased using petty cash funds.

14. Competitive solicitation, quotations, a list of vendors and one copy of all purchase orders issued or canceled will be maintained in the district’s purchasing office.

15. The School Food Service Department will be responsible for the accuracy and payment of invoices for materials purchased for that department.

**16. Procedures as outlined in the Purchasing Handbook shall be the authority for procurement. The policies as stated above will serve as supplemental policies to the Purchasing Manual. Florida Statutes, State Board of Education Rules, and Federal Regulations are the governing requirements complied with and, in the case of conflict, will take precedence over the Purchasing Handbook**

## 17. Federal Grants/Funds

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, Board policies, and administrative procedures, including all provisions contained in 2 CFR 200.316 through 2 CFR 200.326. NOTE: In the event that state law is more restrictive than federal law, the District reserves the right to utilize and comply with the more restrictive state law.

The Superintendent shall maintain a procurement and contract administration system in accordance with the USDOE requirements (2 C.F.R. 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 conform to the provisions of the District's documented general Purchasing Policy in Section 5.02 Business Affairs.

### General Procurement Standards

The District will implement the provisions of 2 CFR 200.318 and will use its own documented procurement standards which reflect applicable state and local standards, ensuring that said standards conform with applicable federal laws.

District shall maintain written standards of conduct covering conflicts of interest and governing the The District shall maintain written standards of conduct covering conflicts of interest and governing the performance of its employees engaged in the selection, award and administration of contracts.

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.

### Competition

All procurement transactions paid for from Federal funds or District matching funds shall be conducted in a manner that encourages full and open competition and that is in accordance with good administrative practice and sound business judgment. 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.

The District shall not use statutorily or administratively imposed State, local, or tribal geographical preferences in the evaluation of bids or proposals, except when an applicable Federal statute expressly mandates or encourages a geographic preference; or 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. In the instance where state law requires local preferences, the District shall follow state law.

If the District uses a pre-qualified list of persons, firms, or products to acquire goods and services that are subject to this policy, the pre-qualified list shall include enough qualified sources as to ensure maximum open and free competition. The District shall allow vendors to apply for consideration to be placed on the list annually.

All terms of 2 C.F.R. 200.318 shall be followed.

### Procurement Methods

The District shall utilize the following methods of procurement:

#### A. Micro-purchases:

Procurement by micro-purchase is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold in C.F.R. 200, as amended. The District shall distribute micro-purchases equitably among qualified suppliers. Micro-purchases may be made without soliciting competitive quotations if Superintendent considers the price to be reasonable.

#### B. Small Purchases:

Small purchase procedures are relatively simple and informal procurement methods for securing services, supplies, and other property that does not exceed the competitive bid threshold of \$50,000. Small purchase procedures require that price or rate quotations shall be obtained from an adequate number of qualified sources.

#### C. 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 \$50,000 and when the Board determines to build, repair, enlarge, improve, or demolish a school building/facility the cost of which will exceed \$50,000.

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

1. A complete, adequate, and realistic specification or purchase description is available;
2. Two (2) or more responsible bidders are willing and able to compete effectively for the business; and
3. 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.

When sealed bids are used, the following requirements apply:

1. Bids shall be solicited in accordance with the provisions of State law and District. 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.
2. 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.

3. All bids will be opened at the time and place prescribed in the invitation for bids; bids will be opened publicly.

4. A firm fixed price contract award will be made in writing to the lowest 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.

5. The Board reserves the right to reject any or all bids for sound documented reason.

#### D. Competitive Proposals

Procurement by competitive proposal is normally conducted with more than one source submitting an offer and is generally used when conditions are not appropriate for the use of sealed bids.

If this method is used, the following requirements apply:

1. 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.

2. Proposals shall be solicited from an adequate number of sources.

3. The District shall use its written method for conducting technical evaluations of the proposals received and for selecting recipients

4. Contracts shall be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered.

5. 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.

#### E. 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:

1. The item is available only from a single source

2. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation

3. The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the District

4. After solicitation of a number of sources, competition is determined to be inadequate.

### Small and Minority Businesses, Women's Businesses and Labor Surplus area Firms

The District shall take affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible in accordance with 2 C.F.R. 200.321.

### Contract/Price Analysis

In compliance with 2 CFR 200.323, the District shall perform a cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold, including contract modifications. Cost analysis is defined as evaluating the separate cost elements that make up the total price; price analysis is defined as 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.

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.

### Awarding Agency Review

Pursuant to 2 CFR 200.324, the District shall make available, upon request of the awarding agency or pass through agency, technical specifications on proposed procurements where the awarding or pass through agency believes such review is needed.

### Bonding Requirements

For construction or facility improvement contracts or subcontracts exceeding the Simplified Acquisition Threshold, in the event that the awarding agency or pass through agency has not accepted the District's bonding policies, the District shall ensure that the minimum requirements of 2 CFR 200.325 are followed regarding bid guarantees, performance bonds and payment bonds.

### Maintenance of Procurement Records

The District shall maintain records sufficient to detail the history of all procurements, including records which reflect rationale for the method of procurement, selection of contract type, contractor selection, or rejection, and the basis for the contract price.

### Legal

(Amended: 11/18/03, 12/16/14) FL Statutes Chapter 1001: 1001.41, 120: 120.54, 120.536, 287; DOE Rule 6A-1.012

Code of Federal Regulations: 2 CFR 200.316; 2 CFR 200.317; 2 CFR 200.318; 2 CFR 200.319; 2 CFR 200.320; 2 CFR 200.321; 2 CFR 200.322; 2 CFR 200.323; 2 CFR 200.324; 2 CFR 200.325; 2 CFR 200.326