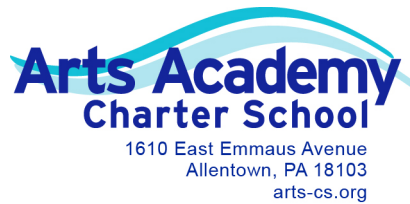


Adoption Date:	05/15/2017
Revision Date(s):	



Board Policy 10.3
PROGRAMS AND EXPENDITURES INVOLVING FEDERAL FUNDS

Procurement

Applicability

This Policy shall be applicable to all conduct related to the actions of school employees engaged in the selection, award and administration of contracts. Any purchases utilizing federal funds shall be made pursuant to this Policy and Bd. Pol. 8.2.

Purchase Methods

The type of purchase procedures required depends on the cost of the item(s) being purchased. The purchase order requirements set forth in Bd. Pol. 8.2 shall apply to purchases utilizing federal funds.

Micro-Purchases (Micro-Procurement Procedures)

Micro-purchase means a purchase of supplies or services using simplified acquisition procedures, the aggregate amount of which does not exceed a specified value. The maximum micro-purchase value, established through federal regulation, is \$3,000 at the time of the adoption of this Policy. The Board recognizes, however, that this amount is subject to change to adjust for inflation. The Board directs the Executive Director or designee to establish administrative regulations pursuant to this Policy and to update the maximum amount for micro-purchases as necessary to reflect the current federal standard.

The micro-purchase method is used in order to expedite the completion of its lowest-dollar small purchase transactions and minimize the associated administrative burden and cost. Procurement by micro-purchase is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed the micro-purchase maximum.

To the extent practicable, the school shall distribute micro-purchases equitably among qualified suppliers. The Executive Director shall ensure that micro-purchases are distributed appropriately and effectively. Micro-purchases may be awarded without soliciting competitive quotations if the school considers the price to be reasonable. The school shall maintain evidence of this reasonableness in the records of all micro-purchases.

Purchases between the Micro-Purchase Maximum Amount and \$18,500 and All Purchases of Perishable Food Items (Informal Procurement Procedures)

Informal purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that cost between the micro-purchase maximum amount (\$3,000 at the time of the adoption of this Policy) and \$18,500. Informal purchase

Adoption Date:	05/15/2017
Revision Date(s):	

procedures shall also be used for the acquisition of perishable food items at any price. If informal purchase procedures are used, price or rate quotations are obtained from at least three (3) qualified and responsible sources either by phone or through requests for written quotes (preferred). Where at least three (3) qualified sources are not available, the individual soliciting the quotes must thoroughly document how this determination was made, such as research conducted to reach this conclusion, etc. All documentation regarding the informal purchase procedures should be provided to the Executive Director or his designee, who shall be responsible for retaining such documentation for a minimum of three years plus the current school year.

Specifications/product description provides enough detail for vendor to respond adequately. Information to be provided to the vendors shall be as follows:

- Date of quote
- Name of vendor and representative
- Description of item being quoted
- Quantity
- Price of item
- Date item needed

Purchases Over \$18,500 (Formal Procurement Procedures)

Purchases of eighteen thousand five hundred dollars (\$18,500) or more shall be purchased by the board of school directors pursuant to the bidding requirements of the PA School Code after public notice has been given by advertisement once a week for three (3) weeks in not less than two (2) newspapers of general circulation. In any school district where no newspaper is published, said notice may, in lieu of such publication, be posted in at least five (5) public places.

Pursuant to the PA School Code, the Board shall accept the bid of the lowest responsible bidder, kind, quality, and material being equal, but shall have the right to reject any and all bids or select a single item from any bid.

Procurement of Items/Services Spanning Multiple Years

In determining the proper process (micro, informal, or formal) for procurements involving multiple years, the base amounts established shall include adjustments for the percent change in the Consumer Price Index for All Urban Consumers (CPI-U) for the United States City Average, as published annually by the U.S. Department of Labor. If the Department of Labor and Industry determines that there is no positive percentage change, then no adjustment to the base amounts shall occur for the relevant time period.

Purchase Cards

The Executive Director may authorize the use of purchase cards for some employees. Purchase cards may be used for pre-approved travel expenses and/or other expenses pre-authorized by the Executive Director. All statements shall be reviewed by the Executive Director or his designee. Non-compliant use of purchase cards shall result in loss of purchase card privileges. Employees who charged unauthorized expenses on a purchase card shall be responsible for reimbursing the school for the purchase within twenty (20) days of notice of the unauthorized purchase. The

Adoption Date:	05/15/2017
Revision Date(s):	

Executive Director or designee shall set forth specific rules and requirements related to purchase cards.

Full and Open Competition

In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals shall be excluded from competing for such procurements. Some of the situations considered to be restrictive of competition include but are not limited to:

- Placing unreasonable requirements on firms in order for them to qualify to do business;
- Requiring unnecessary experience and excessive bonding;
- Noncompetitive pricing practices between firms or between affiliated companies;
- Noncompetitive contracts to consultants that are on retainer contracts;
- Organizational conflicts of interest;
- Specifying only a “brand name” product instead of allowing “an equal” product to be offered and describing the performance or other relevant requirements of the procurement; and
- Any arbitrary action in the procurement process.

Geographical Preferences Prohibited

The school prohibits the use of statutorily or administratively imposed state, local, or tribal geographical preferences in the evaluation of bids or proposals involving federal grant funds, except in those cases where applicable federal statutes expressly mandate or encourage geographic preference. When contracting for architectural and engineering (A/E) services, 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.

Prequalified Lists

The school shall ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. The school does not preclude potential bidders from qualifying during the solicitation period.

Solicitation Language

The school shall ensure that all solicitations incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description must 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, must set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible.

Adoption Date:	05/15/2017
Revision Date(s):	

- A. 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 must be met by offers must be clearly stated; and identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.

Avoiding Acquisition of Unnecessary or Duplicative Items

The school shall avoid the acquisition of unnecessary or duplicative items. Additionally, consideration is given to consolidating or breaking out procurements to obtain a more economical purchase. Also, where appropriate, an analysis shall be made of leases versus purchase alternatives, and another 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.

Cooperative Purchasing

The Board encourages the administration to seek the benefits and savings that may accrue through joint agreements with other political subdivisions for the purchase of supplies, equipment or services. Cooperative purchasing shall be done in accordance with applicable law and Bd. Pol. 613.

Use of Federal Excess and Surplus Property

The school shall consider the use of federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.

Debarment and Suspension

The school shall award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources. The school shall not subcontract with or award subgrants to any person or company who is debarred or suspended. For all contracts over \$25,000, the school shall verify that the vendor with whom the school intends to do business with is not excluded or disqualified. The Executive Director or designee shall set forth, in the administrative regulations promulgated pursuant to this Policy, the means by which such verification shall occur.

Maintenance of Procurement Records

The school 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 verification that the contractor is not suspended or debarred. All such records shall be maintained by the Business Manager.

Time and Materials Contracts

Adoption Date:	05/15/2017
Revision Date(s):	

The school 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 school 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, each contract must set a ceiling price that the contractor exceeds at its own risk. Further, AACS shall assert a high degree of oversight in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.

Settlements of Issues Arising Out of Procurements

The school is responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims. These standards do not relieve the school of any contractual responsibilities under its contracts. Violations of law will be referred to the local, state, or federal authority having proper jurisdiction.

Protest Procedures to Resolve Dispute

The Executive Director or designee shall be responsible for ensuring that the school maintains specific protest procedures to handle and resolve disputes relating to procurements and, in all instances, discloses information regarding the protest to the awarding agency. Such procedures shall be specifically set forth by the Executive Director or designee in the administrative regulations promulgated pursuant to this Policy.