

**PURCHASING**

**General:** The purchasing, receiving, storing, and distribution of necessary supplies, equipment, and services for use in the District’s programs and services represent a significant expenditure of District funds. Therefore, purchases shall, when practicable, be made competitively and without prejudice in order to obtain the maximum educational value for every dollar expended.

Purchasing shall be made with consideration given to the following criteria:

1. best possible quality;
2. lowest possible cost which meets the specifications required;
3. availability of goods or services;
4. least possible expenditure of time for person requesting; and
5. suppliers’ and vendors’ compliance with Board policies and past performance.

**Purchasing Authority:** The Board authorizes the Superintendent to approve expenditures for the purchase of supplies, equipment, and services from District funds according to the District’s budget. The Superintendent is further authorized to delegate purchasing authority to those persons designated in Administrative Regulation specifying the purchasing authority of each such person to whom the authority is delegated. Employees who make purchases without appropriate authority or proper paperwork may be held personally liable for such purchases and may be subject to disciplinary action.

All expenditures for purchases approved by the Superintendent or persons designated by the Superintendent must be within unencumbered balances of budgeted appropriations. When a purchase has been approved by the Superintendent, the price may be adjusted by up to ten percent (10%) but not greater than \$500.00 to accommodate slight increases in price or other adjustments. The Board’s approval of a construction project, after meeting all applicable requirements, shall be construed to include approval of all purchases and expenditures necessary to complete the project assuming sufficient funds have been encumbered for such purchases and expenditures.

**Purchasing Procedures:** The Administration shall develop, maintain, and implement purchasing procedures consistent with this policy. Such procedures shall specify when solicitations, bids, and quotations are required to be utilized and may require the supplier to provide those affidavits required by law. The District shall have the right to refuse any and all bids or quotations even though the bid or quotation may be the lowest.

Bids or quotations shall not be required for purchases of:

1. insurance,
2. bonds,
3. sureties,
4. professional services,
5. consulting services,
6. services of independent contractors,
7. testing and evaluation services,
8. used vehicles, equipment, and fuel for transportation,
9. services, supplies, and equipment from vendors holding state-wide contracts issued by the Oklahoma Department of Central Services, and
10. items provided only by a single vendor.

Any procedures developed and implemented by the Administration may provide for the purchase and the storage of items in bulk when such purchases will result in the efficient and economical procurement of such items and may provide for the establishment and publication of a list of low-bid items and vendors for commonly used items of small unit value.

**Public Competitive Bidding Act:** All purchases subject to the Public Competitive Bidding Act of 1974 (61 O.S. § 101 et seq.) shall be made in accordance with and compliance with the provisions of the Act.

**Receipt of Items Purchased and Payments:** The Administration shall develop, implement, and maintain procedures and any necessary forms for the verification of delivery where applicable and the payment of vendors, contractors, and providers.

**Procurement Standards and Vendor Selection:** District maintains oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

1. **Standards of Conduct:**

- A. No employee, officer, or agent should participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest.
  - i. A real or apparent conflict of interest exists where the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the aforementioned parties, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.
- B. Officers, employees, and agents of district must neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts unless the financial interest is insubstantial or the gift is an unsolicited item of nominal value. District defines nominal

value to mean a value of Five Hundred Dollars (\$500.00) or less.

- C. Employees shall be in compliance with all statutes, regulations, and case law governing conflicts of interest involving school districts.
  - D. District and its employees shall fully disclose any instances of conflict of interest or relevant violations of Federal criminal law involving fraud, bribery, or gratuity violations in Title 18 of the United States Code, as effective measures to help prevent or prosecute instances of waste, fraud, or abuse.
  - E. Employees may be disciplined in accordance with State law as well as District policy and procedure for violating the above referenced instances of waste, fraud or abuse, as well as conflict of interest guidelines in addition to any other situation which fails to be mentioned herein, but which leads to a real or apparent conflict of interest for a District employee, officer, or agent.
2. District will avoid acquisition of unnecessary or duplicative items and will consider consolidating or breaking out procurements to obtain a more economical purchase. If appropriate, district will conduct an analysis of lease versus purchase alternatives, and any other appropriate analysis to determine the most economically feasible approach.
  3. District will utilize Federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.
  4. District will award contracts only to responsible contractors possessing the ability to successfully perform under the terms and conditions of a propose procurement. Among the relevant factors to consider will be: contractor integrity, compliance with public policy, record of past-performance, and financial and technical resources.
  5. District will maintain records sufficient to detail the history of procurement, including, but not limited to: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price. District will also maintain accurate records showing the flow and retention of forms including, but not limited to requisitions, purchase orders, petty cash and cash reimbursement receipts. Records will be maintained in accordance with legal requirements.
  6. District will consider time and material type contracts only if a determination has been made that no other contract is suitable and only if the contract includes a ceiling price that the contractor exceeds at its own risk. A time and material contract consists of a contract whose cost to district is the sum of:
    - A. The actual cost of materials; and
    - B. District labor hours charged at fixed hourly rates that reflect wages, general and administrative expenses, and profit.

- i. 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. District must assert a high degree of oversight in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.
7. District will be solely 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.
8. **Procurement Methods.** District will use one of the following methods of procurement:
  - A. **Procurement by micro-purchases:** the acquisition of supplies or services, the aggregate dollar amount of which does not exceed \$3,000 (or \$2,000 in the case of acquisitions for construction subject to the Davis-Bacon Act). To the extent practicable, district will distribute micro-purchases equitably among qualified suppliers. Micro-purchases may be awarded without soliciting competitive quotations if district considers the price reasonable.
  - B. **Procurement by small purchase procedures:** Simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold. If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources.
  - C. **Procurement by sealed bids (formal advertising):** Bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is preferred for procuring construction if:
    - i. A complete, adequate, and realistic specification or purchase description is available;
    - ii. Two 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.
    - iv. If sealed bids are used, the following requirements apply:
      1. The invitation for bids will be publicly advertised and bids

must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids;

2. The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond;
3. All bids will be publicly opened at the time and place prescribed in the invitation for bids;
4. 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, life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and
5. Any or all bids may be rejected if there is a sound, documented reason.

D. **Procurement by competitive proposals:** the technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed price or cost reimbursement contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. The following requirements apply when this method is used:

- i. Requests for proposals will be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals will be considered to the maximum extent practical;
- ii. Proposals will be solicited from an adequate number of qualified sources;
- iii. District will have a written method for conducting technical evaluations of the proposals received and for selected recipients;
- iv. Contracts will be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and
- v. 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 factor for selection, can only be used in procurement of A/E professional services.

- E. **Procurement by noncompetitive proposals:** procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:
- i. The item is available from a single source only;
  - ii. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
  - iii. The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from district; or
  - iv. Following solicitation of multiple sources, competition is determined to be inadequate.