



MINUTES
Procurement Committee Meeting
District Office Board Room
December 1, 2021

The meeting was called to order at 4:30 p.m. by Committee Chair Catherine Huddle. Attending representing the Board, in addition to Chair Huddle, were Trustees Rebecca Blackburn Hines, Nikki Gardner, Jan Hammond, and Ken Loveless. Attending representing the Administration were CFO Marty Rawls and Executive Director of Operations Todd Bedenbaugh.

Trustee Gardner made a motion to approve the agenda seconded by Trustee Blackburn Hines. The motion passed unanimously.

Trustee Gardner made a motion to approve the minutes of the November 3, 2021, Policy Committee Meeting. Trustee Loveless seconded the motion and Trustees Huddle, Loveless and Gardner approved. Trustees Hammond and Blackburn Hines abstained as they did not attend the November 3, 2021, Policy Committee Meeting.

The State's new Model Procurement Code was discussed. Ms. Rawls led the discussion stating that the major changes from the old code pertained mostly to items designated as small purchases changed from \$2,500.00 to \$10,000.00. She also stated that requirements for three quotes limits have changed from \$10,000.00 to \$25,000.00. She said she felt changes would be good for the procurement department because the dollar amounts had not been changed in many years, despite overall increases in prices.

Chairperson Huddle brought up the subject of Purchasing Cards (PCards). Trustee Loveless asked if the limits will change, to which Ms. Rawls said it will remain \$2,500.00 on individual purchases and maximum monthly limits per purchaser would remain in effect as well (Ms. Rawls was unsure of the amount), provided the purchase is not exceeding the line-item budget. Ms. Blackburn Hines asked which individuals were issued PCards. Ms. Rawls stated that principals, maintenance staff, cafeteria supervisors, the superintendent, athletic directors, and district office directors have access to P-Cards.

Chairperson Huddle asked that Ms. Rawls explain the definition of "reasonable" included in the model code as it pertains to small purchases and PCard purchases. Ms. Rawls explained that the definition of "reasonable" is typically that the item is market price. Chairperson Huddle asked if "reasonable" should include the entire purchase price including shipping.

Section 710 Exemptions was discussed at length, particularly as it pertains to the increase in small purchases to \$10,000 and the nature of some of the items (would they typically cost more than \$10,000). It was agreed that the board could include items in the exemption list with a maximum and that the maximum could be tied to the Consumer Price Index to

prevent the need to change the code every year. The need to possibly define “subject to Board Approval” was also discussed.

Ms. Rawls stated that all purchases would be subject to Board Policy “DJ” which are the guiding principles under which the code exists.

Trustee Loveless asked about limits without board approval of construction change orders. He said that there is no reference to monetary limits in the procurement code. Mr. Bedenbaugh agreed that there needs to be a policy. Trustee Loveless also said that the policy of issuing construction contracts with large contingencies, the spending against which lack approval by the board is a control function. He said there is a need to eliminate this practice. Mr. Bedenbaugh concurred. Ms. Rawls said that GMP’s in contracts make this concern unwarranted. Trustee Loveless pointed out that the only contracts we have encountered with GMP’s are Construction Management-at-Risk contracts. The overwhelming majority of the contracts the district has are fixed dollars which have no such provisions. Mr. Bedenbaugh stressed the need for an internal procedure to eliminate the practice.

The committee also discussed processes/guidelines for maintenance determinations of in-house vs. outsourcing. Mr. Bedenbaugh led the discussion stating that the district uses varying procedures depending on the availability of its in-house crews at the time. He said that the district has contracts with about ten different companies in different disciplines for maintenance. The possibility of using internal staff vs. outsourcing for routine HVAC was discussed and Mr. Bedenbaugh stated that he was reviewing a possible such recommendation before the current HVAC maintenance contract expires in the Spring. Outsourcing landscaping and alarm/sprinkler maintenance were also briefly discussed, as well as our ability to maintain a parts inventory for maintenance.

Chairperson Huddle suggested discussion postponement of the remaining items on the agenda (Guidelines /process for Warranty Review Mobile phone provisioning/assignment guidelines) until a later meeting.

Trustee Gardner made a motion to adjourn seconded by Trustee Hammond. The motion passed unanimously, and the meeting adjourned at 5:32 P.M.