



ADDISON NORTHWEST SCHOOL DISTRICT POLICY

SECTION	Non-Instructional Operations	CODE	F41
TITLE	Bids, Contracts, and Purchases (includes Conflict of Interest)		

The purchase of supplies, equipment and services represents a significant expenditure in the School District budgets. These purchases must be made in an open, fair and economical manner and must guard against any improprieties. Pursuant to this policy and consistent with Federal and State regulations, the Superintendent or their designee, will establish written procedures to govern all bids, contracts and purchases.

Bids/Quotations:

To be open and fair in awarding business and to insure favorable pricing, best practice is to always seek estimates from multiple sources. As such, the following minimum requirements are established for administration:

- Quotations:
 - An attempt to obtain three quotations must be made for items valued between the current Federal Procurement thresholds for Micro-Purchases and Small Purchases. Purchases that meet the limit established in 16 VSA 559, must follow Vermont bid law. Please see “Public Bids” below.
 - Quotations must be received in writing.
 - A record of these quotations must be kept on file, submitted with the purchase order or otherwise maintained for future reference.
- Public Bids:
 - 16 VSA 559 sets the dollar threshold to publicly advertise or invite bids.
 - A minimum of three bids must be received in writing.
 - A copy of the bids must be submitted with the purchase order.
- Requests for Proposals (RFP):
 - In situations where negotiated contracts are appropriate (see “Contracts” below), the fund manager must also prepare an RFP and include information in the bid invitation on how vendors can obtain the RFP.
 - The RFP will indicate pre-qualification criteria, minimum project or product specifications, acceptable performance or service levels, schedule constraints and proposal due date. The RFP will also indicate that the district reserves the right to reject any or all bids.
 - A minimum of three quotations is required unless there are extenuating circumstances as discussed in the “Contracts” section (sole sources contracts).

School Board Members, School District employees or their families may submit bids. However, bids submitted by those individuals may not be considered as part of the minimum number of required bids outlined above. Any time such an individual is compelled to submit a bid, it must be in writing regardless of cost and can never be the only bid. Other Board Member requirements are stipulated in 16 VSA 557.

Contracts:

Negotiated contracts are preferred when: (1) the total cost cannot be determined because of variable quantity, schedule or nature of service; (2) market fluctuation precludes achieving a fixed cost; (3) there is difficulty in quantifying services such as legal or architectural; (4) there is difficulty in comparing facility or equipment leases; or (5) multi-year contract options are desired. Negotiated contracts should consider future costs contingencies, project stages and market conditions.

Sole source contracts are to be avoided when possible and, if necessary, should be limited in duration. Sole source contracts shall only occur when: (1) an RFP only results in single bidder; (2) the contract calls for a specific product or specialized service; (3) the nature of the product requires future professional knowledge that can only be provided by the original vendor; (4) only one local vendor is available.

RFPs may define a process for clarifying questions prior to proposal submission. In some cases, vendors may be asked to attend “walk-through” tours or open evaluation of their proposal. All prospective vendors will be invited to attend a public opening of all bids. If contract requirements change after proposals are received, two options exist: (1) all bids can be rejected and a new RFP released; or (2) the district can enter into negotiations with the lowest responsible bidder.

Contract terms shall include clear work specifications tied to performance measures and/or identified deliverables.

Purchases:

Notwithstanding the bid and contract requirements specified above, authority to issue purchase orders, leases or contracts is as follows:

- Administration: When the cost is below the 16 VSA 559 threshold
- Superintendent or Central Office Designee: When cost is above the 16 VSA 559 threshold, but below the current threshold for Small Purchase method of Federal Procurement.
- ANWSD Board: Any expenditure from a Reserve Fund.

Note: The amounts above relate to total cost of the contract, regardless of the length or term of such contract.

Conflict of Interest:

It is the policy of the Addison Northwest School District that all purchasing and contracting comply with state and federal laws. No employee, officer, or agent of the School District may participate in the selection, award, or administration of a purchase or contract if that person has a real or apparent conflict of interest. Any employee, officer, or agent with a real, perceived, or apparent conflict of interest, shall notify the Superintendent of the conflict and not participate in the selection, award or administration of the purchase or contract issue. The Superintendent or designee will develop written procedures to implement this policy and will communicate procedures to all employees, officer, or agents at least annually. New employees will be made aware upon hiring.

A conflict of interest arises if an employee, officer, agent, an immediate family member, partner, or organization which employs or is about to employ any of the parties indicated herein, has a direct or indirect financial interest or other interest in, or a tangible personal benefit from a vendor considered for a purchase or contract.

An employee will not solicit or accept any favor, gratuity, or anything of monetary value from such vendors which exceeds a \$100 value.

In the event a violation of this policy, the District may take disciplinary action against the employee, officer, or agent according to procedures in the District personnel manual and/or collective bargaining agreement.

<i>Date Warned:</i>	<i>October 14, 2016; May 15, 2019; October 8, 2021</i>
<i>Dated Adopted:</i>	<i>October 26, 2016; May 20, 2019; October 11, 2021</i>
<i>Legal References:</i>	<i>16 V.S.A. §559 (Vermont Public Bid Law) 2 C.F.R. 200.320 (a) 2 C.F.R. 200.318 (c)(1)</i>