

FINANCIAL MANAGEMENT

Purchasing: Authorization and Control

As a general practice, all procurement transactions will be conducted in a manner which provides full and open competition in order to ensure the best use of district funds. Specific statutory requirements and procedures are listed below.

Standards of Conduct

Purchasing shall be done in conformity with ethical practices and in keeping with the laws and regulations that govern purchasing within the State of Washington and under applicable federal purchasing standards of conduct noted below.

No employee, officer or agent may participate in the selection, award or administration of a contract if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when an 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 parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.

The District officers, employees and agents neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. Employees found to be in violation of district purchasing standards of conduct are subject to disciplinary action. Based on the severity of the infraction, the penalties could include a written reprimand to their personnel file, a suspension with or without pay, or termination.

2 CFR 200.318

Contract Cost And Price

Cost or price analysis will be completed in connection with every Federal procurement action exceeding the Simplified Acquisition Threshold including contract modifications. At a minimum, independent estimates will be completed before receiving bids or proposals.

2 CFR 200.324

Domestic Preferences For Procurements

As appropriate and to extent practicable under a Federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The requirements of this section must be included in all subawards including all contracts and purchase orders for work or products under this award.

2 CFR 200.322

Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms

All necessary affirmative steps will be taken to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.

Affirmative steps must include:

- 1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
- 2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- 3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
- 4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;
- 5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
- 6) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section.

Procurement of recovered materials.

A contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

2 CFR 200.323

Interlocal Agreements

Purchases of supplies, equipment and services may be made under interlocal cooperative agreements executed through the purchasing office with other state, local and federal governmental agencies when to do so would be in the best interest of the district.

2 CFR 200.318

Suspension and Debarment Compliance

All purchase orders include suspension and debarment language that must be approved by vendor. In addition, in certain cases the contractor may be required to complete an annual form certifying the Contractor is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in a contract by any Federal department or agency.

Requests for Proposals should include reference to suspension and debarment requirements.

Procurement Cost Thresholds

Documented competition is required at the levels listed below:

- Goods and/or general services estimated to cost over \$40,000.
- Purchases using federal funds valued over the limits defined in 2 CFR 200.320 (currently \$50,000). Pasco School District qualifies as a low-risk auditee and therefore qualifies for the higher micro threshold limit, going from \$10,000 in the CFR to the \$40,000 based on state guidelines (federal guidelines actually approve it up to \$50,000). As of August 31, 2022, Pasco School District has self-certified as a low-risk auditee.
- Consulting services agreements exceeding \$40,000. Refer to procedure 7520P.
- Procurements exceeding the limits defined in RCW 28A.335.190 (currently \$40,000). Refer to procedure 7321P.

At least three quotes should be obtained for any procurement over those limits. Quotes may be obtained verbally, electronically, or in writing. Verbal quotes will be recorded on form 7320F. The quotations will remain in the procurement file (see procedure 7321P).

The following charts list required competition and approval authority thresholds:

PASCO SCHOOL DISTRICT NO. 1

7320P
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Minimum Procurement Requirements

Procurement Type	Estimate Amount	Specifications/Drawings	Advertising	Quotes	Formal Solicitation	Contract	Approval
Federal Funds	\$40,000-\$75,000			X			Fund Administrator
Consulting Services	\$40,000-\$75,000			X		X	Procurement Officer
District Funding	Over \$40,000						Fund Administrator
All Procurements	\$40,000-\$75,000			X			Procurement Officer
	\$75,000-\$400,000	X	X	X			Procurement Administrator
	Over \$400,000	X	X		X	X	Board of Directors

	Requestor	Procurement
Responsibility		
Cost Estimate	Primary	Assist
Specifications	Primary	Assist
Quote	Optional	Primary
Purchase Order	No	Yes
RFP	Assist	Primary
Advertising	No	Yes
Award	Assist	Primary
Contract	No	Yes
Procurement File	No	Yes