

Business Operations3130 Purchasing Policies

The Superintendent shall ensure that all purchases are made in the interest of economy and efficiency. Where necessary, standards and procedures shall be established to accomplish the following policies of the Board of Education:

1. Purchases up to \$25,000. For the greatest efficiency in expediting purchases, the administration shall be authorized to purchase any item specifically budgeted which has a sale price within the established limit.
2. Purchases from \$25,000 up to \$90,000. The Superintendent shall request the submission of proposals for purchases which have a sale price within the established limit. The Superintendent shall receive and evaluate all proposals in making a recommendation to the Board of Education for acceptance. The Board of Education may review all proposals submitted relating to the recommended purchase. Since this is a proposal system, not a bidding process, the school district in no way shall be obligated to arbitrarily award the contract to the lowest proposal, but shall reserve the right to reject any and all proposals or to waive any informality in any proposal it deems advisable, and to award to the proposer which, in its opinion, is most desirable.
3. Purchases of \$90,000 and above. The Superintendent shall advertise for sealed bids which shall be opened in conformity with any applicable laws and in compliance with any procedures established by the Superintendent. The Board retains the right to determine the responsibility of the bidders, and shall award the contract to the lowest responsible bidder meeting specifications, be the bidder a member or apart from the local community.
4. Any school employee who orders any supplies or equipment outside of that which has been included in the annual budget and without written authorization of the principal or superintendent shall be personally liable for payment for the supplies or equipment purchased.
5. School employees or students purchasing supplies and equipment out of an activity account must first secure a purchase order from the principal authorizing the purchase. Failure to do so will cause the person to be personally liable for payment for the supplies or equipment purchased.
6. The District need not comply with the bidding requirements if the District purchases property from the Nebraska State Purchasing Bureau, so long as the Nebraska State Purchasing Bureau competitively bid the purchase of property.

Credit Card Purchasing Program

1. The Board of Education authorizes the Superintendent or designee to contract with one or more financial institutions, card-issuing banks, credit card companies, charge card companies, debit card companies, or third-party merchant banks capable of operating a purchasing card program on behalf of the District.
2. The Board of Education delegates to the Superintendent or designee: (a) the determination of the type of purchasing card or cards to be utilized in the District's purchasing card program; and (b) the determination of which employees shall be approved or disapproved to be assigned a purchasing card in the District's purchasing card program. The Superintendent shall submit the approved names to the Board, from time to time.
3. The District's purchasing card program may only be utilized for the purchase of goods and services for and on behalf of the District. No officer or employee of the District shall use a purchasing card for any unauthorized use.
4. An itemized receipt for purposes of tracking expenditures shall accompany all purchasing card purchases. In the event that a receipt does not accompany an authorized cardholder's purchase, the Superintendent or designee shall temporarily or permanently suspend said cardholder's purchasing card privileges.
5. Upon the termination or suspension of employment of an individual using a purchasing card, the Superintendent or designee shall immediately close such individual's purchasing card account and said employee shall immediately return the purchasing card.

Legal Reference: Neb. Rev. Stat. § 13-610

Purpose of procurement standards. These standards are furnished to ensure that materials and services are obtained in an effective manner and in compliance with the provisions of applicable Federal statutes and executive orders. No additional procurement standards or requirements shall be imposed by the Federal awarding agencies upon recipients, unless specifically required by Federal statute or executive order or approved by OMB.

Recipient responsibilities. The standards contained in this section do not relieve Plattsmouth Community School District of the contractual responsibilities arising under its contract(s). Plattsmouth Community School District is the responsible authority, without recourse to the Federal awarding agency, regarding the settlement and satisfaction of all contractual and administrative issues arising out of procurements entered into in support of an award or other agreement. This includes disputes, claims, protests of award, source evaluation or other matters of a contractual nature. Matters concerning violation of statute are to be referred to such Federal, State or local authority, as may have proper jurisdiction.

Codes of conduct. The recipient Plattsmouth Community School District shall maintain written standards of conduct governing the performance of its employees engaged in the award and administration of contracts. No Plattsmouth Community School District employee, nor officer, nor agent shall participate in the selection, award, or administration of a contract supported by Federal funds if a real or apparent conflict of interest would be involved. Such a conflict would arise when the employee, officer, or agent, any member or 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 the firm selected for an award. The Plattsmouth Community School District officers, employees, and agents of the recipient shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, or parties to sub agreements. However, the Plattsmouth Community School District recipients may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. The Plattsmouth Community School District standards of conduct provide for disciplinary actions to be applied for violations of such standards by Plattsmouth Community School District Plattsmouth School officers, employees, or agents of the recipient.

Competition. All procurement transactions by the Plattsmouth Community School District shall be conducted in a manner to provide, to the maximum extent practical, open and free competition. Plattsmouth Community School District shall be alert to organizational conflicts of interest as well as noncompetitive practices among contractors that may restrict or eliminate competition or

otherwise restrain trade. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specification, requirements, statements of work, invitations for bids and/or requests for proposals shall be excluded from competing for such procurements. Awards by the Plattsmouth Community School District shall be made to the bidder or offer or whose bid or offer is responsive to the solicitation and is most advantageous to the recipient, price, quality and other factors considered. Solicitations accepted by the Plattsmouth Community School District shall clearly set forth all requirements that the bidder or offer shall fulfill in order for the bid or offer to be evaluated by Plattsmouth Community School District.

Procurement procedures.

(a) Plattsmouth Community School District shall establish written procurement procedures. Plattsmouth Community School District has provided for, at a minimum, the (1), (2) and (3) apply.

1. Plattsmouth Community School District shall avoid purchasing unnecessary items.

2. Plattsmouth Community School District where appropriate, will conduct an analysis of lease and purchase alternatives to determine which would be the most economical and practical procurement for the Federal Government.

3. Plattsmouth Community School District when making solicitations for goods and services provide for all of the following:

- (i) A clear and accurate description of the technical requirements for the material, product or service to be procured. In competitive procurements, such a description shall not contain features, which unduly restrict competition.
- (ii) Requirements that the bidder/offer must fulfill and all other factors to be used in evaluating bids or proposals.
- (iii) A description, whenever practicable, of technical requirements in terms of functions to be performed or performance required, including the range of acceptable characteristics or minimum acceptable standards.
- (iv) The specific features of "brand name or equal" descriptions that bidders are required to meet when such items are included in the solicitation.
- (v) The acceptance, to the extent practicable and economically feasible, of products and services dimensioned in the metric system of measurement.

- (vi) Preference, to extend practicable and economically feasible, for products and services that conserve natural resources and protect the environment and energy efficient.
- (b) Positive efforts shall be made by Plattsmouth Community School District to utilize small businesses, minority-owned firms, and women's business enterprises, whenever possible. The recipient of Federal awards the Plattsmouth Community School District shall take all of the following steps to further this goal.
- (i) To ensure that small businesses, minority-owned firms, and women's business enterprises are used to the fullest extent; practicable.
  - (ii) To make information on forthcoming opportunities available and arrange time frames for purchases and contracts to encourage and facilitate participation by small businesses, minority-owned firms, and women's business enterprises.
  - (iii) To consider in the contact process whether firms competing for larger contractors intend to subcontract with small businesses, minority-owned firms, and women's business enterprises.
  - (iv) To encourage counteracting with consortiums of small businesses, minority-owned firms and women's business enterprises when a contract is too large for one of these firms to handle e individually.
  - (v) To use the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Department of Commerce's Minority Business Development Agency in the solicitation and utilization of small businesses, minority-owned firms and women's business enterprises.
- (c) The type of procuring instruments used (e.g., fixed price contracts, cost reimbursable contracts, purchase orders, and incentive contracts) shall be determined by Plattsmouth Community School District, but shall be appropriate for the particular procurement and for promoting the best interest of the program or project involved. The "cost-plus-a-percentage-of cost" or "percentage of construction cost" methods of contracting shall not be used.
- (d) Plattsmouth Community School District shall enter into contracts only with responsible contractors who possess the potential ability to perform successfully under the terms and conditions of the proposed procurement. Consideration shall be given to such matters as contractor integrity, contractors insurance, record of past performance, financial and technical resources or accessibility to other necessary resources. In certain circumstances, contracts with certain parties are restricted by the agencies' implementation of E.O.s 12459 and 12689, "Debarment and Suspension.

(e) Plattsmouth Community School District shall, on request, make available for the Federal awarding agency, pre-award review and procurement documents, such as request for proposals or invitations for bids, independent cost estimates, etc, when any of the following conditions apply:

1. Plattsmouth Community School District procurement procedures or operation fails to comply with the procurement standards in the Federal awarding agency's implementation of this Circular.
2. The procurement is expected to exceed the small purchase threshold fixed at 41 U.S.C. 403 (11) (currently \$25,000) and is to be awarded without competition or only one bid or offer is received in response to a solicitation.
3. The procurement, which is expected to exceed the small purchase threshold, specifies a "brand name" project.
4. The proposed award over the small purchase threshold is to be awarded to other than the apparent low bidder under sealed bid procurement.
5. A proposed contract modification changes the scope of a contract or increases the contract amount by more than the amount of the small purchase threshold.

Cost and price analysis. Some form of cost or price analysis shall be made and documented in the procurement files in connection with every procurement action. Price analysis may be accomplished in various ways, including the comparison of price quotations submitted, market prices and similar indicia, together with discounts. Cost analysis is the review and evaluation of each element of cost to determine reasonableness, allocability and allowability.

Procurement records. Procurement records and files for purchases in excess of the small purchase threshold shall include the following at a minimum: (a) basis for contractor selection, (b) justification for lack of competition when competitive bids or offers are not obtained, and (c) basis for award cost of price.

Contract administration. A system for contract administration shall be maintained to ensure contractor conformance with the terms, conditions and specifications of the contract and to ensure adequate and timely follow up of all purchases. Recipients shall evaluate contractor performance and document, as appropriate, whether contractors have met the terms, conditions and specifications to the contract.

Contract provisions. Plattsmouth Community School District shall include, in addition to provisions to define a sound and complete agreement, the following

provisions in all contracts. The following provisions shall also be applied to subcontracts.

1. Contracts in excess of the small purchase threshold shall contain contractual provisions or conditions that allow for administrative, contractual, or legal remedies in instances in which a contractor violates or breaches the contract terms, and provide for such remedial actions as may be appropriate.
2. All contracts in excess of the small purchase threshold shall contain suitable provisions for termination by Plattsmouth Community School District including the manner by which termination shall be effected and the basis for settlement. In addition, such contracts shall describe conditions under which the contract may be terminated for default as well as conditions where the contract may be terminated because of circumstances beyond the control of the contractor.

(c) Except as otherwise required by statute, an award that requires the contracting (or subcontracting) for construction or facility improvements shall provide for the recipient to follow its own requirements relating to bid guarantees, performance bonds, and payment bonds unless the construction contract or subcontract exceeds \$100,000. For those contracts or subcontracts exceeding \$100,000, the federal awarding agency may accept the bonding policy and requirements of the recipient, provided the Federal awarding agency has made a determination the Federal Government's interest is adequately protected. If such a determination has not been made, the minimum requirements shall be as follows:

1. A bid guarantee from each bidder equivalent to five percent of the bid price. The "bid guarantee" shall consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder shall, upon acceptance of his bid, execute such contractual documents as may be required within the time specified.
2. A performance bond on the part of the contractor for 100 percent of the contract price. A "performance bond" is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.
3. A payment bond on the part of the contractor for 100 percent of the contract price. A "payment bond" is executed in connection with a contract to assure payment as required by statute of all persons supplying labor and material in the execution of the work provided for in the contract.

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