

FEDERAL PROCUREMENT PROCEDURES EXHIBIT

The District is responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of Federal procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims. To that end the District will:

- a. use its own documented procurement procedures which reflect applicable State, local, and laws and regulations, which conform to applicable Federal law and the standards.
- b. maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.
- c. avoid acquisition of unnecessary or duplicative items. Consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.
- d. award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.
- e. maintain records sufficient to detail the history of procurement. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.
- f. Not award a contract to the parties listed on the government-wide exclusions in the System for Award Management ("SAM").
- g. Adhere to Federal law and standards.

Where appropriate, the District will:

- a. enter into state and local intergovernmental agreements or inter-entity agreements where appropriate for procurement or use of common or shared goods and services.
- b. use Federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.
- c. use value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions. Value engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lower cost.
- d. use a time and materials type contract only after a determination that no other contract is suitable and if the contract includes a ceiling price that the contractor exceeds at its own risk. Time and materials type contract means a contract whose cost is the sum of:
 - i. The actual cost of materials; and
 - ii. Direct labor hours charged at fixed hourly rates that reflect wages, general and administrative expenses, and profit.

- iii. 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. The District will assert a high degree of oversight in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.
- e. Require contracts in excess of \$10,000 address termination for cause and for convenience by the District including the manner by which it will be effected and the basis for settlement.

Adopted:

August 26, 2019

Reviewed:

October 24, 2022