Billings School District 2

NONINSTRUCTIONALOPERATIONS

Procurement Policy for School Food Purchases and Use of Federal Funds

The School District will adhere to the following requirements for any procurement related to food service.

Purchase Procedures & Thresholds:

Micro-Purchase:

Definition/Instructions

Micro-Purchase: A micro-purchase for food using federal funds is an informal procurement method for acquiring minor quantities of food supplies where the aggregate transaction does not exceed the federal micro-purchase threshold. Micro-purchases may be awarded without soliciting competitive price or rate quotations if the non-Federal entity (i.e., the School District) considers the price to be reasonable. To the maximum extent practicable, the non-Federal entity should distribute micro-purchases equitably among qualified suppliers. The School District is responsible for determining and documenting an appropriate micro-purchase threshold based on internal controls, an evaluation of risk, and its documented procurement procedures.

Under federal law, school districts may use the Federal micro-purchase threshold of up to $10,000 or may establish a higher threshold, up to $50,000 on an annual basis if the district self-certifies (2 CFR 200.320 (a)(1)(iv)) and maintains documentation of self-certification justification and supporting documentation on file.

School District's Established Micro-Purchase threshold:

The School District self-certifies a threshold of $50,000.00 (pursuant to 2 CFR § 200.320 (a)(1)(iv)) and shall maintain documentation to be made available to the Federal awarding agency and auditors in accordance with 2 CFR § 200.334. The justification for this self-certification is one or more of the following: (1) the School District is a low-risk auditee, in accordance with the criteria in § 2 CRF § 200.520 for the most recent audit; (2) An annual internal institutional risk assessment to identify, mitigate, and manage financial risks; or (3) under Montana law and Board policies, a higher threshold consistent with State law.

Small Purchase:

Definition/Instructions

Small Purchase: Informal purchase method for open competitive purchases. For purchases higher than the School District's micro-purchase threshold ($50,000.00) but does not exceed the simplified acquisition threshold of $80,000.00. If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources as determined

appropriate by the non-Federal entity. Documentation of the procurement process (vendor name, contact method, name of person providing price quote, price quoted, date price quote obtained, duration of price quote) shall be maintained by the School District .

☐ Small Purchases greater than $50,000.00 up to $80,000.00. $80,000 is the small purchase threshold for the state of Montana (MCA § 20-9-204 (3)). Small purchases will be handled in a fair and equitable manner consistent with School District purchasing policies. The School District will obtain two or more quotes from qualified sources. The School District may enter into a cooperative purchasing contract for procurement of supplies with one or more districts or a cooperative purchasing contract pursuant to MCA § 20-9-204 (4).

Formal Purchase:

Definition/Instructions

Formal Purchase: If the aggregate amount exceeds $80,000.00, the contract must be awarded through a formal bid process and a call for bids or request for proposals shall be published according to MCA § 20-9-204 (3). No contract shall be divided for the purpose of avoiding the formal procurement process.

☐ **Formal Purchases greater than $80,000.00:**

If the aggregate amount exceeds $80,000.00, the contract must be awarded through a formal bid process and a call for bids or request for proposals shall be published pursuant to MCA § 20-9-204 (3). No contract shall be divided for the purpose of avoiding the formal procurement process. The School District may enter into a cooperative purchasing contract for procurement of supplies with one or more districts or a cooperative purchasing contract pursuant to MCA § 20-9-204 (4).

Bid Specifications:

The School District contracts will not be awarded to any potential vendors who write any of the bid specifications, the solicitation documents, or any of the contract language. The School District must take care that any bids for services and supplies are written in the broadest possible terms to allow for participation by the largest number of potential vendors.

Identical bid specifications and/or request for proposals will be provided to all potential vendors.

Geographic Preference:

No geographic preference (i.e., advantage based on location) is allowed with federal funds except for documented Farm to School or Farm to Plate efforts. Therefore, as part of Farm to School program the School District may choose to apply a geographic preference when procuring unprocessed locally grown or locally raised agricultural products only.

Buy American:

The School District shall adhere to "Buy American" for the food service program. See 7 CFR 210.21(d). Therefore, the School District e is required to purchase, to the maximum extent possible, domestic products for use in meals served in our Child Nutrition Program. There are two limited exceptions when non-domestic foods may be purchased. These exceptions are determined by the SFA:

- The food or food product is not produced or manufactured in the United States in sufficient and reasonably available quantities of a satisfactory quality; or
- Competitive bids reveal the cost of a United States food or food product is significantly higher than the nondomestic product--Food preferences can only be met with foreign goods.
- SFA must document exceptions and keep records.

Contracting with small and minority businesses, women's business enterprises, and labor surplus 11 area firms. 2 CFR 200.321(a):

- The School District must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.

Standards of Conduct for School District Employees:

- The School District maintains the following code of conduct for any employees engaged in award and administration of contracts supported by Federal Funds:

- No School District employee will engage in any procurement when there is a conflict of interest, real or perceived, and School District employees cannot solicit or accept any gratuities, favors or anything of monetary value from prospective vendors. This shall not preclude School District personnel from serving on boards or participating in organizations that support the district's need to obtain quality services and supplies.

- No School District employee shall participate in the selection, award or administration of a contract when any of the following persons have a financial interest in the firm selected for award:
    - o The employee
    - o Any member of his/her immediate family
    - o People with whom there is an intimate personal relationship
    - o An organization which employs or is about to employ any of the above

- The School District requires all employees to behave with the utmost integrity and never be self-serving, be fair in all aspects of the procurement process, be alert to conflicts of interest, and avoid any compromising situations.

- School District Employees found to be in violation of this policy are subject to disciplinary action, up to and including termination.

Legal Authority

2 CFR 200.320	Procurement Methods (re federal financial assistance)
2 CFR 200.321	Contracting with small businesses, minority businesses, women's business enterprises, veteran-owned businesses, and labor surplus area firms.
7 CFR 210.21	Procurement (re national school lunch program)
7 CFR § 225.17	Procurement Standards (re child nutrition programs)
MCA § 20-9-204	Conflicts of interests, letting contracts, and calling for bids — exceptions
MCA § 20-10-204	Duties of Trustees (re school food services)

Policy History

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