

NOTE: Colorado school districts that receive federal funds are required by federal law to adopt procurement procedures and the law contains some specific direction as to the content or language. This sample policy and its accompanying regulation contain the content/language that CASB believes best meets the intent of the law. However, the district should consult with its own legal counsel to determine appropriate language that meets local circumstances and needs.

As of July 1, 2017, districts that receive federal funds must comply with the UGG for all purchases made with federal funds and must implement procurement procedures that meet the UGG's requirements.

Federal Procurement

This policy and its accompanying regulation shall apply to the purchase of services, supplies, equipment or other property with federal funds that are subject to the federal Uniform Grant Guidance (UGG) and other applicable federal law, including but not limited to the Education Department General Administration Regulations (EDGAR) and the United States Department of Agriculture (USDA) regulations governing school food service programs. In the event this policy or its accompanying regulation conflict or are otherwise inconsistent with mandatory provisions of the UGG, EDGAR or other applicable federal law, the mandatory provisions of such laws shall control.

District employees shall follow Board policy concerning employee purchasing authority when making any purchase with federal funds and shall obtain prior Board approval in those instances when it is required by Board policy. District employees shall also follow applicable state law and Board policy concerning competitive bidding, to the extent state law and/or Board policy establish additional requirements that are not inconsistent with this policy and its accompanying regulation.

Micro-purchases (less than \$3,500)

A "micro-purchase" is a purchase that, in an aggregate amount, is less than \$3,500.

Micro-purchases may be made or awarded without soliciting competitive quotations, to the extent district staff determine that the cost of the purchase is reasonable. For purposes of this policy, "reasonable" means the purchase is comparable to market prices for the geographic area.

To the extent practicable, the district will distribute micro-purchases equitably among qualified suppliers when the same or materially interchangeable products are identified and such suppliers offer effectively equivalent rates, prices and other terms.

Small purchases (\$3,500 to under \$150,000)

A "small purchase" is a purchase that, in an aggregate amount, is \$3,500 or more, but less than \$150,000.

For small purchases, price or rate quotes shall be obtained in advance from a reasonable number of qualified sources, as detailed in this policy's accompanying regulation, unless:

1. a valid basis exists under the federal Uniform Grant Guidance for relying on procurement by a noncompetitive proposal (i.e., “single source” procurement); or
2. the district elects to use a more formal competitive bid or request for proposal process.

Large purchases (\$150,000 or more)

A large purchase is a purchase that, in an aggregate amount, is \$150,000 or more.

The district shall conduct a cost or price analysis for large purchases that, at a minimum, includes making an independent estimate before receiving bids or proposals (including noncompetitive proposals). A cost analysis means evaluating the separate cost elements that make up the price. A price analysis means evaluating the total price, without looking at the individual cost elements.

Whenever appropriate and relevant to the specific transaction, the cost analysis may include life-cycle cost estimates which shall then be incorporated into any solicitations of bids or proposals.

Unnecessary or duplicative items

The district shall avoid the acquisition of unnecessary or duplicative items.

Consideration shall also be given to consolidating or breaking out purchases to obtain a more economical purchase.

Recordkeeping

The district shall maintain records sufficient to detail the history of procurements made with federal funds. These records may include, but not necessarily be limited to, the following: rationale for the method of procurement, contractor selection or rejection, and the basis for the contract price (including a cost or price analysis).

Retention of such procurement records shall be in accordance with applicable law and Board policy.

Adopted: November 9, 2017

LEGAL REFS.: 2 C.F.R. Part 200 Subpart D (*post-award requirements under the federal Uniform Grant Guidance*)
2 C.F.R. 200.318 (*general standards for procurement supported by federal funds*)
2 C.F.R. 200.319 (*written procurement standards required*)
2 C.F.R. 200.320 (*methods of procurement to be followed*)
2 C.F.R. 200.323 (*cost or price analysis*)
2 C.F.R. 200.333 (*record retention requirements*)
2 C.F.R. 200.336 (*access to records*)
7 C.F.R. 3016.36 (*USDA’s procurement standards*)
7 C.F.R. 3016.37 (*USDA’s procurement requirements for subgrants*)

34 C.F.R. Parts 75, 76 (*EDGAR - Education Department General
Administrative Regulations*)

48 C.F.R. Subpart 2.1 (*micro-purchase and competitive bidding thresholds*)

CROSS REFS.: BCB, School Board Member Conflict of Interest
DAC*, Federal Fiscal Compliance
DJ/DJA, Purchasing/Purchasing Authority
DJE, Bidding Procedures
DKC, Expense Authorization/Reimbursement (Mileage and Travel)
EHB, Records Retention
GBEA, Staff Ethics/Conflict of Interest