

PROCUREMENT SYSTEM

- I. Overview. The district recognizes its fiduciary responsibility to oversee the prudent expenditure of district funds. To best serve district interests, the Superintendent or designee shall develop and maintain effective purchasing procedures that are consistent with sound financial controls and that ensure the district receives maximum value for items purchased. He/she shall ensure that records of expenditures and purchases are maintained in accordance with law.

- II. Implementation.
 - A. Responsibility for purchasing.
 - 1. The Superintendent or designee may purchase supplies, materials, apparatus, equipment, and services up to the amounts specified in section 20111 of the Public Contract Code, beyond which a competitive bidding process is required.
 - 2. The Board shall not recognize obligations incurred contrary to Board policy and administrative regulations.
 - 3. The Board shall review all transactions entered into by the Superintendent or designee on behalf of the Board every 60 days. (Education Code 17605)
 - 4. The Superintendent or designee may authorize an expenditure which exceeds the budget classification allowance against which the expenditure is the proper charge only if an amount sufficient to cover the purchase is available in the budget for transfer by the Board.
 - 5. By annual resolution, the Board delegates the authority to purchase supplies, materials, apparatus, equipment and non-construction services in amounts equal to or less than the amount specified by section 20111 of the Public Contract Code as well as construction services in an amount less than \$15,000 to the Chief Operations Officer and Strategic Sourcing and Contracts Officer.
 - 6. The above mentioned district officers are authorized to sign purchase orders, contracts, leases, or other documents for the purchase of supplies, materials, apparatus, equipment, special services and advise, and non-construction services in amounts greater than the amounts specified in section 20111 of the Public Contract Code as well as construction services in an amount equal to or greater than \$15,000 which is specified by section

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20111 of the Public Contract Code which have been approved in advance by the Board of Education.

7. The Strategic Sourcing and Contracts Officer is responsible for compliance with bid and contract laws for the acquisition of equipment, supplies, and related services and for apprising the Board of Education prior to advertising for bids.

B. Purchase methods.

1. The type of purchase procedures required depends on the cost of the item(s) being purchased.
2. All purchases with federal grant funds must conform to State, local and federal laws and regulations. 2 C.F.R. 200.318(a).
3. To the extent there is a conflict in State and federal requirements, the district must adhere to the most restrictive rule. For example, federal law establishes the small purchase threshold at \$250,000¹; however, California Public Contracts Code (PCC) establishes a lower threshold of \$90,200 for FY 2017-18, adjusted annually. The district must follow the lower threshold set by State law. Conversely, if the federal rule is more restrictive, the district follows federal requirements. For example, PCC Section 20118.3 states that school districts may purchase supplementary textbooks, library books, instructional computer software packages, and other specified items without taking estimates or advertising for bids. Because federal procurement regulations do not provide a similar exception to competitive purchasing requirements for these items, the district competitively bids purchases for supplementary texts that exceed \$90,200.
4. Procurement documents.
 - a. The district uses the Peoplesoft e-Procurement (aka ePro) web-based ordering system to purchase goods and services.
 - (1) District staff use the ePro to create electronic requisitions online.

¹ This threshold is set by the Federal Acquisition Regulations (FAR), as referenced in 2 CFR 200.88. The Office of Management and Budget provided a recent exception to federal agencies; updating the threshold to align with the National Defense Authorization Act pending the official changes to the FAR.

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- (2) The Peoplesoft e-Procurement system validates that budgeted funds are available for the purchase.
 - (3) When the budget has been successfully checked, the requisition is routed electronically to the Approver. The Approver is the principal or department head.
 - (4) Strategic Sourcing and Contracts reviews the purchase requisitions and ensures compliance with bid and contract laws for the acquisition of equipment, supplies, and related services.
 - (5) A PeopleSoft purchase order or contract for services is processed after purchase requisition is approved.
 - (a) The district's purchase order is pre-numbered and contains the vendor name, description of the item/s or services being purchased, item cost, total cost, purchase terms and conditions, budget account code to be charged and delivery location address.
 - (b) The district uses a three-way match of purchase order, receiving documents and vendor invoice before payment is made. All documentation is retained in the PeopleSoft e-Procurement system and hard copies in the Accounts Payable Department.
5. The following table describes the five procurement methods allowed under federal law. While the federal rules provide a basic structure for each procurement method, the district must have documented procurement policies that provide detail on the process by which all purchases are made.

Procurement Method	Dollar Threshold
a. Micro-Purchases	\$0.00 - \$10,000.00
b. Small Purchase Procedures	\$10,000.01 - \$90,200.00
c. Sealed Bids/Competitive Proposals	\$90,200.01 and above
d. Noncompetitive Procurement	\$10,000.01 and above

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- a. Purchases up to \$10,000 (Micro-Purchases).
 - (1) Micro-purchase means a purchase of supplies or services using simplified acquisition procedures, the aggregate amount of which does not exceed the micro-purchase threshold, currently set at \$10,000.
 - (2) The micro-purchase method is used to expedite the completion of its lowest-dollar small purchase transactions and minimize the associated administrative burden and cost.
 - (3) To the extent practicable, the district distributes micro-purchases equitably among qualified suppliers. The purchaser is encouraged to solicit at least two quotes from suppliers. The suggested vendor (lowest and responsive vendor) is entered into the purchase requisition.
 - (4) Micro-purchases may be awarded without soliciting competitive quotations if the district considers the price to be reasonable. The district maintains evidence of this reasonableness in the records of all micro-purchases. Procedures on how to determine whether a price is reasonable are included in this regulation.
 - (a) District staff requesting the purchase is encouraged to solicit two quotes.
 - (b) Solicitation may be by telephone, e-mail or on-line search.
 - (c) Information is entered in the purchase requisition with the suggested vendor.
 - (d) Strategic Sourcing reviews the requisition before the purchase order is processed.
- b. Purchases between \$10,000 and \$90,200 (Small Purchase Procedures).
 - (1) Small purchase procedures are those relatively simple and informal procurement methods for securing services,

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supplies, or other property that do not cost more than \$250,000 (federal threshold). However, because the district's threshold for these purchases is \$90,200, the range for small purchase procedures in the district is \$10,000-\$90,200. If small purchase procedures are used, price or rate quotations are obtained from an adequate number of qualified sources.

- (2) For purchases within this price range, the requisitioner must solicit at least two quotes.
- (3) Upon obtaining at least two quotes, the requisitioner must attach the quotes to the requisition.
- (4) Strategic Sourcing and Contracts reviews the quotes and processes the purchase order for the lowest cost and most responsive vendor.

c. Purchases Over \$90,200.

- (1) Sealed Bids (Formal Advertising). For purchases over \$90,200, bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price.
 - (a) For sealed bidding to be feasible, the following conditions should be present:
 - (1) A complete, adequate, and realistic specification or purchase description is available.
 - (2) Two or more responsible bidders are willing and able to compete effectively for the business.
 - (3) The procurement lends itself to a firm fixed price contract and the selection of the

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successful bidder can be made principally on the basis of price.

- (b) Process for sealed bids.
 - (1) Strategic Sourcing and Contracts solicits competitive sealed bids for purchases of \$90,200 or more.
 - (2) Bids are in writing.
 - (3) The Buyer or Contract Specialist in the Strategic Sourcing and Contracts department reviews all bids received.
 - (4) The contract is awarded to the lowest responsive bidder.
 - (5) If only one or no bid is received, the Buyer or Contract Specialist may re-bid for the same product or services or conduct an informal quote whereby the Buyer or Contract Specialist enters into a negotiated agreement with a legally, technically and financially capable supplier for better pricing.
- (c) Additional requirements for sealed bids.
 - (1) Bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids. For state, local, and tribal governments, the invitation for bids must be publicly advertised.
 - (2) The invitation for bids includes any specifications and pertinent attachments and must define the items or services for the bidder to properly respond.

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- (3) The district requires the following for bids and Requests For Proposals (RFP):
 - (a) Submittal received on or before deadline
 - (b) Technical and pricing submitted separately
 - (c) Electronic version received
 - (d) Agreement pages completed and signed
 - (e) Addendum(s) completed and signed
 - (f) Proposal form completed and signed
 - (g) Non-collusion declaration completed and signed
 - (h) References completed
 - (i) Drug free workplace certification completed and signed
 - (j) Financial statement
 - (k) Bonds
- (4) All bids will be opened at the time and place prescribed in the invitation for bids, and for local and tribal governments, the bids must be opened publicly.
- (5) A firm fixed price contract award must be made in writing to the lowest responsive and responsible bidder.
- (6) Where specified in bidding documents, factors such as discounts, transportation cost,

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and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of. Any or all bids may be rejected if there is a sound documented reason.

- (2) Competitive proposals. The use of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:
 - (a) Requests for proposals must be publicized and identify all evaluation factors and their relative importance. The district generally requires the same information in competitive bids as listed in above for sealed bids. Any response to publicized requests for proposals must be considered to the maximum extent practical.
 - (b) Proposals must be solicited from an adequate number of qualified sources.
 - (c) Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered.
 - (d) The district may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not primarily used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.

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- (3) Contract/price analysis. The district performs a cost or price analysis in connection with every procurement action in excess of \$250,000, including contract modifications. 2 C.F.R. § 200.323(a).
 - (a) A cost analysis generally means evaluating the separate cost elements that make up the total price, while a price analysis means evaluating the total price, without looking at the individual cost elements.
 - (b) The method and degree of analysis is dependent on the facts surrounding the particular procurement situation; however, the Strategic Sourcing and Contracts Officer must come to an independent estimate prior to receiving bids or proposals. 2 C.F.R. § 200.323(a).
 - (c) When performing a cost analysis, the Strategic Sourcing and Contracts Officer negotiates profit as a separate element of the price. To establish a fair and reasonable profit, consideration is given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work. 2 C.F.R. § 200.323(b).
- d. Noncompetitive proposals (sole sourcing).
 - (1) Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:
 - (a) The item is available only from a single source.
 - (b) The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation.

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- (1) In an emergency, the district complies with Public Contract Code Section 20113.
 - (2) Public Contract Code Section 20113 allows repairs, alterations, work or improvements to be done without competitive bidding through the district's labor/materials (force account) or contract with an outside entity.
 - (3) Public Contract Code Section 1102 defines "emergency" as a sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services.
- (c) The federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the district; or
 - (d) After solicitation of a number of sources, competition is determined inadequate.
 - (e) Profit is negotiated as a separate element of the price for all noncompetitive proposals, regardless of price. Additional cost or price analysis will be performed for noncompetitive proposals when the price exceeds \$250,000.
 - (f) If an item is procured through sole sourcing, the Sole Source Justification Form must be completed.
 - (g) Strategic Sourcing and Contracts reviews the requisition and sole source justification to ensure procurement compliance.
 - (h) Strategic Sourcing and Contracts negotiates price including profit per federal standards. Profit is negotiated as a separate element of the price for all noncompetitive proposals, regardless of price.

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C. Purchase Cards.

1. The Procurement Card (PCard) program is designed to provide an efficient means of making routine purchases by reducing waiting time, allowing more purchasing responsibility and control at the school site and department level, and streamlining the requisitioning, purchasing and payment process for supply transactions.
2. The PCard program is meant to supplement purchasing mechanisms already in place, and is not intended as an overall replacement or as a means to circumvent established purchasing guidelines, requirements, and policies and procedures.
3. Cardholder qualifications and responsibilities. While full liability rests with the district for immediate payment, the principal or department head designates the cardholder authority assigned to each card and is responsible for all purchases. The cardholder is the sole authorized user of the card. Other individuals may not use the card.
 - a. Cardholder qualifications.
 - (1) Individuals must be district employees who have a reasonable need to routinely procure goods.
 - (2) Individuals must have an e-mail address, web access, access to a computer with Adobe Acrobat Reader, scanning and print capabilities.
 - (3) Attend mandatory annual Cardholder and Approver training.
4. Approving official qualifications and responsibilities. The approving official is the employee responsible for oversight of cardholder activity.
 - a. Approving official qualifications.
 - (1) Individuals must be district employees who have a reasonable need to routinely procure goods.
 - (2) Must have budget and signature authority on active budget and projects.

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- (3) Approvers of staff cardholders must be principals or department heads.
 - (4) Approvers of principal cardholders must be Area Superintendents.
 - (5) Approvers of department head cardholders must be managers at a higher level than the cardholder or Branch heads.
 - (6) Individuals must have an e-mail address, web access, access to a computer with Adobe Acrobat Reader, scan and print capabilities.
 - (7) Attend mandatory Cardholder and Approver training.
5. Authorized uses with certain restrictions and limitations. The following types of transactions are generally allowable, however, each of these types of purchases have certain restrictions and requirements that must be considered prior to making purchases. Certain resources and funds (e.g., Title I) have specific spending requirements and spending restrictions. Before procuring any of the items below, the cardholder should understand the restrictions and confirm allowability of the purchase with Financial Planning, Monitoring and Accountability.
- a. Food and non-alcoholic beverages for group planning, operational meetings, and functions involving students, parents, and/or community representatives.
 - b. Meals, light snacks, and refreshments for district employee meetings and functions.
 - c. Awards for students such as certificates, plaques, trophies, flowers, and gifts of minimal value not to exceed \$25 per unit. Gift cards and equivalent are not allowable PCard purchases.

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- d. Travel (airfare, lodging, transportation, registration fees). A fully approved Travel Authorization is required prior to making travel arrangements or prepaying any travel related expenses. All travel must comply with Administrative Procedure 7155, Absence on District Business.
 - e. Student field trips, as described in Administrative Procedures 4585 and 4587.
6. Prohibited transactions. The PCard may NOT be used to purchase the following items:
- a. Cash advances or cash refunds.
 - b. Gift cards, gift certificates or equivalent.
 - c. Awards, rewards, flowers, or gifts for employees, staff members, volunteers, community members, or other individual or entity. This includes but is not limited to gift cards, gift certificates, pre-paid cards, or calling cards.
 - d. Goods or services for personal use by staff. This includes bottled water and coffee service and supplies.
 - e. Alcoholic beverages.
 - f. Political contributions, donations, or gifts.
 - g. ASB, PTA or any outside foundation purchases. These are separate entities and no purchases between the district and outside entities may be commingled.
 - h. Memberships. Institutional and organizational memberships may be purchased via e-Pro requisition. Individual memberships are prohibited, except as described in Administrative Procedure 7155, Absence on District Business.
 - i. Large volume, routine repetitious purchases from one supplier (i.e., custodial supplies). Strategic Sourcing and Contracts engages in negotiating contracts for vendors from whom the district purchases large volume goods and supplies to obtain the best pricing.

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- j. Custodial supplies. Custodial supplies are to be ordered through the direct connect ePro process from Waxie.
- k. Leases, rentals, contracts, long-term maintenance agreements.
- l. Computers/laptops/iPads or other computing devices, regardless of dollar value.
- m. Professional licenses.
- n. Furniture and equipment items individually priced over \$500, exclusive of tax and other charges. This includes cell phones and other wireless devices.
- o. Services or labor of any kind, including repair or installation.
- p. Items unallowable under specific grant or contract terms and conditions. The specific terms and conditions of each award supersede any provisions of this regulation.

7. Spending limits.

Standard Spend Profile Limits	
Single Transaction Limit (including tax, freight, handling charges)	\$2,500
Daily Transaction Limit	\$5,000
Monthly Cycle Spending Limit	\$5,000

8. Monthly statement reconciliation.

- a. Cardholders are responsible for monthly reconciliation of their card statements. Reconciling itemized receipts to transactions reported on the monthly statement ensures that all purchases have been reported, any credits have been received, and provides the opportunity to resolve any discrepancies.
- b. Cardholders access the online banking application to:

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- (1) Print statements
 - (2) Review transactions
 - (3) Allocate expenses
 - (4) Ensure applicable sales tax has been collected
 - (5) Attach receipts
 - (6) Document the nature and purpose of purchase
- c. Upon completion of the transaction review, the cardholder prepares and submits the monthly remittance packet to the approving official. The monthly remittance packet is comprised of the original, itemized receipts, which are stapled to the hard copy of each cardholder's statement.
- d. Approving officials indicate approval of purchases by reviewing and approving transactions in the online banking application. It is the approving official's responsibility to ask cardholders about questionable transactions and ensure all supporting documentation is attached to the monthly packet (statement and receipts).
- e. Approving officials access the online banking application to:
- (1) Compare the original, itemized receipts to the transactions listed on the statement
 - (2) Review the descriptions of the nature and purpose of purchase
 - (3) Review budget chart field strings to ensure the purchases are recorded correctly
- f. The approving official is responsible for forwarding the statement packet, which includes the statement and all original, itemized PCard receipts for all purchases made by cardholders within their reporting hierarchy to Accounts Payable for long term record retention.

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- D. Full and open competition.
1. All federal procurement transactions are conducted in a manner providing full and open competition consistent with 2 C.F.R §200.319.
 2. To ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals are excluded from competing for such procurements.
 3. Some of the situations considered to be restrictive of competition include but are not limited to:
 - a. Placing unreasonable requirements on firms to qualify to do business.
 - b. Requiring unnecessary experience and excessive bonding.
 - c. Noncompetitive pricing practices between firms or between affiliated companies.
 - d. Noncompetitive contracts to consultants that are on retainer contracts.
 - e. Organizational conflicts of interest.
 - f. Specifying only a “brand name” product instead of allowing “an equal” product to be offered and describing the performance or other relevant requirements of the procurement.
 - g. Any arbitrary action in the procurement process.
 4. Where “brand name or equal” is used, two brand names of comparable quality or utility must be listed, followed by “or equal.” Exceptions:
 - a. Only one product is available, or
 - b. Matching of existing equipment is essential. An appropriate notation must be included on the requisition.
 5. Consistent with EDGAR, the district requires the following to ensure adequate competition for federal purchases:

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- a. Geographical preferences prohibited.
 - (1) The district conducts federal procurements in a manner that prohibits the use of statutorily or administratively imposed state, local, or tribal geographical preferences in the evaluation of bids or proposals, except in those cases where applicable federal statutes expressly mandate or encourage geographic preference.
 - (2) When contracting for architectural and engineering (A/E) services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

- b. Prequalified lists.
 - (1) The district ensures that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition.
 - (2) The district does not preclude potential bidders from qualifying during the solicitation period.

- c. Solicitation language.
 - (1) The district ensures that all solicitations incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured.
 - (2) Such description must not, in competitive procurements, contain features which unduly restrict competition.
 - (3) The description may include a statement of the qualitative nature of the material, product or service to be procured and, when necessary, must set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use.
 - (4) Detailed product specifications should be avoided if at all possible.

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- d. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a “brand name or equivalent” description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offers must be clearly stated; and identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals. 2 C.F.R § 200.319(c).
- E. Federal procurement system standards.
- 1. Avoiding acquisition of unnecessary or duplicative items.
 - a. The district considers available resources and supplies prior to purchasing to avoid the acquisition of unnecessary or duplicative items.
 - b. Additionally, consideration is given to consolidating or breaking out procurements to obtain a more economical purchase.
 - c. Where appropriate, an analysis will made of leases versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.
 - d. These considerations are given as part of the process to determine the allowability of each purchase made with federal funds. Administrative Regulation 3231 contains written procedures on determining allowability.
 - 2. Use of intergovernmental agreements. To foster greater economy and efficiency, the district enters into State and local intergovernmental agreements where appropriate for procurement or use of common or shared goods and services.
 - 3. Use of federal excess and surplus property. The district considers the use of federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.
 - 4. Debarment and suspension.

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- a. The district awards contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement.
- b. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.
- c. The district may not subcontract with or award subgrants to any person or company who is debarred or suspended.
- d. For all contracts over \$25,000, the district verifies that the vendor with whom the district intends to do business is not excluded or disqualified. 2 C.F.R. Part 200, Appendix II(1) and 2 C.F.R. §§ 180.220 and 180.300.
 - (1) The Buyer or Contract Specialist reviews the Agreement/Contract Intake Form and verifies and maintains documentation that the vendor is not excluded through the Sam.gov website.
 - (2) Additionally, the district requires all bidders to certify compliance with Federal Executive Order (E.O.) 12549 “Debarment” which requires that all contractors receiving individual awards, using federal funds, and all subcontractors certify that the organization and its principals are not debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency from doing business with the federal government.
 - (3) As part of bid responsiveness, Strategic Sourcing and Contracts verifies the successful bidders’ and listed subcontractors’ status prior to award of contract.
 - (4) Any successful bidder found on the federal debarment list is rejected as non-responsive.
5. Procurement records maintenance.

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- a. The district maintains records sufficient to detail the history of all procurements. These records include, but are not necessarily limited to:
 - (1) Rationale for the method of procurement.
 - (2) Selection of contract type.
 - (3) Contractor selection or rejection.
 - (4) The basis for the contract price (including a cost or price analysis).
 - (5) Verification that the contractor is not suspended or debarred.
 - b. Records retention information is available in Administrative Regulation 3580.
6. Time and Materials Contracts
- a. The district may only use a time and materials contract:
 - (1) After a determination that no other contract is suitable, and
 - (b) If the contract includes a ceiling price that the contractor exceeds at its own risk.
 - b. Time and materials contract means a contract whose cost to the district is the sum of the actual costs of materials, and direct labor hours charged at fixed hourly rates that reflect wages, general and administrative expenses, and profit. 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. Further, the district must assert a high degree of oversight in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.

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7. Settlements of issues arising out of procurements.
 - a. The district alone is responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims.
 - b. These standards do not relieve the district of any contractual responsibilities under its contracts.
 - c. Violations of law will be referred to the local, State, or federal authority having proper jurisdiction.

- F. Protest procedures to resolve dispute.
 1. The district maintains protest procedures to handle and resolve disputes relating to procurements and, in all instances, discloses information regarding the protest to the awarding agency.
 2. An administrative appeal procedure is used to protest the decision regarding a bid's responsiveness.
 3. To initiate the appeal procedure the aggrieved party shall submit, in writing, a protest or appeal to the Strategic Sourcing and Contracts Officer. The protest or appeal shall include the basis for the protest or appeal, and the relief sought must include all of the reasons why the bidder believes it is responsive and/or responsible, including any supporting documentation.
 4. Any protest must be submitted within five business days after the date of mailing by the district of a letter to the bidder advising it of the proposed recommendation that it be declared non-responsive or responsible, and the reasons for that recommendation.
 5. Upon receipt of a protest or an appeal the Strategic Sourcing and Contracts Officer shall respond in writing to the protest or appeal within five days or shall give notice to the protesting or appealing party within five days that a hearing is required to present the facts concerning the protest or appeal. Such notice shall be in writing.

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6. A protest of a decision to award or of an award shall be submitted not later than the tenth day at 4:30 p.m. after the date of mailing by the district of a letter to the contractor/vendor advising it of the final selection and recommendation to the Board.
- G. Emerging business enterprise. Purchases of construction services from one supplier which are expected to exceed \$10,000 and purchases of services, equipment, supplies, and materials from one supplier which are expected to exceed \$54,900 during any fiscal year are subject to the district's emerging business enterprise program that includes diverse contractors, suppliers and vendors.
- H. Definitions.
1. Capital outlay: The acquisition of fixed assets, or addition to fixed assets including the improvements of grounds, constructions or remodeling of buildings, addition to buildings, or initial and additional equipment that costs \$5,000 or more.
 2. Inventoried equipment: Physical property other than land, buildings, or improvement to either of these, that costs \$500 or more and has all three characteristics below:
 - a. Nonconsumable, with normal service life in excess of two years.
 - b. Retains original shape and appearance with use.
 - c. Not easily broken, damaged, or lost in normal use, and more economical to repair than to replace.
 3. Supplies: All items available for ordering through PeopleSoft e-Procurement online ordering system items are considered "supplies" if they have any one of the characteristics below:
 - a. Consumable, with a normal service life of less than two years.
 - b. Loses its shape and appearance with use.
 - c. Easily broken, damaged, or lost in normal use, and more feasible to replace than to repair.
 - d. Inexpensive (less than \$500 per unit).

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4. Warehouse inventory items: System for items purchased and stored in district warehouses for subsequent issue.
5. Instructional materials system: Central system for obtaining and tracking instructional materials, textbooks, audiovisual items, library books, supplies, equipment ordered, received, stored, distributed, and circulated from the Instructional Media Center (IMC) and IMC Warehouse.
6. Services: Activities necessary for the continued operation of a program and not normally furnished through Physical Plant Operations (PPO).

II. References.

- A. 2 C.F.R. §§ 180.220 and 180.300
- B. 2 C.F.R. Part 200, Appendix II(1)
- C. 2 C.F.R. § 200.323
- D. 2 C.F.R. §§ 200.318 – 200.320
- E. Public Contract Code Section 1102
- F. Public Contract Code 20111
- G. Public Contract Code Section 20113
- H. Public Contract Code Section 20118.3
- I. Education Code 17605
- J. District Administrative Procedures and Regulations
 1. Administrative Procedure (AP) 1570, District Contracts
 2. Administrative Procedure (AP) 2518, Payment for Expenses for Special Activities
 3. Administrative Procedure (AP) 4585, Field Trips, Single Day Within State
 4. Administrative Procedure (AP) 4587, Field Trips, Domestic (Multi-Day) and Foreign

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5. Administrative Procedure (AP) 7155, Absence on District Business
6. Board Policy (BP) and Administrative Regulation (AR) 3311, Bids
7. Board Policy (BP) and Administrative Regulation (AR) 3312, Contracts

Regulation
approved: December 11, 2018

SAN DIEGO UNIFIED SCHOOL DISTRICT
San Diego, California