

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.

NOTE: We recommend the following paragraph to clarify that district employees shall follow other applicable Board policies and state law, such as purchasing authority and competitive bidding, to the extent these policies impose additional requirements or procedures. For example, state law requires districts to conduct criminal background checks for any person providing direct services to students pursuant to a written contract. C.R.S. 22-32-122 (4).

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.

NOTE: The micro-purchase dollar amount is adjusted periodically by the federal government. The threshold most recently established and published in the Federal Register is \$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.

NOTE: Given that the federal government periodically adjusts the micro-purchase dollar amount as well as the amount that requires competitive bidding, the amount considered to be a “small purchase” is currently \$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.

NOTE: The dollar amount at which competitive bidding is required is adjusted periodically by the federal government. The threshold most recently established and published in the Federal Register is \$150,000.

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.

Adoption date: February 20, 2018

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

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