**Procurement Federal Grants** **Policy 3005**

Adopted August 23, 2021

Procurement of all supplies, materials, equipment, and services paid for from Federal funds shall be made in accordance with all applicable Federal, State, and local statutes and/or regulations, the terms and conditions of the Federal grant, Board policies, and administrative procedures.

The Kenosha Schools of Technology Enhanced Curriculum Board of Directors shall maintain a procurement and contract administration system in accordance with the USDOE requirements (2 C.F.R. 200.317-.326) for the administration and management of Federal grants and federally-funded programs. The board of directors shall maintain a contract administration system that requires contractors to perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

All school employees, officers, and agents who have purchasing authority shall abide by the standards of conduct covering conflicts of interest and governing the actions of its employees, officers, and agents engaged in the selection, award, and administration of contracts.

KTEC High School will avoid acquisition of unnecessary or duplicative items. Additionally, consideration shall be given to consolidating or breaking out procurements to obtain a more economical purchase and, where appropriate, an analysis shall be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach. These considerations are given as part of the process to determine the allowability of each purchase made with Federal funds.

To foster greater economy and efficiency, the board of directors may enter into State and local intergovernmental agreements where appropriate for procurement or use of common or shared goods and services.

**Competition**

All procurement transactions shall be conducted in a manner that encourages full and open competition and in accordance with good administrative practice and sound business judgement. In order to promote objective contractor performance and eliminate unfair competitive advantage, KTEC High School shall exclude any contractor that has developed or drafted specifications, requirements, statements of work, or invitations for bids or requests for proposals from competition for such procurements.

Some of the situations considered to be restrictive of competition include, but are not limited to, the following:

1. unreasonable requirements on firms in order for them to qualify to do business

1. unnecessary experience and excessive bonding requirements
2. noncompetitive contracts to consultants that are on retainer contracts
3. organizational conflicts of interest

1. specification of only a "brand name" product instead of allowing for an "*or equal*" product to be offered and describing the performance or other relevant requirements of the procurement

1. any arbitrary action in the procurement process

Further, KTEC High School does not use statutorily or administratively imposed State, local, or tribal geographical preferences in the evaluation of bids or proposals, unless 1) an applicable Federal statute expressly mandates or encourages a geographic preference; or 2) the school is contracting for architectural and engineering services, in which case 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.

To the extent that the school uses a pre-qualified list of persons, firms or products to acquire goods and services, the pre-qualified list includes enough qualified sources as to ensure maximum open and free competition. KTEC High School allows vendors to apply for consideration to be placed on the list annually.

**Solicitation Language**

The Kenosha Schools of Technology Enhanced Curriculum Board of Directors shall require that all solicitations incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description shall not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured and, when necessary, shall set forth those minimum essential characteristics and standards to which it shall conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible.

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 shall be met by offers shall be clearly stated; and identify all requirements which the offerors shall fulfill and all other factors to be used in evaluating bids or proposals.

The board of directors will not approve any expenditure for an unauthorized purchase or contract.

**Budget**

A budget will be created by the CEO and approved by the Board of Directors. The Board will receive monthly updates that show expenditures on the budget. Any budget change request from the CEO must receive Board approval.

The CEO works with CESA 6 to ensure that all documentation needed is collected and reported to the Department of Public Instruction.

**Procurement Methods**

The Kenosha High School of Technology Enhanced Curriculum shall utilize the following methods of procurement:

1. Micro-purchases

Procurement by micro-purchase is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed $3,500. To the extent practicable, KTEC High shall distribute micro-purchases equitably among qualified suppliers. Micro-purchases may be made without soliciting competitive quotations if the school administrator considers the price to be reasonable. KTEC High maintains evidence of this reasonableness in the records of all purchases made by this method.

1. Small purchases

Small purchase procedures provide for relatively simple and informal procurement methods for securing services, supplies, and other property that does not exceed the competitive bid threshold of $10,000, except as otherwise required by state law. Small purchase procedures require that price or rate quotations shall be obtained from a qualified source and approval from school administrator.

1. Mid-size purchases

Purchases between $10,000 and $25,000 shall require a minimum of 2 QUOTES shall be obtained and documented for these purchases. If for whatever reason two quotes are not possible, documentation must be provided on why only one quote was obtained. These purchases must be approved by the CEO.

1. Sealed bids

Sealed, competitive bids shall be obtained when the purchase of, and contract for, single items of supplies, materials, or equipment which exceeds $25,000 and when the board of directors determines to build, repair, enlarge, improve, or demolish a school building/facility the cost of which will exceed $150,000, unless otherwise required by State law.

In order for sealed bidding to be feasible, the following conditions shall be present:

1. a complete, adequate, and realistic specification or purchase description is available;

1. two (2) or more responsible bidders are willing and able to compete effectively for the business; and

1. the procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

When sealed bids are used, the following requirements apply:

1. Bids shall be solicited in accordance with the provisions of State law. Bids shall be solicited from an adequate number of qualified suppliers, providing sufficient response time prior to the date set for the opening of bids. The invitation to bid shall be publicly advertised.

1. The invitation for bids will include product/contract specifications and pertinent attachments and shall define the items and/or services required in order for the bidder to properly respond.

1. All bids will be opened at the time and place prescribed in the invitation for bids; bids will be opened publicly.

1. A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs shall be considered in determining which bid is lowest. Payment discounts may only be used to determine the low bid when prior experience indicates that such discounts are usually taken.

1. The board of directors reserves the right to reject any or all bids for sound documented reason.
2. Competitive proposals

Procurement by competitive proposal, normally conducted with more than one (1) source submitting an offer, is generally used when conditions are not appropriate for the use of sealed bids or in the case of a recognized exception to the sealed bid method. Like sealed bids, Federal law does not require a competitive proposal unless the procurement is for over $150,000.

If this method is used, the following requirements apply:

1. Requests for proposals shall be publicized and identify all evaluation factors and their relative importance. Any response to the publicized requests for proposals shall be considered to the maximum extent practical.

1. Proposals shall be solicited from an adequate number of sources.

1. The Board of Directors shall use its written method for conducting technical evaluations of the proposals received and for selecting recipients.

1. Contracts shall be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered.

Kenosha High School of Technology Enhanced Curriculum 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 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.

1. Noncompetitive proposals

Procurement by noncompetitive proposals allows for solicitation of a proposal from only one (1) source and may be used only when one (1) or more of the following circumstances apply:

1. the item is available only from a single source

1. the public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation

1. the Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the District

1. after solicitation of a number of sources, competition is determined to be inadequate

**Contract/Price Analysis**

The board of directors shall perform a cost or price analysis in connection with every procurement action in excess of $150,000, including contract modifications. 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.

The method and degree of analysis is dependent on the facts surrounding the particular procurement situation; however, the school hall come to an independent estimate prior to receiving bids or proposals.

When performing a cost analysis, the school shall negotiate 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.

**Time and Materials Contracts**

The schools uses a time and materials type contract only 1) after a determination that no other contract is suitable; and 2) 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 to the school 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, the school sets a ceiling price for each contract that the contractor exceeds at its own risk. Further, the school shall assert a high degree of oversight in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.

**Suspension and Debarment**

The board of directors will award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of the proposed procurement. All purchasing decisions shall be made in the best interests of Kenosha High School of Technology Enhanced Curriculum and shall seek to obtain the maximum value for each dollar expended. When making a purchasing decision, the board of directors shall consider such factors as 1) contractor integrity; 2) compliance with public policy; 3) record of past performance; and 4) financial and technical resources.

The CEO shall have the authority to suspend or debar a person/corporation, for cause, from consideration or award of further contracts. Kenosha High School of Technology Enhanced Curriculum is subject to and shall abide by the nonprocurement debarment and suspension regulations implementing Executive Orders 12549 and 12689, 2 CFR Part 180.

Suspension is an action taken by the board of directors that immediately prohibits a person from participating in covered transactions and transactions covered under the Federal Acquisition Regulation (48 C.F.R. Chapter 1) for a temporary period, pending completion of an agency investigation and any judicial or administrative proceedings that may ensue. A person so excluded is suspended. (2 C.F.R. Part 180 Subpart G)

Debarment is an action taken by the board of directors to exclude a person from participating in covered transactions and transactions covered under the Federal Acquisition Regulation (48 C.F.R. Chapter 1). A person so excluded is debarred. (2 C.F.R. Part 180 Subpart H)

Kenosha High School of Technology Enhanced Curriculum shall not subcontract with or award subgrants to any person or company who is debarred or suspended. For contracts over $25,000, Kenosha High School of Technology Enhanced Curriculum shall confirm that the vendor is not debarred or suspended by either checking the Federal government’s System for Award Management, which maintains a list of such debarred or suspended vendors at www.sam.gov; collecting a certification from the vendor; or adding a clause or condition to the covered transaction with that vendor. (2 C.F.R. Part 180 Subpart C)

**Bid Protest**

Kenosha High School of Technology Enhanced Curriculum maintains the following protest procedures to handle and resolve disputes relating to procurements and, in all instances, discloses information regarding the protest to the awarding agency.

A bidder who wishes to file a bid protest shall file such notice and follow procedures prescribed by the Request For Proposals (RFPs) or the individual bid specifications package, for resolution. Bid protests shall be filed in writing with the ROLE principal within seventy-two (72) hours of the opening of the bids in protest.

Within five (5) days of receipt of a protest, the CEO shall review the protest as submitted and render a decision regarding the merits of the protest and any impact on the acceptance and rejection of bids submitted. Notice of the filing of a bid protest shall be communicated to the Board of Directors and shall be so noted in any subsequent recommendation for the acceptance of bids and awarding of contracts.

Failure to file a notice of intent to protest, or failure to file a formal written protest within the time prescribed, shall constitute a waiver of proceedings.

**Maintenance of Procurement Records**

Kenosha High School of Technology Enhanced Curriculum maintains records sufficient to detail the history of all procurements. 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 (including a cost or price analysis).

**Purchase Orders for Goods and Services**

A. Definitions

1. Procurement: the act of purchasing, renting, leasing or otherwise acquiring any supplies, services, equipment or construction. The process includes preparation and processing of a demand as well as the end receipt and approval of payment.

2. Purchase Requisition: the initial purchase request that an employee enters into the District financial accounting software. Once the requisition has made it through the approval process it is printed out or emailed as a purchase order and the order is processed.

3. Quote: the cost for a good or service that an authorized seller or provider offers in good faith. This is a written agreement to sell the product at the stated amount. Generally, this is considered an informal bid.

4. Bid: a formal written offer or response to provide a good or service for a particular price based on specifications in a request for proposal.

5. Contract: a voluntary arrangement between two or more parties that is enforceable by law as a binding legal agreement.

6. Purchase Order: a document issued by the District that authorizes a purchase transaction. The purchase order sets forth the descriptions, quantities, prices, discounts, date and other terms and conditions.

7. Confirming Order: when an order for goods, services, equipment, or construction is placed and an invoice is received before a purchase requisition is processed and the purchase order is created.

B. General

1. The Purchasing Agent will be responsible for the procurement of all District supplies and equipment.

2. In making a selection for purchase, the Purchasing Agent shall attempt to achieve maximum price advantage within quality specifications.

3. Bid specifications and requests for proposals shall be developed for larger dollar volume purchases and will be coordinated between the user and the Purchasing Agent.

4. Continuing efforts shall be made to affect savings in purchasing and maintenance through the standardization of specifications for similar items used throughout the District. Proprietary specifications or source procurement for items that will allow such standardization for security or confidentiality requires the approval of the Purchasing Agent.

5. Impartial and open consideration shall be given to bids and quotes received from vendors. There will be prompt follow-up on questions concerning vendor orders and vendor services. The Purchasing Agent shall maintain an approved vendor list.

6. Authorized employees are encouraged to purchase high quality items and to make purchases of items having a value of less than $30 out of petty cash, or with department purchasing cards.

7. All ongoing purchases of supplies, materials, maintenance, and repairs should be reviewed annually to obtain and ensure maximum price advantage within quality specifications.

8. The Purchasing Agent shall furnish a current Requisition and Purchasing Procedure Manual to all principals and departmental administrators.

9. Verification will be performed on all new vendors so that they are confirmed to have not been debarred or suspended per the Federal Government System for Award Management (SAM).

C. Purchasing and Signing Authority

The levels of authority for purchase approval are as follows:

Purchases less than $50,000:

1. The CEO shall be authorized to approve purchases less than $50,000 for equipment or services.

2. The CEO shall be authorized to approve contracts and renewals less than $50,000.

Purchases greater than $50,000:

1. All contracts and renewals of contracts in an aggregate of $50,000 or more in a fiscal year shall be approved by the Board of Directors except in the event of an emergency as determined and reported to the Board of Directors monthly by the CEO. If a bid has been approved by the Board, the CEO can implement and approve the contract without further board action.

2. Purchases of $50,000 and over for equipment or services, shall require the approval of the CEO over the school/department making the purchase.

No threshold:

1. The CEO shall be authorized to approve the purchase of supplies and to contract for equipment maintenance agreements in accordance with sound purchasing procedures. The CEO is authorized to sign on behalf of the District, agreements or contracts for equipment maintenance.

E. Purchase Requisitions

1. Once the procurement requirements above have been completed and proper approvals have been obtained, a purchase requisition is entered in the accounting information system.

2. Requisitions shall be reviewed by Finance and Purchasing personnel for authorization, funding, and coding prior to processing the requisition and creating a purchase order.

3. Confirming orders require advance, written approval from the CEO before committing the School to a purchase of supplies or equipment. Failure to follow proper procedures may result in disciplinary action, personal liability or return of the merchandise. Confirming orders are not encouraged and will not be standard practice.

F. Purchase Orders

1. Once the purchase requisition workflow has been completed, the purchase order will be sent to the vendor for fulfillment of the purchase.

2. The authority for issuing purchase orders is delegated to Cesa 6.

**Credit Card Purchases**

Purchases will be made only by authorized card holders (CEO and building administrator).

Users will obtain a fair and reasonable price.

Receipts will be submitted to CESA 6 in a timely manner and no later than the 25th of each month.

All purchases will be made as tax exempt.