



Book	Policy Manual
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6325 - PROCUREMENT – FEDERAL GRANTS/FUNDS

Procurement of all supplies, materials, equipment, and services paid from Federal funds or School Corporation matching 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, and School Board policies and administrative procedures.

The Superintendent shall have and use a procurement and contract administration system in accordance with the ~~USDOE~~ **U.S. Department of Education** requirements (2 CFR 200.317-~~326~~**200.327**), including ~~affirmative steps for consideration of small businesses, and minority businesses, and women's business enterprises, veteran-owned businesses, and labor surplus area firms~~ for the administration and management of Federal grants and Federally-funded programs. The Corporation shall maintain oversight that requires contractors to perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders. Except as otherwise noted, procurement transactions shall conform to the provisions of the Corporation's documented general purchasing Policy 6320 and AG 6320.

All Federally-funded contracts in excess of \$2,000 related to construction, alteration, repairs, painting, ~~or decorating, etc.~~ of public buildings or public works must comply with Davis-Bacon and Related Acts prevailing wage requirements.

All Corporation employees, officers ~~(that is, Board members)~~, and agents, **and Board members** 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, and Board members~~ engaged in the selection, award, and administration of contracts as established in Policy 1130, Policy 3113 and Policy 4113 – Conflict of Interest.

The Corporation shall avoid acquisition of unnecessary or duplicative items. ~~Additionally, consideration shall~~ **Consideration should** 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.~~ **When appropriate, an analysis should be made between leasing and purchasing property or equipment 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 Corporation 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 ~~for the acquisition of property or services required under a~~ **under the** Federal award ~~paid for from Federal funds or Corporation matching funds~~ shall be conducted in a manner that ~~encourages~~ **provides** full and open competition and is in accordance with **2 C.F.R. 200.319 and 200.320**, good administrative practice and sound business judgement. ~~In order to promote~~ **To ensure** objective contractor performance and eliminate unfair competitive advantage, the Corporation 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~~ Examples of situations that may restrict competition include, but are not limited to:

- A. unreasonable requirements on firms ~~in order~~ for them to qualify to do business;
- B. unnecessary experience and excessive bonding requirements;
- 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. 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; and
- G. any arbitrary action in the procurement process.

~~Further, the Corporation shall 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 the Corporation 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 Corporation uses a pre-qualified list of persons, firms or products to acquire goods and services that are subject to this policy, the pre-qualified list includes enough qualified sources ~~as~~ to ensure maximum open and free competition. The Corporation allows ~~vendors~~ individuals to apply for consideration to be placed on the list at any time.

The Corporation shall ~~require that all~~ ensure prequalified lists of persons, firms, or products ~~which that~~ are used in ~~acquiring goods and services are current and include enough qualified sources to provide maximum open and free competition~~ procurement transactions are current and include enough qualified sources to provide maximum open competition. When establishing or amending prequalified lists, the Corporation (or subrecipient) must consider objective factors that evaluate price and cost to maximize competition. The Corporation shall not preclude potential bidders from qualifying during the solicitation period.

To the extent consistent with established practices and legal requirements applicable to the Corporation, the Corporation is not prohibited from developing written procedures of procurement transactions that incorporate a scoring mechanism that rewards bidders that commit to specific numbers and types of U.S. jobs, minimum compensation, benefits, on-the-job training for employees making work products or provided services on a contract, and other worker protections. The Corporation may also make inquiries of bidders about these subjects and assess the responses. Scoring mechanisms must be consistent with the U.S. Constitution, applicable Federal statutes and regulations, and the terms and conditions of the Federal award.

Solicitation Language (Purchasing Procedures)

The Corporation shall have written ~~procurement~~ procedures for procurement transactions. ~~that~~ These procedures must require that all solicitations made pursuant to this policy; ~~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.~~

- A. adhere to the competition requirements and restrictions listed above;
- B. incorporate a clear and accurate description of the technical requirements for the property, equipment, or service being procured;

The description may include a statement of the qualitative nature of the property, equipment, or service to be procured. When necessary, the description must set forth those minimum essential characteristics and standards to which the property, equipment, or service shall conform. Detailed product specifications should be avoided if at all possible.

When it is impractical or uneconomical to clearly and accurately describe the technical requirements, a "brand name or equivalent" description of features to provide procurement requirements may be used. The specific features of the

named brand must be clearly stated; and

- C. Identify any additional requirements that the offerors must fulfill and all other factors that will be used in evaluating bids or proposals.

~~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 the solicitation shall identify all requirements which the offerors shall fulfill and all other factors to be used in evaluating bids or proposals.~~

The Board will not approve any expenditure for an unauthorized purchase or contract.

Procurement Methods

The Corporation shall have and use documented procedures, consistent with the standards described above, for the following methods of procurement:

A. Informal Procurement Methods

~~When the value of the procurement for property or services under a Federal award does not exceed the simplified acquisition threshold or a lower threshold established by the State, formal procurement methods are not required. The Corporation may use informal procurement methods to expedite the completion of its transactions and minimize the associated administrative burden and cost. The informal methods used for procurement of property or services at or below the simplified acquisition threshold include:~~ Informal procurement methods for small purchases expedite the completion of transactions, minimize administrative burdens, and reduce costs. Information procurement methods may be used when the value of the procurement transaction under a Federal award does not exceed the simplified acquisition threshold or a lower threshold established by the State. The informal procurement methods include:

1. Micro-purchases

Procurement by micro-purchase is the acquisition of ~~supplies~~ property or services, the aggregate dollar amount of which does not exceed \$10,000.00. To the ~~maximum~~ extent practicable, the Corporation should distribute micro-purchases equitably among qualified suppliers. Micro-purchases may be made without soliciting competitive ~~price or rate~~ quotations if the Purchasing Agent identified in Policy 6320 considers the price to be reasonable based on research, experience, purchase history, or other relevant information and ~~documents are filed accordingly~~ maintains documents to support the Purchasing Agent's conclusion. The Corporation shall maintain evidence of this reasonableness in the records of all purchases made by this method.

2. ~~Small Purchases~~ Simplified Acquisitions

~~The~~ Corporations ~~are is~~ responsible for determining an appropriate simplified acquisition threshold based on internal controls, an evaluation of risk, and its documented procurement procedures which must not exceed the threshold established in the Federal Acquisition Regulations (FAR). When applicable, a lower simplified acquisition threshold used by the ~~non-Federal entity~~ Corporation must be authorized or not prohibited under State, local, or tribal laws or regulations.

B. Formal Procurement Methods

When the value of the procurement for property or services under a Federal award exceeds the simplified acquisition threshold, or a lower threshold established by the State, formal procurement methods are required. Formal procurement methods require following documented procedures. Formal procurement methods also require public advertising ~~unless a non-competitive procurement method can be used in accordance with the standards on competition in 200.319 or non-competitive procurement~~ notice and must be competitive. The formal methods of procurement are:

1. Sealed Bids

Sealed, ~~competitive~~ bids shall be obtained when the purchase of, and contract for, single items of supplies, materials, or equipment amounts to more than \$250,000 and when the Board determines to build, repair, enlarge, improve, or demolish a school building/facility the cost of which will exceed the amount allowed by Indiana statute.

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

- a. a complete, adequate, and realistic specification or purchase description is available;
- b. two (2) or more responsible bidders ~~are~~ have been identified as willing and able to compete effectively for the business; and
- c. 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~~ based on price.

When sealed bids are used, the following requirements apply:

- a. Bids shall be solicited in accordance with the provisions of State law and Policy 6320. 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.
- b. The invitation for bids ~~shall include product/contract specifications and pertinent attachments and shall define the items and/or services required in order for the bidder to properly respond~~ must define the items or services with specific information, including any required specifications, for the bidder to properly respond, and comply with the requirements of I.C. 5-22-7-2.
- c. All bids shall be opened at the time and place prescribed in the invitation for bids; bids shall be opened publicly.
- d. A firm fixed price contract ~~award shall be made~~ is awarded in writing to the lowest responsive bid and responsible bidder. ~~Where specified in bidding documents~~ When specified in the invitation for bids, factors such as discounts, transportation cost, and life cycle costs shall be considered in determining which bid is lowest. Payment discounts ~~may~~ must be used to determine the low bid only when the Corporation determines they are a valid factor based on prior experience ~~indicates that such discounts are usually taken~~.
- e. The Board reserves the right to reject any or all bids, but must document and provide a justification for all bids it rejects ~~for sound documented reason~~.

2. Proposals

Procurement by proposals is a method in which either a fixed price or cost-reimbursement ~~type~~ contract is awarded. ~~Proposals are generally~~ This method is 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. Indiana law stipulates a threshold for which sealed bids are required. (See Policy 6320.)

If this method is used, the following requirements apply:

- a. Requests for proposals ~~shall be publicized and~~ require public notice, and must identify all evaluation factors and their relative importance. ~~Any response to the publicized requests for proposals shall be considered to the maximum extent practical.~~
- b. Proposals shall be solicited from an adequate number of sources.
- c. ~~The Corporation shall use its written method for conducting technical evaluations of the proposals received and for selecting recipients.~~
- d. Contracts shall must be awarded to the responsible firm offeror whose proposal is most advantageous to the program, ~~with price and other factors considered~~ Corporation considering price and other factors.

The Corporation may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby the competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where the price is not used as a selection factor, can be used only in procurement to procure of A/E professional services. ~~It~~ The method cannot be used to purchase other types of services though provided by A/E firms that are a potential source to perform the proposed effort.

3. Noncompetitive Procurement

Procurement by noncompetitive proposals ~~allows for solicitation of a proposal from only one source and~~ may

be used only when one or more of the following circumstances apply:

- a. ~~micro purchases~~ the aggregate amount of the procurement transaction does not exceed the micro-purpose threshold;
- b. ~~the item is available only from~~ the procurement transaction can only be fulfilled by a single source;
- c. the public exigency or emergency for the requirement will not permit a delay resulting from ~~publicizing~~ providing public notice of a competitive solicitation;
- d. ~~the Federal awarding agency or pass through entity expressly authorizes noncompetitive proposals in response to a written request from the Corporation~~ the Corporation requests in writing to use a noncompetitive procurement method, and the Federal agency or pass-through entity provides written approval; or
- e. after ~~solicitation of a number of~~ soliciting several sources, competition is determined ~~to be~~ inadequate;

Domestic Preference for Procurement

~~As appropriate and to the extent consistent with law, the Corporation shall,~~ The Corporation should, to the extent practicable ~~under a Federal award,~~ and consistent with law, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States. Such requirements shall be included in all subawards, ~~including all contracts,~~ and purchase orders ~~for work or products~~ under the Federal award.

Procurement of Recovered Materials

The Corporation must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976, as amended, 42 U.S.C. 6962. These requirements include:

- A. procuring only items designated in the guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000;
- B. procuring solid waste management services in a manner that maximizes energy and resource recovery; and
- C. establishing an affirmative procurement program for the procurement of recovered materials identified in the EPA guidelines.

The Corporation should, to the greatest extent practicable and consistent with law, purchase acquire, or use products and services that can be reused, refurbished, or recycled; contain recycled content, are biobased, or are energy and water-efficient; and are sustainable.

This may include purchasing compostable items and other products and services that reduce the use of single-use plastic products.

Contract/Price Analysis

~~The Corporation shall perform a cost or price analysis in connection with every procurement action in excess of \$250,000, 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 Corporation shall come to an independent estimate prior to receiving bids or proposals.~~

~~When performing a cost analysis, the Corporation 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.~~

The Corporation shall perform a cost or price analysis for every procurement transaction, including contract modifications, in excess of the Simplified Acquisition threshold identified above. The method and degree of analysis conducted depend on

the facts surrounding the particular procurement transaction. 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 Corporation must not use the "cost plus a percentage of cost" and "percentage of construction costs" methods of contracting.

Costs or prices based on estimated costs for contracts under the Federal award are allowable only to the extent that the costs incurred or cost estimates included in negotiated prices would be allowable for the Corporation according to cost principle requirements.

Time and Materials Contracts

The Corporation ~~uses a time and materials~~ **may use 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 Corporation 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~~ **Because** 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 Corporation sets a ceiling price for each contract that the contractor exceeds at its own risk. Further, the Corporation 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 Doing Business with Other Persons

The Corporation shall award contracts only to responsible contractors ~~possessing~~ **that possess** 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 the Corporation and shall seek to obtain the maximum value for each dollar expended. When making a purchasing decision, the Corporation shall consider such factors as (1) contractor integrity; (2) ~~compliance with~~ public policy **compliance**; (3) **proper classification of employees**; 4) record of past performance; and ~~(45)~~ financial and technical resources. **If the Purchasing Agent determines a contractor is not responsible, that determination must be made in writing.**

~~The Superintendent shall have the authority to suspend or debar a person/corporation, for cause, from consideration or award of further contracts. The Corporation 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 Corporation that immediately prohibits a person from participating in covered transactions and transactions covered under the Federal Acquisition Regulation (48 CFR 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 CFR Part 180 Subpart G)~~

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

~~The Corporation shall not subcontract with or award subgrants to any person or company who is debarred or suspended. For contracts over \$25,000, the Corporation 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 CFR Part 180 Subpart C)~~ **The Corporation shall not subcontract with or award subgrants to any person or company who is excluded or disqualified. For contracts over \$25,000, the Corporation shall confirm that the person with whom the Corporation intends to do business is not excluded or disqualified by checking the Federal Government's System for Award Management Exclusions at www.sam.gov; collecting a certification from that person; or adding a clause or condition to the covered transaction with that person.**

Bid Protest

The Corporation 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~~ **Federal** 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 Superintendent within seventy- two (72) hours of the opening of the bids in protest.

Within five (5) days of receipt of a protest, the Superintendent 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 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

The Corporation shall maintain records sufficient to detail the history of ~~all procurements~~ each procurement transaction. These records shall 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).

Record Retention

The Corporation must retain all Federal award records for three (3) years from the date of submission of the final financial report, or as otherwise required pursuant to the Board-adopted records retention schedule, whichever is longer. For awards that are renewed quarterly or annually, the Corporation must retain records for three (3) years from the date of submission of the quarterly or annual financial report, respectively, or as otherwise required pursuant to the Board-adopted records retention schedule if longer. Records to be retained include but are not limited to, financial records, supporting documentation, and statistical records. Other records retention requirements shall be in accordance with 2 C.F.R. 200.334 and the Board-adopted records retention schedule.

The Corporation must collect, transmit, and store Federal award information in a machine-readable format. The Corporation may substitute electronic versions of original paper records through duplication or other forms of electronic conversion, provided that the procedures are subject to periodic quality control reviews. Quality control reviews must ensure that electronic conversion procedures provide safeguards against the alteration of records and assurance that records remain in a format that is readable by a computer system.

~~Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms.~~

- ~~A. The child Nutrition Program Sponsor must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.~~
- ~~B. Affirmative steps must include:~~
 - ~~1. Placing qualified small and minority businesses and women's business enterprises are solicited whenever they are potential sources;~~
 - ~~2. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;~~
 - ~~3. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;~~
 - ~~4. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;~~
 - ~~5. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and~~
 - ~~6. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section.~~

I.C. 5-22-2-21
I.C. 5-22-2-30
I.C. 5-22-2-38
I.C. 5-22-3-3
I.C. 5-22-6-1
I.C. 5-22-6-2

I.C. 5-22-7-1 et seq.
 I.C. 5-22-8-2
 I.C. 5-22-8-3
 I.C. 5-22-10-1 et seq.
 I.C. 5-22-16-1
 I.C. 5-22-16-2
 I.C. 20-26-4-6
 I.C. 20-26-4-8
 I.C. 20-26-5-4
 2 C.F.R. 200.317 200.327

2 C.F.R. 180.300

2 C.F.R. 180.305

2 C.F.R. 200.334 - 200.337

2 C.F.R. 200.520

Appendix II to Part 2 C.F.R. 200

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Legal	I.C. 5-22-2-21
	I.C. 5-22-2-30
	I.C. 5-22-2-38
	I.C. 5-22-3-3
	I.C. 5-22-6-1
	I.C. 5-22-6-2
	I.C. 5-22-7-1 et seq.
	I.C. 5-22-8-2
	I.C. 5-22-8-3
	I.C. 5-22-10-1 et seq.
	I.C. 5-22-16-1
	I.C. 5-22-16-2
	I.C. 20-26-4-6
	I.C. 20-26-4-8
	I.C. 20-26-5-4
	2 C.F.R. 200.317 - .326
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