

FINANCIAL MANAGEMENT

Miscellaneous Procurement Standards - General Procurement Standards for Federal Awards

7400P4

Contractor Oversight

The District shall maintain oversight to ensure that its contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

Conflict of Interest

The following standards of conduct define conflicts of interest and governing the performance of employees engaged in the selection, award, and administration of contracts:

1. No District employee, officer, agent or board member may participate in the selection, award, or administration of a contract supported by a federal award if they have a real or apparent conflict of interest. Such a conflict of interest is present when the employee, officer, or agent, any member of their immediate family, their partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm or person considered for a contract.
2. District officers, employees, and agents of the non-federal entity must neither solicit nor accept gratuities, favors, nor any service or item exceeding \$50 in value from any contractor or subcontractor. Any District employee, who solicits any gift, or who accepts an unsolicited gift with a value exceeding \$50, shall be subject to disciplinary action up to and including termination. Any District officer or agent shall be immediately terminated or separated from District service.
3. Any subrecipient of the District that is not a state, local government or Indian tribe shall also maintain written standards of conduct covering organizational conflicts of interest. For the purposes of this policy, organizational conflicts of interest are when a recipient or subrecipient is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization due to relationships with a parent company, affiliate, or subsidiary organization.

Efficient Purchases

The District shall use all resources and assets effectively and efficiently. Accordingly, prior to any purchase request, the requestor shall evaluate the need for the item, and shall ensure that the acquisition of unnecessary or duplicative items is avoided. In addition to the previous requirements, whenever feasible, consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase. Finally, where appropriate, an analysis will be made of lease versus purchase alternatives, and any similar analysis of alternatives to determine the most economical approach.

1. To foster greater economy and efficiency, and in accordance with efforts to promote cost-effective use of shared services across the federal government, the District shall endeavor to enter into state and local intergovernmental agreements or inter-entity agreements where appropriate for procurement or use of common or shared goods and services.
2. The District shall endeavor to use federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.
3. The District shall endeavor to use value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions. Value engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the

overall lower cost.

4. The District shall award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration shall be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.
5. The District shall maintain records sufficient to detail the history of procurement. 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.
6. The District may use time and material type contracts only after a determination that no other contract is suitable and if the contract includes a ceiling price that the contractor exceeds at its own risk. Time and material type contract means a contract whose cost to the District is the sum of:
 - A. The actual cost of materials; and
 - B. Direct labor hours charged at fixed hourly rates that reflect wages, general and administrative expenses, and profit.

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 shall set a ceiling price that the contractor exceeds at its own risk. Further, the District shall assert a high degree of oversight in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.

7. The District alone shall be 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. These standards do not relieve the District of any contractual responsibilities under its contracts. Violations of law shall be referred to the local, state, or federal authority that has proper jurisdiction.

Legal References

	Description
2 CFR § 200.317	Procurement by States
2 CFR § 200.318	General Procurement Standards
2 CFR § 200.320	Methods of Procurement to be Followed
2 CFR § 200.67	Micropurchase
2 CFR § 200.88	Simplified Acquisition Threshold
IC § 18-1351	Bribery and Corrupt Practices – Definitions
IC § 33-316	Cooperative Contracts to Employ Specialized Personnel and/or Purchase Materials

Cross References

	Description
7218	Federal Grant Financial Management System
7235	Fiscal Accountability and IDEA Part B Funds
7235-P(1)	Fiscal Accountability and IDEA Part B Funds - Written Compensation Procedure (Time and Effort)
7235-F(1)	Fiscal Accountability and IDEA Part B Funds - Federal Funds Semi-Annual Certification Form
7235-F(2)	Fiscal Accountability and IDEA Part B Funds - Single Federal Award or Cost Objective
7237	Retention of Records Relating to Federal Grants
7320	Allowable Uses for Grant Funds
7320-P(1)	Allowable Uses for Grant Funds - Determining Necessity and Reasonableness of Expenses
7405	Public Works Contracting and Procurement

7405-P(1)	Public Works Contracting and Procurement - Procuring
	Public Works, Services, and Personal Property
7408	Entering into Professional Service Contracts
7410	Petty Cash Funds
7420	Personal Reimbursements

Adopted on: