Jerome Joint School District No. 261

FINANCIAL MANAGEMENT **7400P1**

Procurement Under a Federal Award

In addition to its other policies and procedures regarding procurement, the District shall adhere to the following requirements when making procurements under a Federal award. The District shall:

1. Ensure that all solicitations incorporate a clear and accurate description of the technical requirements for the material, product, or service to be produced, and set forth those minimum essential characteristics and standards to which the material, product, or service must conform. The District shall avoid using detailed product specifications if possible. The District will identify all requirements which bidders must fulfill and all other factors to be used in evaluating bids or proposals.

2. Prohibit the use of statutorily or administratively imposed state, local, or tribal geographical preferences in the evaluation of bids or proposals, except in cases where applicable federal statutes expressly mandate or encourage geographic preference. When contracting for architectural and engineering 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

3. Provide a written method for conducting technical evaluations of the proposals received and for selecting recipients, including factors considered for the evaluation; who performs the evaluation, the number of evaluations performed, the timeframe for conducting any evaluations, and the selection of a vendor and whether another position reviews the evaluation.

4. Maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

5. Avoid acquiring unnecessary or duplicative items;

6. Consider consolidating procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives and any other appropriate analysis to determine the most economical approach.

7. Maintain a list of prequalified persons, firms, or products which are used in acquiring goods and services and include enough qualified sources to ensure maximum open and free competition.

8. Award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of the proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

9. Maintain records sufficient to detail the history of procurement. These records will include:
    A. Rationale for the method of procurement;
    B. Selection of contract type;
    C. Contractor selection or rejection; and
    D. The basis for the contract price.

10. The use of a time and materials type contract is prohibited unless the District determines that no other contract is suitable. Time and materials type contract means a contract whose cost to a District is the sum of:
    A. The actual cost of materials; and
    B. The direct labor hours charged at an hourly rates that reflect wages, general and administrative expenses, and profit.

~~When this type of the contract is used, it will include a ceiling price that the contractor exceeds at his or her own risk.~~ 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. When this type of contract is used, it will include a ceiling price that the contractor exceeds at their own risk. The District will assert a high degree of oversight over such contracts in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.

~~11. Be responsible 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.~~

12. The District will adhere to any additional procurement rules as applicable to specific federal programs such as federal child nutrition programs.

~~Time and Effort Documentation~~

~~Charges to federal awards for salaries and wages must be based on records that accurately reflect the work performed. Such work shall be documented on Form 7400F.~~

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 § 200.334	Record Retention Requirements
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 Federal Grant Funds
7235-P(1)	Fiscal Accountability and Federal Grant Funds - Written Compensation Procedure (Time and Effort)
7235-F(1)	Fiscal Accountability and Federal Grant Funds - Federal Funds Semi-Annual Certification Form
7235-F(2)	Fiscal Accountability and Federal Grant Funds - Personnel Activity Report
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

Policy History:
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