Procedure 7400-P(4): Miscellaneous Procurement Standards - General Procurement Standards for Federal Awards

Status: ADOPTED

Original Adopted Date: 08/21/2023 | **Last Revised Date:** 01/14/2026 | **Last Reviewed Date:** 05/18/2026

[REQUIRED ITEM: A law or administrative rule requires boards to have a policy on at least one of the topics addressed here.]

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.

Substitutions and Deviations

Any time an accepted item is not available, the Superintendent or their designee will select an acceptable alternate. The contractor must inform the Superintendent or their designee when such an item is not available by 5 days before delivery of the item is expected. In the event a non-domestic agricultural product is to be provided to the District, the contractor must obtain written approval of the product in advance. The Superintendent or their designee must comply with the Buy American Provision.

Conflict of Interest

The following standards of conduct define conflicts of interest and govern 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 found to have violated these standards 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 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.

Recordkeeping

The District shall retain all books, records and other documents related to any contract agreement for three years after final payment, and the contractor shall also be required to retain such records during that time. During that period, such records shall be provided in full upon request to the District, the State Department of Education, or to USDA auditors. The documents to be retained by the District shall include at least the following:

1. A written rationale for the method of procurement;
2. A copy of the original solicitation;
3. The selection of contract type;
4. The bidding and negotiation history and working papers;

5. Contractor selection or rejection and the basis for contractor selection;
6. Approval from the State agency to support a lack of competition when competitive bids or offers are not obtained;
7. The basis for award cost or price;
8. The terms and conditions of the contract;
9. Any changes to the contract and negotiation history;
10. Billing and payment records;
11. A history of any contractor claims;
12. A history of any contractor breaches;
13. A record of the date, time, and location of the public opening of any bids or proposals;
14. Copies of all letters informing parties that submitted bids or proposals that the contract has or has not been awarded to them; and
15. Copies of any advertisements for solicitations of goods or services.

All invitations for bids, requests for proposals, and requests for quotations shall also be signed by the authorized purchaser and kept with appropriate documentation. The authorized purchaser shall be the Superintendent.

The Superintendent shall maintain records of all non-competitive negotiation purchases, including at least the following:

1. The name of the item purchased;
2. The dollar amount;
3. The vendor or contractor, and
4. The reason non-competitive procurement was used.

Termination for Cause or Convenience

For all contracts over $10,000 the District shall include a description of how the contract can be terminated for cause or convenience and the basis for settlement when such termination occurs.

Price Adjustment

The District shall contemplate not only the need for including an economic price adjustment clause (sometimes referred to as an escalator) in their contracts, but also to carefully enforce the terms of the clause and demand price reductions when appropriate.

If the following conditions are met, a contract with an economic price adjustment is appropriate and the District may, at its own discretion, include an economic price adjustment clause—or escalator—in their contracts:

1. Contract performance will or may cover an extended period of time;
2. There is serious doubt about the stability of market conditions during the period of the contract;
3. Adjustment standards or indices agreed to are based on contingencies outside the contractor's control; and
4. Contingencies, such as increases in labor costs, that would otherwise be included in the contract price can be identified and covered separately in the contract.

The escalator shall be tied to an appropriate standard or cost index, which shall be noted in the original solicitation of bids as well as the contract documents.

The District shall monitor any elevators included in their contracts to ensure the price is decreased if appropriate and shall respond to contractor notice of warranted price increases.

Construction Contracts ($2,000 or More)

Contractors for any construction contract of $2,000 or more shall comply with the Davis-Bacon Act and its related administrative rules set out in 29 CFR Part 5. This includes requirements related to contract language, wages, and fringe benefits.

Byrd Anti-Lobbying Certificate ($100,000 or More)

Any contractor providing a bid on a contract of $100,000 or more shall file a Byrd anti-lobbying certificate verifying to the District that they will not and have not used federal funds to pay a person or organization to influence or attempt to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. 1352. The contractor shall disclose any lobbying they have engaged in in connection with obtaining any Federal award using non-federal funds. The District shall relay these disclosures to the State Department of Education.

Clean Air Act Requirements ($150,000 or More)

Contractors shall comply with all applicable standards, orders, and requirements issued under Section 306 of the Clean Air Act, Section 508 of the Clean Water Act, Executive Order 11738, and Environmental Protection Agency regulations that prohibit the use of facilities on the EPA's list of Violating Facilities, unless the applicable contract, grant, or loan is exempt from these requirements. The District shall report any known violation of this requirement to the State Department of Education and the USEPA Assistance Administrator for Enforcement.

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Legal References	**Description**
2 CFR § 200.317	Procurement by States and Indian Tribes
2 CFR § 200.318	General Procurement Standards
2 CFR § 200.320	Procurement Methods
2 CFR § 200.334	Record Retention Requirements
2 CFR 200.320(b)(1)(2)	Formal Procurement Methods
2 CFR 200.520	Criteria for a Low-Risk Auditee
2 CFR Appendix II of Part 200	Contract Provisions for Non-Federal Entity Contracts Under Federal Awards
2 CFR Appendix Part 200	Contract Provisions for Non-Federal Entity Contracts Under Federal Awards
29 CFR PART 5	Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction (Also Labor Standards Provisions Applicable to Nonconstruction Contracts Subject to the Contract Work Hours and Safety Standards Act

31 USC 1352	Limitation on Use of Appropriated Funds to Influence Certain Federal Contracting and Financial Transactions
7 CFR 210.23(c)	Retention of Records
7 CFR 225.15(c)	Records and Claims
7 CFR 226.15(e)	Recordkeeping
7 CFR 250.54	Recordkeeping and Reviews
Executive Order 11738	Providing for Administration of the Clean Air Act and the Federal Water Pollution Control Act with Respect to Federal Contracts, Grants, or Loans
Food and Nutrition Service	Economic Price Adjustments in Vendor Contracts
IC § 18-1351	Bribery and Corrupt Practices – Definitions
IC § 33-316	Cooperative Contracts to Employ Specialized Personnel and/or Purchase Materials
Section 306	Clean Air Act
Section 508	Clean Water Act

Other References	**Description**
ISBA Policy Services	https://www.idsba.org/member-services/policy/

Cross References

Code	**Description**
7218	Federal Grant Financial Management System
7235	Fiscal Accountability and Federal Grant Funds
7235	Fiscal Accountability and Federal Grant Funds
7235	Fiscal Accountability and Federal Grant Funds
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7235	Fiscal Accountability and Federal Grant Funds
7237	Retention of Records Relating to Federal Grants
7320	Allowable Uses for Grant Funds
7320	Allowable Uses for Grant Funds
7320	Allowable Uses for Grant Funds
7405	Public Works Contracting and Procurement
7405	Public Works Contracting and Procurement
7408	Entering into Professional Service Contracts
7410	Petty Cash Funds