

## **Federal Procurement**

This policy and its accompanying regulation apply to the purchase of services, supplies, equipment, or other property with federal funds that are subject to the federal Uniform Grant Guidance (UGG) and other applicable federal law, including but not limited to the Education Department General Administration Regulations (EDGAR), and the United States Department of Agriculture (USDA) regulations governing school food service programs. In the event this policy or its accompanying regulation conflict or are otherwise inconsistent with mandatory provisions of the UGG, EDGAR, or other applicable federal law, the mandatory provisions of such laws control.

District employees must follow Board policy concerning employee procurement authority when making any purchase with federal funds and must obtain prior Board approval in those instances when it is required by Board policy. District employees must also follow applicable state law, Board policy, and financial services procedures concerning competitive bidding, to the extent state law and/or Board policy establish additional requirements or procedures – including conducting criminal background checks for any person providing direct services to students pursuant to a written contract – that do not conflict with this policy and its accompanying regulation.

### **Micro-purchases (less than \$5,000)**

A “micro-purchase” is a purchase that, in an aggregate amount, is less than \$5,000. Federal policy allows micro purchases to have an upper limit of \$10,000, however, district policy of \$5,000 prevails.

Micro-purchases may be made or awarded without soliciting competitive quotations, to the extent district staff determine that the cost of the purchase is reasonable. For purposes of this policy, “reasonable” means the purchase is comparable to market prices for the geographic area.

To the extent practicable, the district will distribute micro-purchases equitably among qualified suppliers when the same or materially interchangeable products are identified and such suppliers offer effectively equivalent rates, prices, and other terms.

### **Small purchases (\$5,000 to under \$100,000)**

A “small purchase” is a purchase that, in an aggregate amount, is \$5,000 or more, but less than \$100,000. Federal policy allows small purchases to have an upper limit of \$250,000, however, district policy of \$100,000 prevails.

For small purchases, price or rate quotes must be obtained in advance from a reasonable number of qualified sources, as detailed in this policy’s accompanying regulation, unless:

1. a valid basis exists under the federal Uniform Grant Guidance for relying on procurement by a noncompetitive proposal (i.e., “single source” procurement); or

2. the district elects to use a more formal competitive bid or request for proposal process including, but not limited to, cooperative discount pricing agreements.

### **Large purchases (\$100,000 or more)**

A large purchase is a purchase that, in an aggregate amount, is \$100,000 or more. Federal policy allows large purchases to have a lower limit of \$250,000, however, district policy of \$100,000 prevails.

The district must conduct a cost or price analysis for large purchases that, at a minimum, must include making an independent estimate before receiving bids or proposals (including noncompetitive proposals). A cost analysis means evaluating the separate cost elements that make up the price. A price analysis means evaluating the total price, without looking at the individual cost elements.

Whenever appropriate and relevant to the specific transaction, the cost analysis may include life-cycle cost estimates which must then be incorporated into any solicitations of bids or proposals.

### **Unnecessary or duplicative items**

The district must avoid the acquisition of unnecessary or duplicative items with the exception of redundancy for technology, communications and security.

Consideration must also be given to consolidating or breaking out purchases to obtain a more economical purchase.

### **Recordkeeping**

The district must maintain records sufficient to detail the history of procurements made with federal funds. These records may include, but not necessarily be limited to, the following: rationale for the method of procurement, contractor selection or rejection, and the basis for the contract price (including a cost or price analysis).

Retention of such procurement records must be in accordance with applicable law and Board policy.

Adopted: June 28, 2017

Revised: August 28, 2019

Revised: November 11, 2020

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LEGAL REFS.:     2 C.F.R. Part 200 Subpart D (post-award requirements under the  
Federal Uniform Grant Guidance)  
2 C.F.R. 200.318 (general standards for procurement supported by  
Federal funds)

2 C.F.R. 200.319 (written procurement standards required)  
2 C.F.R. 200.320 (methods of procurement to be followed)  
2 C.F.R. 200.323 (cost or price analysis)  
2 C.F.R. 200.333 (record retention requirements)  
2 C.F.R. 200.336 (access to records)  
7 C.F.R. 226 (USDA procurement thresholds)  
7 C.F.R. 3016.36 (USDA's procurement standards)  
7 C.F.R. 3016.37 (USDA's procurement requirements for subgrants)  
34 C.F.R. Parts 75, 76 (EDGAR – Education Department General  
Administrative Regulations)  
48 C.F.R. Subpart 2.1 (micro-purchase and competitive bidding  
thresholds)  
C.R.S. 22-32-144 (4) (background check provision required in  
service contracts)

CROSS REFS.:   BCB, School Board Member Conflict of Interest  
                  DAC\*, Federal Fiscal Compliance  
                  DJ/DJA, Procurement Authority  
                  DJE, Procurement Procedures  
                  DKC, Expense Authorization/Reimbursement  
                  EHB, Records Retention  
                  GBEA, Staff Ethics/Conflict of Interest

St. Vrain Valley School District RE-1J, Longmont, Colorado