



DJB - PURCHASING PROCEDURES

Before discussing contract terms or negotiating with any prospective vendors, employees who wish to make a purchase for the District of \$5,000 or more shall contact the Finance Department to ensure that the appropriate procedures are in place and the appropriate documents will be used for the contemplated purchase. Purchase orders shall not be issued for goods and/or services of \$5,000 or more unless the purchase is covered by either the District's standard written purchase order terms and conditions or a separate written contract in accordance with governing law and District policies, regulations and administrative guidelines.

Purchases resulting from documented price quotes, competitive bidding or competitive proposals shall be awarded without favor or prejudice to the lowest responsive, responsible vendor based on the best interests of the District. The executive director of finance may in the executive director's sole and final discretion reject any or all price quotes, competitive bids and competitive proposals; waive irregularities or technicalities in the price quote, competitive bid or competitive proposal process; and accept the price quote, competitive bid or competitive proposal that appears to be in the best interest of the District with or without further negotiations.

PROCEDURES BASED ON COST OF PURCHASE

Except as otherwise provided in this policy and subject to the terms of Policies DJ, DJA and DJC, the following procedures shall govern each District purchase of goods and/or services based on the total cost of the purchase (note that the procedures prescribed for purchases involving higher dollar amounts may be used for purchases involving lower dollar amounts):

1. Purchases up to \$5,000 may be made without complying with the procedures described in item numbers 2 or 3 below.
2. Purchases from \$5,000 up to \$50,000 shall be based at minimum on at least three (3) documented price quotes.
3. Purchases for \$50,000 and up shall be based at minimum on a competitive bidding process or a competitive proposal process.

Purchases shall not be divided for the purpose of circumventing the above-specified procedures.

DOCUMENTED PRICE QUOTES PROCESS

The procedure for documented price quotes requires at minimum that: (a) the District obtain prices in writing for the desired goods and/or services solicited from at least three qualified vendors; (b) the terms and conditions governing the purchase are covered by the District's standard written purchase order terms and conditions or by a separate written contract subject to approval by the contract administrator or legal counsel for the District; and (c) the Finance Department maintains a record of each written price quote, together with related information provided by each vendor. Notwithstanding the above, if three (3) documented price quotes are not obtained, the requesting school or Department shall work with the Finance Department to ensure reasonable attempts were made to obtain three documented price quotes and the Finance may approve a purchase based on less than three (3) documented price quotes in compliance with applicable District purchasing policies and law.

COMPETITIVE BIDDING PROCESS

Procedures for competitive bidding shall be established and administered by the Finance Department in cooperation with other interested District departments, sites and employees. Such procedures shall at minimum include the following: (a) District preparation and distribution of detailed specifications regarding the goods and/or services to be purchased; (b) District preparation and distribution of written terms and conditions governing the purchase, which may be those in the District's standard written purchase order terms and conditions, or may be in a separate written contract subject to approval by the contract administrator or legal counsel for the District; (c) District preparation and distribution of written procedures governing the bidding and award process; (d) District solicitation of at least three qualified bidders; and (e) a public or electronic bid opening.

COMPETITIVE PROPOSAL PROCESS

The competitive proposal process may be appropriate when the goods and/or services to be purchased are of a complex nature, and/or when the expertise of the marketplace is necessary or desirable to make the purchasing decision. Procedures for soliciting and evaluating proposals, and for awarding contracts based on those proposals, shall be established and administered by the Finance Department in cooperation with other interested District departments, sites and employees. Such procedures shall at minimum include the following: (a) District preparation and distribution of objectives, project description and/or other information upon which vendor proposals are to be based; (b) District preparation and distribution of written procedures governing evaluation of proposals and award of contract; (c) District solicitation of proposals from at least three qualified organizations or individuals; (d) District interviews of some, all or none of the organizations or individuals submitting proposals conducted by at least two District officials, one of whom shall be an official in the Finance Department; and (e) negotiation of a written contract subject to approval by the contract administrator or

legal counsel for the District with acceptable provisions governing the terms and conditions of the purchase.

EXCEPTIONS TO PURCHASING PROCEDURES AND PURCHASING AUTHORITY

THE FOLLOWING EXCEPTIONS SHALL APPLY WITH RESPECT TO THE PURCHASING PROCEDURES DESCRIBED IN THIS POLICY:

Educational Equipment, Materials and/or Services

Educational equipment, materials and/or services may be purchased based on a determination by the superintendent or an assistant superintendent of need, appropriateness, compatibility with the District curriculum and/or program for which they are being obtained, and for which seeking competition through the purchasing process is not feasible. Written contracts for such purchases shall be subject to approval by the contract administrator or legal counsel for the District working in conjunction with the superintendent, one or more assistant superintendents and/or their designees. Documented price quotes, competitive bidding and/or competitive proposals are not required (but may be utilized) for such purchases.

Cooperative Purchasing

Cooperative purchasing is defined as a variety of arrangements where two or more public agencies combine their needs to purchase aggregated quantities thereby achieving economies of scale. When in the best interest of the District, the executive director of finance or designee may authorize the use of cooperative purchasing. Documented price quotes, competitive bidding, or competitive proposals from the District are not required for such purchases. The Finance Department will verify that the cooperative purchasing mechanism selected is appropriate and has undergone the proper bidding and proposal process by the lead agency to satisfy Policy DJB.

Sole Source Items

“Sole source items” are defined as unique goods and/or services from a single vendor that is the only vendor known to provide such goods and/or services for such reasons as a patent on the goods, unique expertise in performing the services, or lack of competition. The purchase of sole source items should occur infrequently. District employees may apply for approval to purchase sole source items by providing the executive director of finance with appropriate documentation the employees believe establishes that the goods and/or services to be purchased satisfy the criteria for sole source items. The executive director of finance or designee shall have the sole discretion to determine if such documentation is sufficient to approve the purchase as a sole source item. If such documentation is not sufficient, the Finance Department will initiate an intent to sole source. Purchases of sole source items for \$5,000 or more that are approved by the executive director of finance or designee may be made without documented price quotes, competitive bidding or competitive proposals.

Other Exceptions

The following purchases of goods and/or services may also be exempt from the purchasing procedures described in this Policy but are still subject to the purchasing authority in Policy DJA. The following exceptions may be further defined by administrative guidelines that shall be maintained by the Finance Department.

1. Public utility services;
2. Litigation Expenses and legal settlements;
3. City and State licensing, permits or inspection fees fixed by federal, state, or local regulation;
4. Postage and mailing charges;
5. Self-insurance obligation payments;
6. Professional or trade association memberships;
7. Purchases where a particular supply or service is required for approved standardization or to maintain approved standardization for the purpose of reducing financial investment or simplifying administration;
8. Purchases where a particular supply or service is required to maintain interchangeability or compatibility as part of an existing integrated system;
9. Employee or student conferences, lodging, or meals made in compliance with District policies and per federal guidance; and
10. Guest or professional speakers for professional development or educational purposes.

District Best Interests

If determined by the superintendent or executive director of finance with respect to a purchase of up to \$250,000, or by the Board of Education with respect to a purchase of \$250,000 or more, that documented price quotes, competitive bidding and/or competitive proposals would result in a substantially higher cost to the District or would otherwise adversely affect the District, any or all such procedures may be waived for that purchase.

THE FOLLOWING EXCEPTION SHALL APPLY WITH RESPECT TO THE PURCHASING PROCEDURES DESCRIBED IN THIS POLICY AND TO THE PURCHASING AUTHORITY DESCRIBED IN POLICY DJA:

Emergencies

For purposes of this policy, an “emergency” is defined as: (a) the substantial likelihood of an imminent adverse effect on the health, welfare or safety of District students, staff or the general public; (b) the substantial likelihood of imminent destruction or substantial damage to property; or (c) the substantial likelihood that a delay in purchasing particular goods and/or services will create an excessive financial risk or liability exposure for the District.

In cases where an emergency requires the immediate purchase of goods and/or services, the responsible District administrator shall have the authority to make necessary purchases notwithstanding the purchasing authority limitations described in Policy DJA. Such purchases shall be made in the best interest of the District and shall not require documented price quotes, competitive bidding or competitive proposals. As soon as possible after making such purchases, the District official shall submit an emergency purchase request to the Finance Department , along with a written explanation of all relevant information concerning the emergency.

All emergency purchases shall be reviewed by the executive director of finance, who shall report thereon in writing to the superintendent and, for emergency purchases of \$250,000 or more, to the Board of Education.

GRIEVANCES

The executive director of finance shall investigate and render a decision on all claims and protests by vendors or potential vendors regarding a purchase or the purchasing procedures described in this Policy; the documented price quote, competitive bidding or competitive proposal process; or any dispute arising out of or in connection with a purchase order or contract award process. If deemed necessary, legal counsel for the District shall be consulted. The executive director of finance may delegate the investigation and decision to an appropriate District official, which decision may be appealed to the executive director of finance. Such claims and protests shall be deemed to be waived if not filed in writing to the executive director of finance or superintendent's office within ten (10) business days of the challenged action or failure to act.

Appeals of the executive director of finance shall be made to the superintendent. For actual or potential purchases up to \$250,000, the superintendent's decision shall constitute the District's final determination of the matter on appeal. For actual or potential purchases of \$250,000 or more, the Board of Education may but is not required to hear an appeal from the superintendent's decision.

Adopted by Board: April 1972

Revised by Board: May 1982

Revised by Board: April 1988

Revised by Board to conform with practice: May 22, 1995

Revised by Board: April 8, 1996

Revised by Board: June 10, 1996

Revised by Board: June 28, 2004

Revised by Superintendent: May 14, 2007

Revised by Superintendent: March 21, 2016

Revised by Superintendent: March 8, 2017

Revised by Board: February 12, 2019

Revised by Board: December 8, 2020

LEGAL REF:
C.R.S. 22-32-109(1)(b)

CROSS REFS:
DJ, Purchasing
DJA, Purchasing Authority
DJC, Petty Cash
DJG/DJGA, Vendor Relations, Sales Calls and Demonstrations
FE, Construction Projects and Contracting Procedures
FEAA, Construction Project Prequalification