



## **DJA – PURCHASING AUTHORITY, METHODS, AND THRESHOLDS**

### **Purchasing Authority**

The Board of Education retains ultimate authority over all District purchases. However, purchasing authority is delegated to specified employee positions based on the value of the purchase to streamline operations.

- Purchases of goods and services with a total cost of \$250,000 or more require prior approval by the Board of Education. The superintendent or chief finance officer may request Board approval for any purchase under \$250,000 if deemed in the District's best interest.
- Purchases of goods and services with a total cost of less than \$250,000 may be approved by the superintendent or chief finance officer if funds have been budgeted and appropriated, and if the purchase is consistent with governing law, District policies, and administrative guidelines.

The chief finance officer may delegate purchasing authority to employees within the Finance Department, subject to the same terms and conditions as apply to the chief finance officer's purchasing authority. Such delegation of purchasing authority must be documented in writing on or around every July 1 for the fiscal year.

Purchasing authority may also be delegated through the issuance of a purchasing card (p-card) by the Finance Department authorized employees to purchase goods and/or services for amounts under \$10,000 if funds have been budgeted and the purchase is consistent with governing law, District policies, and administrative guidelines. District administrators may veto any purchase proposed by an employee they supervise.

### **Purchasing Methods**

Purchases resulting from documented price quotes or competitive bidding must be awarded without favor or prejudice to the lowest responsive and responsible vendor based on the best interests of the District. Notwithstanding this requirement, the District may consider local preference as a factor to be considered, as long as it is not applied in a manner that eliminates or substantially reduces competition and the primary consideration remains the best value to the District. Prior to considering local preference as a factor, the Finance Department must develop administrative guidelines to ensure legal compliance and the maintenance of fair and competitive practices.

The chief finance officer has sole and final discretion to:

- 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.

Except as otherwise provided in this policy and subject to the terms of District Policy DJ – Purchasing and Contracting, DJB – Contracting, and DJC – Petty Cash, the following methods shall govern each District purchase of goods and/or services based on the total cost of the purchase.

### **Documented Price Quotes**

The process for documented price quotes requires, at a minimum, that:

- the District solicits written price quotes for the desired goods and/or services from at least three (3) qualified vendors in a format prescribed by the Finance Department;
- the terms and conditions governing the purchase are covered by the appropriate contract in compliance with District Policy DJB – Contracting; and
- the Finance Department maintains a record of each written price quote, together with related information provided by each vendor.

However, if three (3) documented price quotes are not obtained, the requesting school, site, or department must work with the Finance Department to ensure reasonable attempts were made to obtain three (3) documented price quotes. The Finance Department may approve a purchase based on less than three (3) documented price quotes in compliance with applicable District policies and administrative guidelines. The Finance Department has the sole authority to make the final determination.

### **Competitive Bidding**

The process for competitive bidding shall be established and administered by the Finance Department in cooperation with other interested District departments, schools, and sites. The process shall, at minimum, include the following:

- District preparation and distribution of detailed specifications regarding the goods and/or services to be purchased;
- District preparation and distribution of written terms and conditions governing the purchase in compliance with District Policy DJB – Contracting;

- District preparation and distribution of written procedures governing the bidding and award process;
- District solicitation of at least three (3) qualified bidders; and
- A public or electronic bid opening.

### **Competitive Proposals**

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. The process for soliciting and evaluating proposals as well as awarding contracts based on those proposals, shall be established and administered by the Finance Department in cooperation with other interested District departments, schools, and sites. The process shall, at minimum, include the following:

- District preparation and distribution of objectives, project description and/or or other information upon which vendor proposals are to be based;
- District preparation and distribution of written procedures governing evaluation of proposals and award of contract;
- District solicitation of proposals from at least three qualified organizations or individuals;
- If appropriate, District interviews of at least some of the organizations or individuals submitting proposals conducted by at least two District officials, one of whom shall be an employee in the Finance Department; and
- Negotiation of a written contract in compliance with District Policy DJB - Contracting.

### **Purchasing Thresholds**

- Purchases under \$10,000 may be made without complying with the methods described in this policy.
- Purchases between \$10,000 and \$100,000 must be based at a minimum on at least three (3) documented price quotes.
- Purchases for \$100,000 and up shall be based at a minimum on a competitive bidding process or a competitive proposal process.

Purchases may not be divided for the purpose of circumventing the specified methods. This may include purchases at different departments, schools, or sites.

## **Exceptions to Purchasing Methods and Thresholds**

### **Educational Equipment, Materials, and/or Services**

Educational equipment, materials and/or services may be purchased based on a written 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, or that seeking competition through the purchasing process is not feasible. Written contracts for such purchases shall be subject to District Policy DJB - Contracting.

### **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 chief finance officer or designee may authorize the use of cooperative purchasing. The Finance Department will verify that the cooperative purchasing mechanism selected is appropriate and has undergone the proper procedures to comply with District policies and administrative guidelines.

### **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 only in rare circumstances. District employees may apply for approval to purchase sole source items by providing the chief finance officer with documentation that establishes that the goods and/or services satisfy the criteria for sole source items. The chief finance officer or designee shall have the sole discretion to determine if the documentation is sufficient to approve the purchase as a sole source item. If the documentation is not sufficient, the Finance Department will initiate an intent to sole source or use another solicitation method.

### **Standardization and/or Compatibility**

The Finance Department will develop and maintain guidelines for departments, schools, or sites to provide justification that the purchase of specific goods and/or services for standardization is necessary to reduce financial investment, simplify administration, or maintain interchangeability or compatibility as part of an existing integrated system. Such approved goods and/or services necessary to maintain standardization must be documented in writing prior to such purchase.

## **Conferences, Speakers, and Similar Expenditures**

Employee or student conferences or similar experiences, lodging, meals, or guest or professional speakers for professional development or educational purposes may be purchased based on a written determination by a District administrator of need.

## **District's Best Interests**

Purchases may be made in the District's best interests without following the purchasing methods and thresholds if 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.

The Board of Education has the authority to make this determination for purchases of \$250,000 or more. For purchases under \$250,000, the superintendent, chief finance officer, or designee of the chief finance officer may make and document the determination in writing.

## **Exception to Purchasing Authority, Methods, and Thresholds**

### **Emergencies**

For purposes of this policy, an "emergency" is defined as:

1. the substantial likelihood of an imminent adverse effect on the health, welfare, or safety of District students, staff, or the general public;
2. the substantial likelihood of imminent destruction or substantial damage to property; or
3. 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 administrators in the Operations Department and those designated by the Chief Finance Officer in writing shall have the authority to make necessary purchases notwithstanding the purchasing authority limitations described in this policy. 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 responsible District administrator shall submit an emergency purchase request to the Finance Department, along with a written explanation of all relevant information concerning the emergency and why seeking competition was not feasible. If such emergency purchase may be covered by the District's insurance, the responsible District administrator shall contact the District's director of records & risk management as soon as possible.

All emergency purchases shall be reviewed by the chief finance officer, who shall send a written report to the superintendent and, for emergency purchases of \$250,000 or more, to the Board of Education.

### **Grievances**

A vendor may protest: (1) a purchase; (2) the purchasing method (including documented price quotes, competitive bidding, or competitive proposal process); or (3) any dispute arising out of or in connection with a purchase order or contract award process. Such protest must be filed in writing to the Finance Department within ten (10) business days of the challenged action or failure to act.

The chief finance officer shall appoint a designee to investigate protests by vendors or potential vendors. The executive director of finance will review the investigation and render a decision. The decision may be appealed to the chief finance officer.

Appeals of the chief finance officer's decision may 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: May 1972

Revised by Board: May 1982

Revised by Board: April 1988

Revised by Board: April 8, 1996

Revised by Superintendent: May 14, 2007

Revised by Superintendent: March 21, 2016

Revised by Superintendent: March 8, 2017

Adopted by Board: February 12, 2019

Revised by Board: December 8, 2020

Revised by Board: May 13, 2025, effective July 1, 2025

### **CROSS REFERENCES:**

DJ - Purchasing and Contracting

DJB - Contracting

DJC - Petty Cash

DJG/DJGA - Vendor Relations, Sales Calls and Demonstrations

FE - Construction Projects and Contracting Procedures

FEAA - Construction Project Prequalification