

Greater Albany SD 8J Board Policy

Code: **DJC**
Adopted: 7/23/79; 8/11/80
Revised/Readopted: 3/12/01; 8/08/05;
10/09/06; 10/08/07
Orig. Code(s): BP 7200, BP 7410

Bidding Requirements

The Board declares its intention to purchase competitively without prejudice and to seek maximum educational value for every dollar expended. All public contracts shall be based upon applicable procurement provisions of Oregon Revised Statutes and adopted public contracting rules except:

1. Contracts between contracting agencies or between contracting agencies and the federal government;
2. Insurance and services contracts as provided for under state law;
3. Contracts for the procurement of distribution of textbooks;
4. Energy saving performance contracts;
5. Contracts made with qualified nonprofit agencies providing employment opportunities for disabled individuals;
6. Public improvement contracts exempted by the Local Contract Review Board (LCRB) upon findings that the award would not encourage favoritism or substantially diminish competition and would result in substantial cost savings to the contracting agency;
7. Special procurements exempted by the LCRB upon findings that the award would not encourage favoritism or substantially diminish competition and would result in substantial cost savings to the contracting agency;
8. Emergency contracts;
9. Any other public contracts specifically exempted from the code by another provision or law.

The Board will serve as the LCRB for the district. All district purchasing shall be conducted in accordance with the Board's adopted rules.

Bidding Thresholds

Any procurement of goods or services not exceeding \$5,000 may be awarded in any manner deemed practical or convenient, including by direct selection or award. The obtaining of a minimum of three competitive quotes is strongly encouraged. A procurement may not be artificially divided or fragmented so as to not exceed \$5,000.

Any procurement exceeding \$5,000 but not exceeding \$150,000 will require at least three informally solicited competitive price quotes or competitive proposals from prospective contractors (except for Personal Services contracts as per Board policy DJCA and public improvement contracts exceeding \$100,000). The procurer shall keep a written record of the sources of the quotes or proposals received. If three quotes or proposals are not reasonably available, fewer will suffice, but the procurer shall make a written record of the effort made to obtain the quotes or proposals and received documented permission from the Director of Business or designee. Contracts will be awarded to the offeror whose quotes or proposal will best serve the interest of the district, taking into account price as well as considerations including, but not limited to, experience, expertise, product functionality, suitability for a particular purpose and contractor responsibility under ORS 249B.110. A procurement may not be artificially divided or fragmented so as to not exceed \$150,000.

Except as otherwise authorized by the Board, the awarding of a public contract exceeding \$150,000 will be by competitive sealed bidding or competitive sealed proposals (\$100,000 for public improvement contracts). Notice of all competitively bid public improvement contracts exceeding \$125,000 shall be published in at least one trade newspaper of general statewide circulation.

Contract Amendments

The Director of Business or designee is authorized to execute amendments to public contracts that were not previously subjected to School Board approval if all of the following apply:

1. The aggregate value of the contract continues to not exceed \$150,000. In order to execute a change order that would cause the aggregate value of the contract to exceed \$150,000 the School Board must first approve the underlying contract.
2. The change order is within the general scope of the public contract.

The Superintendent and Director of Business are authorized to execute amendments to public contracts that were previously subject to School Board approval if all of the following apply:

1. The original public contract was approved by the School Board;
2. The change order is within the general scope of the public contract;
3. The change order is implemented in accordance with the change order provisions of the public contract;
4. Any increase in District payment under the change order does not exceed ten percent (10%) of the total amount of District payment scheduled to be made under the Last Approved Contract, or \$100,000 whichever is less, and the aggregate increase in District payments scheduled to be made under that change order, and all prior change orders subsequent to the Last Approval Contract, do not exceed thirty-three percent (33%) of the total amount, or \$333,000, whichever is less.

If, in the opinion of the Superintendent of Business, not approving a change order would result in unreasonably delay or substantial cost to the district, the Superintendent or Director of Business may authorize a change order up to 25% of the total amount of District payment scheduled to be made under the Last approved Contract, or \$500,000, whichever is less, if all of the following apply:

1. The original public contract was approved the school Board;
2. The change order is within the general scope of the public contract;
3. The change order is implemented in accordance with the change order provisions of the public contract;
4. The School Board is presented with information regarding the change order at their next regularly scheduled Board Meeting.

Cooperative Purchasing

With the approval of the director of business or designee, the district may participate in, sponsor, conduct or administer a joining cooperative procurement of any goods, services or public improvements under ORS 279A.205.

Conflict of Interest

It is recognized that district staff members and their immediate families may operate private business that offer goods and services, which the district may require. In order to avoid violations of conflict of interest, appearances of favoritism, or unethical procedures the following policy applies to these purchases:

1. A purchase of any amount from a district employee must be approved by the director of business or designee. Purchases exceeding \$1,000 per fiscal year must be made based upon a minimum of three competitive quotations received before the purchase is made and attached to the purchase order forwarded to the business office. If three quotations are not available, a written request to make the purchase must be submitted to and approved by the director of business or designee;
2. Further, employees shall not conduct any private business activity while on duty or otherwise use district property for personal gain.

Local Contract Review Board

The Board, acting as its own LCRB, adopts Oregon Attorney General’s Model Public Contract Rules OAR Chapter 137, Divisions and 046 through 049 in effect at the time this policy is adopted. These rules govern purchasing procedures, and other matters subject to public contracting provisions of law.

Additionally, the Board may include as part of its rules portions of the Oregon Department of Administrative Services rules governing Public Contract Exemptions, OAR Chapter 125, Divisions 246-249 in effect at the time this policy is adopted.

Where necessary, the Board has made the written findings required by law for exemptions from competitive bidding. Such findings shall be maintained by the district and made available on request.

The district shall review its rules each time the Attorney General adopts a modification of the Model Rules, as required by ORS 279A.065 (5)(b), to determine whether any modifications need to be made to district rules to ensure compliance with statutory changes. Modifications will be made only following review by the district's legal counsel. New rules, as necessary, shall be adopted by the Board.

In the event it is unnecessary to adopt new rules, Board minutes will reflect that the review process was completed as required. The Board recognizes that a public contracting agency that has not established its own rules of procedure as required by ORS 279A.065 (5) is subject to the Model Rules adopted by the Attorney General, including all modifications to the Model Rules that the Attorney General may adopt.

Records of bids, proposals, and specifications will be kept and will conform with Oregon Revised Statutes and applicable records retention provisions of the Oregon Attorney General's Model Public Contract Rules manual.

Procurements estimated to be in excess of \$250,000 shall go through the cost analysis and feasibility process described in ORS 279B.

END OF POLICY

Legal Reference(s):

[ORS Chapters 279A](#), 279B and 279C
[OAR Chapter 125](#), Divisions 246-249

OR. DEP'T OF JUSTICE, OR. ATT'Y GENERAL'S MODEL PUBLIC CONTRACT RULES MANUAL (2004).

Cross Reference(s):

[DJ](#) - District Purchasing
[EH](#) - Record Retention