

SERVICES and OPERATIONS

Section 5 Purchasing

A. Authority

In order to carry out the statutory mission of ESU #13, ESU #13 is authorized to:

1. Purchase, lease, or lease-purchase real estate, equipment, supplies, services, and personal property for its own use.
2. Either individually, or collectively with other educational service units, purchase, lease, lease-purchase, or act as purchase agent for administrative and instructional supplies, instructional equipment, instructional services, and personal property for resale only to educational entities.
3. Acquire office space by purchase out of funds appropriated to ESU #13 for educational purposes or rent or lease such space as may be necessary.
4. Acquire the personal property necessary for the performance of its duties.

When ESU #13 advertises for bids for administrative or instructional supplies, instructional equipment, instructional services, and personal property, acceptance of any bid submitted to ESU #13 obligates ESU #13 to award the contract in accordance with the plans and specifications and in the quantities set forth in the bid documents.

Legal Reference:	Nebraska Statutes: 79-1220 and 79-1223
Date of Adoption:	December 17, 2019
Updated:	

B. General Guidelines

The procurement of goods and services for ESU #13 shall be secured in an efficient and economical manner. All legal requirements are to be followed and each purchase shall be within the mission, objectives and financial resources of ESU #13. Competition between suppliers is considered to be desirable for the purpose of securing maximum value at a minimum cost.

Contracts for purchases, services, leases or rental and other agreements to encumber funds shall be made only with the approval of the Board or, where authorized, by the administrator or designee.

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C. Involvement of Staff

Employees directly responsible for the use of particular supplies, materials, equipment or services shall on request provide the administrator or designee input with regard to needs and specifications, through a requisition process or as otherwise established by the administrator. Such input shall be considered in making purchasing decisions. Teachers are not, however, to receive sales calls during the instructional day without authorization from the administrator or designee.

Any employee who orders any supplies or equipment outside of that which has been included in the annual budget or without written authorization of the administrator or designee shall be personally liable for payment of the order.

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D. Capital Asset Management

ESU #13 shall maintain a fixed capital asset management system, tracking fixed capital assets equal to or greater than \$5,000. Fixed capital assets shall include the following: land, land improvements, easements, buildings, building improvements, vehicles, machinery and equipment, and infrastructure such as roads and waterlines. Any renovation or alteration to an existing building that adds useful space to the structure or extends the facility's useful life will be considered a fixed capital asset. Conversely, improvements that do not add useful space to the structure, or extend the facility's useful life will be considered maintenance and repair. At the discretion of the administrator, items may be included in the fixed capital asset listing which do not meet the definition, including items generally smaller in size and more susceptible to theft.

The following are general guidelines for additions, disposal and review of capital assets.

1. Additions – All purchases of fixed capital assets shall comply with the policies of the Board of Educational Service Unit #13. When capital assets are received, the business manager shall ensure that the administrative assistant is notified of the addition. The administrative assistant will be responsible for maintaining a master spreadsheet with all of ESU #13's fixed capital assets included.
2. Disposal – The disposal of any ESU #13 capital assets shall be in compliance with the policies of the Board of Educational Service Unit #13. Upon the disposal of any capital assets, the administrator shall inform the administrative assistant of the asset's disposal, and the administrative assistant will make the appropriate amendments to the master spreadsheet of fixed assets.
3. Review – The administrative assistant will conduct an annual review of the fixed capital asset listing to ensure accuracy and make necessary

adjustments.

Legal Reference:	
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E. Inventory of ESU #13 Property

ESU #13's Administrative Department (office manager) shall maintain a master inventory spreadsheet of ESU #13's assets that have a value of over \$300 for technological items and \$500 for all other items. This inventory shall not include items listed under the fixed capital asset list. The Director of each program shall inform the Administrative Department (Office Manager) when an item is disposed of, and the items shall be removed from the master inventory spreadsheet. An annual review of the master inventory spreadsheet will be conducted in January, with the Director of each program verifying the accuracy of the spreadsheet.

Legal Reference:	
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F. Construction Projects

ESU #13 shall bid every project for the construction, remodeling, or repair of any building or for site improvements when the contemplated expenditures for the project is in excess of \$109,000.00, or such sum as adjusted pursuant to Nebraska Statute §73-106. The bidding procedures shall comply with the requirements of state law and shall include the following:

1. Notice to Bidders. The administrator or designee shall prepare a notice to bidders containing a general description of the scope of the project being bid; the location of the project; the means of obtaining project documents, including plans and specifications; the date and hour bids will close; and the date, hour and place bids are to be returned, received and opened, and a provision that such bids will be immediately and simultaneously opened in the presence of the bidders or representatives of the bidders.
2. Regular Manner of Advertisement for Bids. The notice to bidders shall be published one time in a newspaper of general circulation in the ESU #13 district. The notice shall be published at least seven (7) days prior to the date designated for the opening of such bids. The Board or administrator may, in their sole discretion, elect to utilize further advertisement for bids as it may determine appropriate to secure a sufficient number of qualified bidders for the scope of the project.
3. Bid Opening. When the hour is reached for such bids to close, bids will be immediately and simultaneously opened. Bidders or representatives of bidders will be invited to be present.

4. Contract Award. The contract shall be awarded to the lowest responsible bidder as and to the extent required by law. When not so required, the award shall be made on the basis of the contract award criteria set forth in Board Policy for purchases of equipment, materials and supplies.

5. Performance and Payment Bonds. Whenever any contract is entered into for the erecting, furnishing, or repairing of any building or other public structure or improvement, the contractor shall be required, before commencing such work, to furnish a performance, labor and material payment bond. The bond requirement shall not apply, however, to any project bid or proposed which has a total cost of \$10,000 or less unless the Board or administrator includes a bond requirement in the specifications for the project. The bond shall be in an amount not less than the contract price. The bond shall be conditioned on the faithful performance of the contract and the payment by the contracting party of all laborers and mechanics for labor that is performed and of all material and equipment rental that is actually used or rented in connection with the improvement project and the performance of the contract. Such bond shall contain such provisions as are required by statutes, and be in a form prescribed and required by ESU #13.

6. Retention of an Architect or Engineer. ESU #13 shall not engage in the construction of any public works involving architecture or engineering unless the plans, specifications, and estimates have been prepared and the construction has been observed by an architect, a professional engineer, or those under the direct supervision of an architect or professional engineer; provided that such requirement shall not apply to any public work in which the contemplated expenditure for the complete project does not exceed One Hundred and Eighteen Thousand Dollars (\$118,000), as adjusted from time to time by Nebraska Statute 81-3445 or other applicable law.

7. Additional Procedures. Each bid for which a labor and material bond is required shall be accompanied by a bid bond or certified check in the amount of five percent (5%) of such bid unless the Board or Administration waives such requirement. The Board or Administration may provide for additional procedures for the procurement, opening and acceptance of bids as deemed appropriate for a particular project.

Legal Reference:	Nebraska Statutes: 52-118 (construction performance and payment bonds); 73-101 to 73-106 (bidding construction projects); 81-3445 (architect or engineer)
Date of Adoption: Updated:	December 17, 2019 June 21, 2022

G. Equipment, Materials and Supplies

1. Purchases up to \$10,000 Open Market. The administrator or designee shall be authorized to purchase any item specifically budgeted up to \$10,000 in

the open market. Official action by the Board shall be requested by the administrator where it is required by law or in those instances where it appears to be in the best interests of ESU #13. The purchase of items in excess of \$10,000 shall require Board approval.

Open market orders and contracts for the purchase of equipment, materials and supplies shall be awarded based on the following criteria:

- a. Quality of product.
 - b. Suitability of product.
 - c. Equality of price (or fairness of price).
 - d. Conformance to specifications.
 - e. Convenience of delivery.
 - f. General reputation of business firms.
 - g. Services to be provided to ESU #13 by supplier.
 - h. Established relationship between supplier and ESU #13.
 - i. Ability to provide the goods or services under question.
 - j. Ability to provide replacement parts for the goods to be purchased.
 - k. Warranties offered on products.
 - l. Adherence to State Law and Federal Regulations.
 - m. Any other stipulations set forth in Board policy or by Board action with regard to purchasing decisions.
2. Purchases from \$10,000 up to \$100,000 - Solicit Proposals. The administrator or designee shall request the submission of bids, quotes or proposals for purchases, which have a cost from \$10,000 up to \$100,000. The administrator or designee shall receive and evaluate all proposals and make a recommendation to the Board for acceptance. The Board reserves the right to reject any and all proposals, to waive any informality in any proposal, and to accept the proposal that it deems best serves the interests of ESU #13; which may or may not be the lowest cost proposal.
3. Purchases of \$100,000 and above - Sealed Bids. The administrator or designee shall advertise for sealed bids for purchases which have a cost of greater than \$100,000.
- a. Bid instructions and specifications. The administrator or designee shall prepare bid instructions that are clear and complete and conducive to competitive bidding. The bid instructions shall set forth all considerations necessary to bid and be consistent with any guidelines established by the Board.
 - b. Advertisement. The notice to bidders shall be published appropriately in a manner that will allow for competition. Vendors and suppliers shall be invited to have their names placed on mailing lists to receive invitations to bid. When specifications are prepared, they will be mailed or made available to all vendors or suppliers who have indicated an interest in bidding.

- c. Sealed bids. Bids must be submitted in sealed envelopes, addressed to the Board, and plainly marked with the name of the bid and the time of the bid opening.
- d. Withdrawal of Bids and Late Bids. Any bid may be withdrawn prior to the scheduled time for the opening of bids. Any bid received after the time and date specified shall not be considered.
- e. Bid Opening. Bids shall be opened at the time specified and all bidders and other persons shall be invited to be present. After the bids have been opened and tabulated, they shall be available for those interested to copy or study. They shall not, however, be removed from the ESU #13 offices.
- f. Right to Reject. The Board reserves the right to reject any or all bids and to accept the bid which appears to be in the best interest of ESU #13. Each bid notice should carry the notification that ESU #13 reserves the right to accept or reject any or all bids.
- g. Right to Waive Bid Formalities. The Board reserves the right to waive any informality in, or reject any or all bids, or any part of any bid, as consistent with law.
- h. ESU #13 need not comply with the bidding requirements if ESU #13 purchases property from the Nebraska State Purchasing Bureau, so long as the Nebraska State Purchasing Bureau competitively bids the purchase of property.

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H. Services

Contractual services which by their nature are not adapted to award by competitive bidding, such as contracts for the services of individuals possessing a high degree of professional skill, where the ability or fitness of the individual plays an important part, are not subject to the competitive bidding process.

Every contract for services to be provided to ESU #13 shall require that the contractor use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the State of Nebraska. Such requirement shall be deemed to be included and a part of the terms of every contract for services with the School District, including but not limited to oral contracts.

Contractual services which are determined to be suitable for competitive bidding, quotations, or proposals, will be awarded using the same procedures and criteria as established for the purchase of equipment, materials and supplies.

Legal Reference:	Nebraska Statute: 4-114
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Updated:	

I. Lease-Purchase

The administrator or designee may enter into lease-purchase agreements on behalf of ESU #13 when the total commitment is below \$20,000. Lease-purchase agreements in excess of such amount require Board approval.

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J. Rebates to Employees or Board Members

No employee or Board member shall receive a rebate, commission, expense-paid trip, or anything of value from individuals or companies from which ESU #13 makes purchases without administrative approval. In cases that directly involve the administrator, the Board shall be notified for approval.

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K. Credit Card Purchasing Program

1. The Board authorizes the administrator or designee to contract with one or more financial institutions, card-issuing banks, credit card companies, charge card companies, debit card companies, or third-party merchant banks capable of operating a purchasing card program on behalf of ESU #13.
2. The Board of Education delegates to the administrator or designee: (a) the determination of the type of purchasing card or cards to be utilized in ESU #13's purchasing card program; and (b) the determination of which employees shall be approved or disapproved to be assigned a purchasing card in ESU #13's purchasing card program. The administrator shall submit the approved names to the Board, from time to time.
3. ESU #13's purchasing card program may only be utilized for the purchase of goods and services for and on behalf of ESU #13. No officer or employee of ESU #13 shall use a purchasing card for any unauthorized use.
4. An itemized receipt for purposes of tracking expenditures shall accompany all purchasing card purchases. In the event that a receipt does not accompany an authorized cardholder's purchase, the administrator or designee shall temporarily or permanently suspend said cardholder's purchasing card privileges.
5. Upon the termination or suspension of employment of an individual using a purchasing card, the administrator or designee shall immediately close such individual's purchasing card account and said employee shall immediately

return the purchasing card.

Legal Reference:	Nebraska Statute: 13-610
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Updated:	

L. Procurement Plan – School Food Authorities

The following procurement policy statement shall govern all purchasing activities that relate to any aspect of the National School Lunch and Breakfast Programs. This statement is meant to provide guidance to our personnel and vendors on acceptable and/or required procurement practices. Our goal is to fully implement all required and recommended procurement rules, regulations and policies set forth in 2 CFR 200, 7 CFR parts 210, 3016 and 3019, and by the State Agency.

Procurement Policy

The purchasing procedure to be followed shall be determined by the anticipated total annual expenditure on items related to the food service program:

- When the annual total for food service program related items is less than \$250,000 (small purchase threshold) per procurement event or in aggregate purchases this organization will follow the informal Small Purchase Procedures.
- When the annual total for food service program related items is greater than \$250,000 (small purchase threshold) per year per procurement event or in aggregate purchases this organization will follow the Formal Competitive Solicitation Procedures.

Micro-Purchase Procedures

Micro-Purchases may be used for single purchases under \$10,000 made with a vendor [2 CFR 200.320(a)].

Prices will be reviewed for reasonableness [2 CFR 200.320(a)].

Purchases will be spread equitably among all qualified sources [2 CFR 200.320(a)].

Small Purchase Procedures

For purchases made below the small purchase threshold, Small Purchase Procedures will be utilized to purchase necessary goods and services. When Small Purchase Procedures are used, this organization will take the following steps:

1. Contact a reasonable number of qualified vendors.
2. Write specifications for goods and services.
3. Document each vendor's quoted price. (ex. log sheet)
3. Select the company that provides the lowest, most responsive, and responsible bid.
4. Document supplier who was awarded the quote.
5. Manage orders by confirming product and prices match quotes.

Formal Competitive Solicitation Procedures

For purchases made in excess of the small purchase threshold, a Formal Competitive

Solicitation will be conducted. When Formal Competitive Solicitation Procedures are used, this organization will take the following steps:

1. Prepare an Invitation for Bid (“IFB”) or Request for Proposal (“RFP”) document specifically addressing the items to be procured
 - a. Include detailed specifications
 - b. Ensure price will be most heavily weighted
2. Publicly announce and advertise the bid/proposal at least 21 calendar days prior to bid opening
 - a. Announcements will include the date, time and location in which bids will be opened
3. Determine the most responsive and responsible bid/proposal by using the selection criteria set forth in the bid/proposal document
 - a. Responsible bidders will be those whose bid/proposal conform to all of the terms, conditions and requirements of the IFB/RFP
 - b. Responsible bidders will be those who are capable of performing successfully under the terms and conditions of the contract.
4. Award the contract
 - a. To the most responsive and responsible bidder based on the criteria set forth in the IFB/RFP
 - b. At least two weeks before program operations begin
 - c. If a protest is received, it must be handled in accordance with 7 CFR 210.21
5. Retain all records pertaining to the formal competitive bid process for a period of five years plus the current year

(Note: If the small purchase threshold established in the sponsor’s procurement policy statement is less than \$250,000, the smaller bid threshold will govern.)

Procurement Summary

This organization incorporates the following elements into the Procurement Policy Statement, as required by 2 CFR 200 and 7 CFR parts 210, 3016 and 3019.

1. Competition: We shall demonstrate our goods and services are procured in an openly competitive manner. Competition will not be unreasonably restricted. [7 CFR 210.21(c)(1)] [2 CFR Part 200.319(a) (I-7)]
2. Comparability: We recognize for true competition to take place, we must maintain reasonable product specifications to adequately describe the products to be purchased and the volume of planned purchases based upon pre-planned menu cycles. [2 CFR 200.319(a)(6)]
3. Documentation: We shall maintain for the current year and the preceding three years all significant materials that will serve to document our policies and procedures. [2 CFR 200.318(i)]
4. Code of Conduct: This program shall be governed by the attached Code of Conduct and it shall apply to all personnel, employees, directors, agents,

officers, volunteers or any person(s) acting in any capacity concerning the food service procurement program. [2 CFR 200.318(c)(1)]

5. Contract Administration: Purchases shall be checked or verified by designated staff to assure that all goods and services are received and prices verified. All invoices and receipts shall be signed, dated, and maintained in the documentation file. [2 CFR Part 200.318(b)]
6. General Requirements:
 - a. Small, minority and women's businesses enterprises and labor surplus firms are used when possible. [2 CFR 200.321]
 - b. Ensure compliance with the Buy American Provision when purchasing food 7 CFR 210.21(d).
 - c. A cost or price analysis in connection with every procurement action in excess of the Small Purchase Threshold including contract modifications. [2 CFR 200.323(a)]
 - d. Documented Procurement Procedures and activities will be maintained. [2 CFR 200.318(a)]
7. Duties of Food Service Supervisor:
 - a. Plan the goods or services needed for the school food service program for the school year based on planned menus through needs assessment, forecasting and budgeting.
 - b. Develop written specifications for food/supplies needed. Include details such as descriptions and product requirements (e.g. packaging, weight, pack size, etc.) for needed goods or services.
 - c. Compare product specifications among all vendors/contractors. Information for prices obtained from grocery stores, farmer's markets, etc.
 - d. Make procurement awards based on the lowest and best vendor's response as determined by quality, availability, service, and price.
 - e. Place and confirm orders with vendors or make plans to purchase the required items.
 - f. To make procurement awards based on the lowest and best vendor's response as determined by quality, availability, service and price.
 - g. To work with vendors on a fair and equal basis.
 - h. To conduct an in-house procurement review once per year.

M. Procurement Plan – Code of Conduct

ESU #13 seeks to conduct all procurement procedures in compliance with federal and state regulations and without any conflicts of interest with employees engaged in the selection, award and administration of contracts.

No employee, officer, or agent of ESU #13 may participate in the selection, award, or administration of a contract supported by federal, state, or local funds if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her 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 considered for a contract.

No employee, officer, or agent of ESU #13 may solicit or accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts.

Employees, officers or agents of ESU #13 that violate these standards shall be subject to appropriate disciplinary actions.