

Bid Requirements

The centralized purchasing department’s main function is to support the needs of all schools and departments in the District while complying with State, Federal, and District guidelines. Contact the Purchasing Department before you begin your purchases for clarification and guidance.

When processing purchase requests, the requestor must secure competitive prices, where possible, and obtain the maximum value for each dollar expended. Vendors who have requested to be included in the District’s Vendor List or made formal application to be included in the Small Works Roster (SWR) shall be contacted and given an opportunity to offer price quotations. These procedures shall apply for purchases from the General Fund, Capital Projects Fund, ASB Fund, and Transportation Vehicle Fund.

All District purchases are subject to the following rules and regulations. Spending guidelines and documentation differ depending on the source of funds as well as on the type of expenditure.

The charts below give an overview of spending thresholds and other requirements. Following each of the charts is additional critical information in narrative form.

Procurement Method	State and Local Funds RCW 28A.335.190	Federal Funds** 2 CFR 200.317-.326	
	Goods and Supplies (excluding books and *services)	Goods and Supplies (including books)	Services
Micro-purchases. No required quotes. However, must consider price to be reasonable, and, to the extent practicable, distributed equitably among suppliers.	Less than \$40,000 No quotes required	\$10,000 or less No quotes required	\$10,000 or less No quotes required
Small Purchases. Obtain and document quotes from a reasonable number of qualified sources [at least 3 per RCW 28A.335.190]	\$40,000 to less than \$75,000 3 quotes required (except for WA grown foods – those grown and packed or processed in the State of Washington)	More than \$10,000 to less than \$75,000 3 quotes required	More than \$10,000 to less than \$250,000 3 quotes required
Formal. Competitive Bid Process (or RFP/RFQ)	\$75,000 or more Bid required (except for WA grown foods – those grown and packed or processed in the State of Washington)	\$75,000 or more Bid required	\$250,000 or greater Bid required
Suspension & Debarment	N/A	Yes, when \$25,000 or more	Yes, when \$25,000 or more

* The State of Washington is silent on thresholds for personal and purchased services. However, vendors supplying such services should be evaluated for price, reliability, responsibility, and compliance with conflict of interest prohibitions. In addition, the purchasing decision should be documented by the requestor. **The chart reflects that the most restrictive threshold (Federal, State or Local) that must be used.

Purchases using State or Local Funds:

1. Tangible Goods less than \$40,000 purchased with state and local funds:

Purchasing tangible goods, except books, using state and local funds under \$40,000 do not require quotes. However, the price must be reasonable, and to the extent practicable, purchases should be distributed equitably among suppliers.

2. Tangible Goods 40,000 to less than \$75,000 purchased with state and local funds:

When it is estimated that the cost of furniture, equipment or supplies, except books, using state and local funds is \$40,000 or more but is less than \$75,000 excluding tax, an attempt will be made to obtain three telephone, written, or electronic price quotations from vendors on the District's acceptable vendor list.

3. Tangible Goods \$75,000 or more purchased with state and local funds:

When it is estimated that the cost of furniture, equipment, supplies, building improvements or repairs, or other work or purchases, except books will exceed \$75,000 excluding tax, legally advertised bids shall be requested in accordance with RCW28A.335.190 and awarded in accordance with RCW43.19.1911. Plans and specifications for such work or purchases shall be prepared and notice by publication given in at least one newspaper of general circulation within the District, once each week for two consecutive weeks. This process shall be used for work estimated or more than \$75,000 unless the small works process under RCW39.04.155 is utilized as described in Item 3 below.

4. Services purchased with state and local funds:

The State of Washington is silent on thresholds for personal and purchased services. However, vendors supplying such services should be evaluated for price, reliability, responsibility, and compliance with conflict of interest prohibitions. In addition, the purchasing decision should be documented by the requestor.

Personal Services mean professional or technical expertise provided by a consultant to accomplish a specific study, project, task, or other work product (for example, Consultants, Trainers, Speakers, etc.)

Purchased Services mean services provided by a vendor to accomplish routine, continuing, and necessary functions (for example, Couriers, Pest Control, Arborists, Tradesmen, etc.)

Purchases using Federal Funds:

1. Tangible Goods \$10,000 or less purchased with federal funds - Micro-Purchases:

Purchasing tangible goods, including books, using federal funds of \$10,000 or less do not require quotes. However, the price must be reasonable, and to the extent practicable, purchases should be distributed equitably among suppliers.

2. Tangible Goods more than \$10,000 to less than \$75,000 purchased with federal funds - Small Purchases:

Purchases of more than \$10,000 but less than \$75,000 must be procured using price or rate quotations from 3 or more qualified sources (telephone, written, electronic). Districts are required by federal regulations to use the more restrictive of federal, state, or local law for all purchases with federal funds. Accordingly, the small purchases threshold for goods and supplies is capped at the state threshold for tangible goods.

3. Tangible Goods \$75,000 or more purchased with federal funds - Formal Purchases (Bid/RFP):

Purchases of \$75,000 or more must be publicly solicited using sealed bids. Districts are required by federal regulations to use the more restrictive of federal, state, or local law for all purchases with federal funds. Accordingly, the competitive purchases threshold for goods and supplies is capped at the state threshold for tangible goods.

4. Services more than \$10,000 to less than \$250,000.00 purchased with federal funds-Small Purchases:

Purchases of more than \$10,000 but less than \$250,000 must be procured using price or rate quotations from 3 or more qualified sources (telephone, written, electronic). Districts are required by federal regulations to use the more restrictive of federal, state, or local law for all purchases with federal funds. Accordingly, the small purchases threshold for goods and supplies is capped at the state threshold for tangible goods.

5. Services from \$250,000 and above purchased with federal funds - Formal Purchases (Bid/RFP):

Purchases of services from \$250,000 and above using federal funds require a formal bid or RFP.

6. Cost Analysis:

The District will ensure that a cost or price analysis will be performed when using federal funds and the total amount of the contract and related modifications is greater than the simplified acquisition threshold, per 2 CFR200.323. Districts are required by federal regulations to use the more restrictive of federal, state, or local law for all purchases with federal funds. Accordingly, the small purchases threshold for goods and supplies is capped at the state threshold for tangible goods.

7. Suspension and Debarment:

Before entering into federally funded vendor contracts for goods and services that equal or exceed \$25,000 and for any related subcontract award, the District will ensure that the vendor is not suspended or debarred from participating in federal assistance programs.

8. Conflict of interest:

No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal award 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.

9. Contracting with small and minority businesses, women’s business enterprises, and labor surplus area firms:

The District must take all necessary affirmative steps to assure that minority businesses, women’s business enterprises, and labor surplus area firms are used when possible in compliance with 2CFR 200.321 Affirmative steps must include:

1. Placing qualified small and minority businesses and women’s business enterprises on solicitation lists;
2. Assuring that small and minority businesses, and women’s business enterprises are solicited whenever they are potential sources;
3. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women’s business enterprises;
4. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women’s business enterprises;
5. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
6. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs 1 through 5 of this section.

Purchases for Child Nutrition Programs

All the requirements in this procedure apply to purchases made for Nutrition Services programs. In addition, when making purchases with federal dollars, Nutrition Services programs must comply with the following:

Buy American Provision:

The Buy American Provision requires districts, to the maximum extent practicable, to purchase domestic commodities and products for use in the National School Lunch Program. A domestic commodity or product is an agricultural commodity produced in the United States and or food product that is processed in the US using substantial agricultural commodities that are produced in the United States.

Geographic Preference:

The District may apply a geographical preference when buying locally grown and locally raised unprocessed or minimally processed agricultural products in compliance with 7 CFR 210.021(g).

Equipment or other Capital Assets:

The District will ensure that prior approval is obtained for the purchase of equipment and other capital assets when using the non-profit food service account except for items on the Washington State Pre-Approved Equipment List. The District will also ensure that equipment purchases follow proper procurement procedures and are necessary, reasonable, and allocable. Capital Assets are defined as having a useful life of more than one year and a per unit cost which equals or exceeds the lesser of the capitalization level established by the non-federal entity for financial purposes or \$5,000. Bellevue School District’s capitalization threshold is \$5,000 per item.

Public Works

RCW 39.04.010 states “ “Public work” means all work, construction, alteration, repair, or improvement other than ordinary maintenance, executed at the cost of the state or of any municipality, or which is by law a lien or charge on any property therein. All public works, including maintenance when performed by contract, shall comply with Chapter 39.12 RCW.” Examples of public works projects are roof repair, HVAC upgrades, or building remodeling.

Ordinary maintenance by District staff is not a public work and is not subject to bid laws or prevailing wages. WAC 296-127-010 defines this work by District staff as providing regular or preventive maintenance and does not include repair or replacement projects.

The Small Works Roster (SWR) maintained by the Facilities Department lists contractors who are properly licensed or registered to perform work in this state and have requested placement on the roster. The SWR will be revised yearly by published notice in a newspaper of general circulation. Responsible contractors can be added to the SWR at any time they submit a written or verbal request and necessary records.

Contract Requirements (PO constitutes a Contract)	\$0 to less than \$35,000 (Limited Public Works Projects)	\$35,000 to less than \$150,000	\$150,000 to less than \$300,000	\$300,000 and above
Quotes/Bids	3 Quotes recommended for outside vendor. District staff may be used	Required to invite 5 vendors from Small Works Roster to quote	Competitive Basis, SWR: All <u>qualified</u> contractors must be notified of quote invitation	Competitive Basis: Sealed Bid required
Formal Advertisement	No advertisement required, just notice to SWR	No advertisement required, just notice to SWR	No advertisement required, just notice to SWR	Yes
Written Scope of Work	Yes	Yes	Yes	Yes
Plans & Specifications Required	No	Estimated Scope of Work Required	Estimated Scope and Nature of Work Required	Yes
Bid Guarantees	Optional	Optional	Optional	Required
Bid Opening	Informal quote opening	Informal bid opening	Informal bid opening	Public bid opening
Liability Insurance Required	Yes	Yes	Yes	Yes
Contract Requirements (PO constitutes a Contract)	\$0 to less than \$35,000 (Limited Public Works Projects)	\$35,000 to less than \$150,000	\$150,000 to less than \$300,000	\$300,000 and above
<u>Statement of Intent to Pay Prevailing Wages</u> *Final Payment requires Affidavit of Payment	Yes (May use Combined Intent and Affidavit if \$2,500 or less)	Yes	Yes	Yes
Lien Release	Yes	Yes	Yes	Yes
Performance Bond	Not Required	Yes or 10% retainage at Contractor's discretion	Yes	Yes
Retainage – 5%	Can be waived	Yes	Yes	Yes
<u>Notice of Completion</u> to Labor and Industries, Department of Revenue and Employment Security Department	Not Required	Retainage can only be released after Notice of Completion and receipt of agency certificates	Retainage can only be released after Notice of Completion and receipt of agency certificates	Retainage can only be released after Notice of Completion and receipt of agency certificates

1. Small Works

When it is estimated that the cost of any building improvement or repair equals or exceeds \$35,000, an attempt will be made to obtain three written or telephone price quotations by soliciting invitations to quote from five vendors on the District's Small Works Roster.

These quotations shall become a permanent part of the purchase order copy filed in the Purchasing Department. If the choice of a vendor is made on a basis other than low bid, the reasons will be so noted on the purchase order file copy and kept for permanent record.

For contracts to be awarded for construction, building, renovation, remodeling, alteration, repair, or improvement of real estate with an estimated cost of less than \$300,000, the small works process may be used in accordance with these provisions. Invitations for quotations from a small works roster shall include an estimate of the scope and nature of the work to be performed as well as materials and equipment to be furnished. However, detailed plans and specifications need not be included in the invitation. Quotations may be invited from all or from at least five contractors on the appropriate small works roster who have indicated the capability of performing the kind of work being contracted, in a manner that will equitably distribute the opportunity among the contractors in the appropriate roster.

If the estimated cost of the work is from \$150,000 to less than \$300,000 and if the District chooses to solicit bids from fewer than all on the Small Works Roster, the District must notify the remaining contractors on the Small Works Roster that quotations on the work are being sought. No specific contractors on the appropriate Small Works Roster shall be favored over other contractors on the roster who perform similar services. Contracts awarded from a Small Works Roster need not be advertised.

Small Works purchase orders are considered Public Works Projects and require prevailing wage rates to be paid and Intent and Affidavit forms to be filed by the contractor.

2. Use of State Funds for Improvements or Repairs:

The District may make improvements or repairs to District property through a District department without following the competitive bidding process if the total cost of improvements or repairs does not exceed \$75,000 as stated in RCW 28A.335.190. If the District estimates that the total cost is \$75,000 or more, the District will follow the formal competitive bidding process outlined above unless the contract is let using the Small Works Roster process authorized by RCW 39.04.155 or under any other procedure authorized for school districts.

Additional Requirements Regardless of Funding Source

Procurement by Non-Competitive Proposals (Sole Source):

May only be used when one of the following circumstances applies. The District must maintain documentation supporting the applicable circumstance for non-competitive proposals.

- The item is only available from a single source and that legitimate specifications can only be met by one vendor;
- The public exigency or emergency for the requirement will not permit delay resulting from competitive solicitation;

- The awarding agency (e.g., OSPI) authorizes non-competitive proposals in response to a written request from the District; or
- After solicitation of a number of sources, competition is determined to be inadequate.

Per RCW 28A.335.190, "emergency" means unforeseen circumstances beyond the District's control that present a real, immediate threat to the proper performance of essential functions or will likely result in material loss or damage to property, bodily injury, or loss of life if immediate action is not taken.

Brand Name Specification:

Purchases may specify a brand name by drafting specifications of what the District intends to purchase, including the brand and why only this manufacturer's brand meets current operation needs and why another manufacturer's brand cannot be substituted. The requestor must follow appropriate purchasing methods (quotes, competitive bidding, purchase contract or small works) The name brand item or service can only be considered as a sole source if it is legitimately only available through a single vendor. If using federal funds, the District must allow for "an equal product to be offered."

Whenever bid requirements are waived, a document explaining the basis for the exception and the contract will be recorded and open for public inspection. The District may by board resolution reject any and all bids and make further calls for bids in the same manner as the original call.

Inter-Local Cooperative Agreements:

Purchases may be made through an inter-local cooperative agreement with another governmental agency provided such agency has complied with the bidding requirements that are applicable to school districts per Chapter 39.34 RCW. An interlocal agreement must be signed by both entities and shall include the duration of the agreement, the purpose, the financial arrangements, and any other specific items required by law including contractor(s) valid Washington State license and registration. Any purchase made through an interlocal agreement must also fulfill the requirements of the District's Policies and Procedures.

Vendor Lists:

The District will ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition.

Crimes against Children and Termination of Contract:

The District shall include in any contract for services with an entity or individual other than an employee of the District a provision requiring the contractor to prohibit any employee of the contractor from working at a public school who has contact with children at a public school during the course of his or her employment and who has pled guilty to or been convicted of any felony crime specified under RCW 28A.400.322. The contract shall also contain a provision that any failure to comply with this section shall be grounds for the District to immediately terminate the contract.

Bid Solicitations, Awards, & Documentation:

Solicitations must include clear and accurate description of the material, product, or service, including essential characteristics and identify all requirements that must be fulfilled and factors to be used when evaluating bids or proposals.

Responsible Contractors:

When awarding contracts, the District will award only to responsible contractors who can demonstrate integrity, compliance with public policy, record of successful past performance, adequate financial and technical resources and Washington State license and registration.

Records Retained to Document Rationale:

The District will ensure that records are retained to document the rationale for the method of procurement, the selection of contract type, selection or rejection of contractor, and the basis for contract price.

Avoidance of Unnecessary or Duplicative Items:

The District will make a reasonable attempt to ensure that the purchase of unnecessary or duplicative items is avoided.

Training:

District will ensure all staff conducting procurement activities are trained on proper procurement procedures.

Consultants: Hiring of consultants for personal and purchased services is to be in accordance with this procedure. Consultants retained to perform architectural and engineering services shall be retained in accordance with Policy 6925.

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