

PURCHASING & CONTRACTS POLICIES AND PROCEDURES



PURCHASING & CONTRACTS

LONG BEACH UNIFIED SCHOOL DISTRICT

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I. INTRODUCTION

A. Purpose

The mission of the Long Beach Unified School District Purchasing & Contracts Department is to respond to District needs by procuring of the quality equipment, materials, supplies, and services in the required quantity, at the best competitive prices, and from the most reliable, highly responsive sources.

The Purchasing & Contracts Department is committed to its fiduciary duty and is consistently striving for improvement in procurement methods of materials, products, and services. It seeks to obtain the maximum benefit and value for each tax dollar spent in accordance with District policies and procedures and compliance with local, state, and federal legislative requirements.

This document is intended as a general guide to assist with the District's procurement process and procedures and compliance with state and federal requirements. District compliance with the Purchasing and Contracts policies and procedures is essential to maintaining an efficient and effective purchasing process.

B. Code of Ethics

Long Beach Unified School District is committed to maintaining high standards of honesty, integrity, impartiality, courtesy, and ethical behavior. Such a commitment is implemented by prescribing standards of ethical conduct.

To maintain these standards, the Purchasing & Contracts Department subscribes to the following principles in the procurement of goods and services. It is essential that all District personnel conducting business with vendors observe the ethical standards described herein.

- To first consider and align to the strategies, goals, objectives, policies, and procedures of the Long Beach Unified School District.
- To grant all competitive bidders equal consideration.
- To regard each transaction on its own merits, to foster and promote fair, ethical, and legal trade practices.
- To strive to obtain the maximum ultimate value for each dollar of expenditure.
- To refrain from unduly influencing the contents of any specifications or procurement standards and avoid even the appearance of impropriety.

In addition to the above requirements, procurement of goods and services using Federal funds have written standards of conduct and avoiding conflict of interest, in accordance with [Government Code § 1090](#) and [2 CFR § 200.318\(c\)\(1\)](#) and [2 CFR § 200.112](#). The District's standards of conduct regarding conflicts of interest and governing the actions of its employees engaged in the selection, award, and administration of purchase orders and contracts include the following Federal standards.

- No employee, officer, or agent may participate in the selection, award, or administration of a purchase order or contract supported by a Federal grant 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.
- The officers, employees, and agents of the District may neither solicit nor accept personal gifts or gratuities.
- The District will impose appropriate sanctions or disciplinary actions, including but not limited to termination and/or prosecution, for any employee or officer who violates any of these requirements related to standards of conduct and conflict of interest.

C. Legal Requirements for Policies and Procedures

STATE:

[Government Code § 54202](#): Every local agency shall adopt policies and procedures, including bidding regulations, governing purchases of supplies and equipment by the local agency. Purchases of supplies and equipment by the local agency shall be in accordance with said duly adopted policies and in accordance with all provisions of law governing the same. No policy, procedure, or regulation shall be adopted which is inconsistent or in conflict with this statute.

[Government Code § 54204](#): If the local agency is other than a city, county, or city and county, the policies provided for in Section 54202 shall be adopted by means of a written rule or regulation, copies of which shall be available for public distribution.

[Education Code § 35272](#): The governing board of any school district may acquire and pay for educational and athletic equipment, supplies and materials, and other personal property necessary to its operation of the schools, as provided by law.

FEDERAL:

[2 CFR § 200.318\(a\)](#): The non-Federal entity must have and use documented procurement procedures, consistent with State, local, and tribal laws and regulations and the standards of this section, for the acquisition of property or services required under a Federal award or subaward. The non-Federal entity's documented procurement procedures must conform to the procurement standards identified in [2 CFR § 200.317 through 200.327](#).

D. Mission

The Purchasing & Contracts Department is committed to:

1. Serve the best interest of the District in all transactions.
2. Support the core education mission of the District.
3. Obtain the best value for goods and services.
4. Comply with all applicable laws governing purchasing and contracts.
5. Purchase and contract without favoritism or prejudice.
6. Solicit responsible bidders able to offer the best prices, best quality, and best service.
7. Conduct business with personal and professional integrity and high ethical standards.
8. Provide professional development to enhance knowledge, skills, and abilities of the Purchasing and Contracts staff.

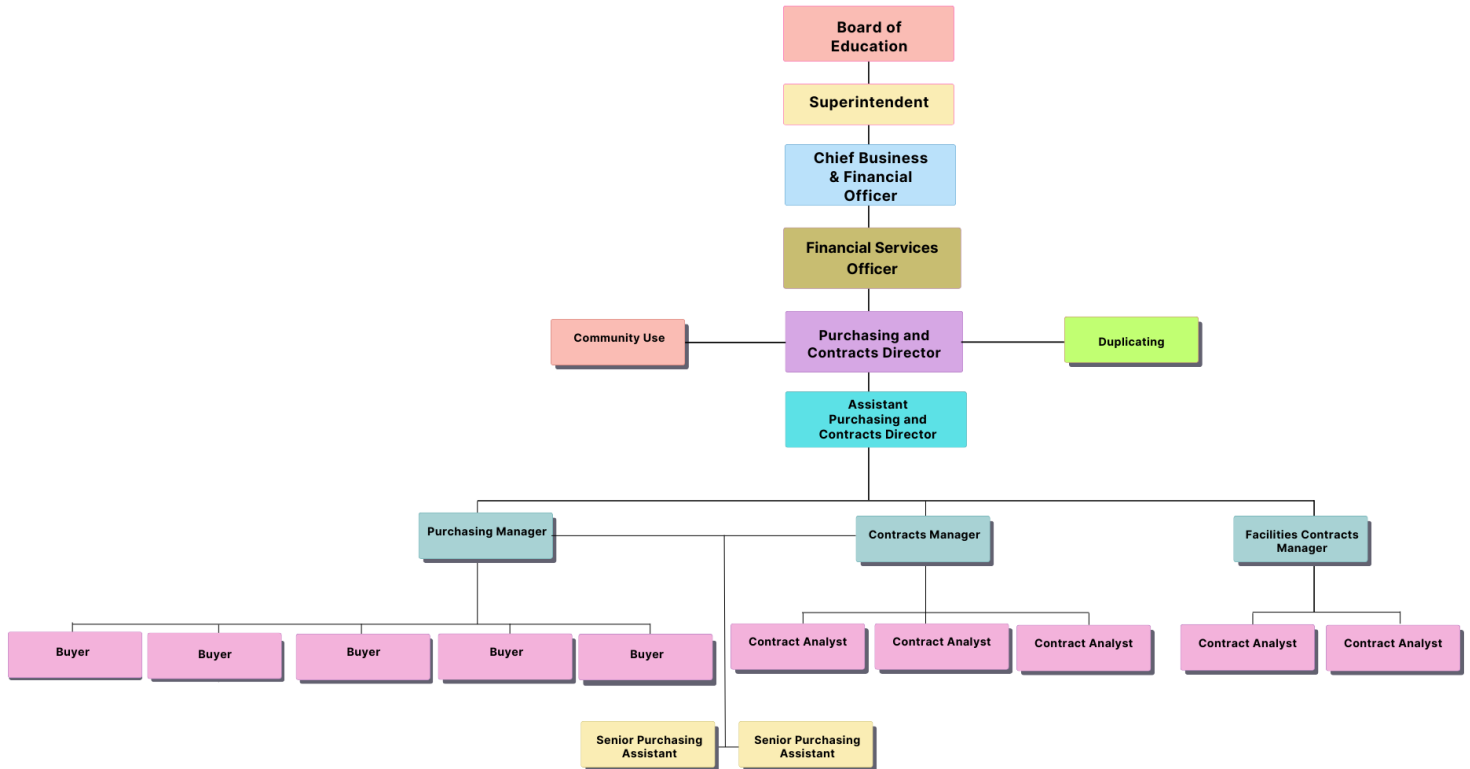
E. Governance and Operations

The Board of Education has a fiduciary responsibility to oversee the prudent expenditure of District funds while the Superintendent or designee develops and maintains purchasing and contracts procedures that are consistent with sound financial controls and ensure the District receives maximum value for items purchased.

The Purchasing & Contracts Department shall comply with federal, state, and local laws when procuring goods and services for the District.

The District manages a centralized Purchasing & Contracts Department which has the responsibility for the proper procurement of all material, supplies, equipment, and services in compliance with state and federal law. The department is committed to ensuring that business practices are performed with the highest degree of professional ethics, integrity, and competency. All Purchasing & Contracts Department staff are responsible for maintaining awareness of relevant laws.

F. Purchasing and Contracts Department Hierarchy



G. Vendor Relations

The Purchasing & Contracts Department will adhere to the following rules:

- Make every effort to maximize competition for all informal and formal purchases using informal quotes, competitive bids, and requests for proposals.
- Be unbiased and not give preferential treatment to individuals or firms.
- Award contracts as follows:
 - a. Request for Bids (RFB) pursuant to [Public Contract Code § 20111](#): Award to the lowest responsive and responsible bidder.
 - b. Requests for Proposals (RFP) when authorized by law: Award to the most responsive and responsible bidder with the most advantageous proposal to the District. [Public Contract Code § 20111\(c\)](#):
- Conduct all necessary negotiations for price adjustments and/or contract disputes.
- Collaborate with the warehouse for return or exchange of merchandise.
- Refrain from soliciting funds, donations, and/or materials from vendors.
- Abide by the District's Conflict of Interest Policy and state and federal regulations [[Education Code § 35233](#), [Government Code § 1090](#) and [2 CFR § 200.318\(c\)\(1\)](#)]

- Abstain from accepting personal gifts, commissions, or expense-paid trips from individuals or companies selling equipment, materials, or services required in the operation of District programs.
- This policy does not prohibit employees from accepting promotional or advertising items such as calendars, desk pads, pens, or other office supplies of nominal value, attending vendor sponsored seminars, or training which is free to all as part of their public relations and information programs.
- Authorized Purchasing and Contracts staff may visit a vendor's place of business to review goods or equipment and/or evaluate the vendor's capability to serve the District.

H. Delegation of Contracting Authority

The governing Board may, by majority vote, adopt a rule, delegating to any officer or employee of the District as the Board may designate, the authority to purchase supplies, materials, apparatus, equipment, and services. However, no contract made pursuant to the delegation and authorization shall be valid or constitute an enforceable obligation against the district unless and until the same shall have been approved or ratified by the governing board, the approval or ratification to be evidenced by a motion of the board duly passed and adopted. No rule shall authorize any officer or employee to make any purchases involving an expenditure by the District in excess of the amount specified by [Public Contract Code § 20111\(a\)](#). The rule shall prescribe the limits of the delegation as to time, money, and subject matter. [[Education Code § 17604](#) and [17605](#)]

I. Unauthorized Purchases

Only those with delegated signatory authority by the Board of Education may financially obligate the Long Beach Unified School District. The authorized signatories on behalf of the District are the Superintendent, Chief Business & Financial Officer, Financial Services Officer, Director of Purchasing & Contracts, and Assistant Director of Purchasing & Contracts.

The District requires issuance of a signed purchase order or contract to a vendor prior to furnishing any services or shipping goods/materials.

Goods and/or services purchased or ordered without proper authorization are considered unauthorized purchases for which the District has no legal liability or obligation to pay vendor claims. Accordingly, unauthorized purchases will not be honored by the District. Invoices for unauthorized purchases received by the Accounting Department will be forwarded to the Director of Purchasing & Contracts and may be referred to the Financial Services Officer for appropriate action.

II. PURCHASING & CONTRACTS POLICIES AND PROCEDURES

Requirements for acquiring goods and services for California public schools are controlled by provisions of the California Public Contract Code, California Education Code, and California Government Code. The codes explain legal requirements, contract types, dollar limit thresholds, and other regulations that must be followed including when a purchase must go through the formal bid process.

The District's Purchasing & Contracts policies and procedures outlined in this manual apply to all employees who plan or make acquisitions of products, equipment, supplies and/or services with District funds. This applies to all District purchases.

A. Competitive Bidding Requirements

Competitive bidding is required to ensure full compliance with competitive bidding statutes as a means of protecting the public from misuse of public funds, ensure fairness in the bidding process, to stimulate competition, and to eliminate favoritism and/or fraud.

[\[Public Contract Code § 100\]](#)

The District shall seek competitive bids in accordance with state and federal laws as follows:

- Public Works: Projects exceeding the formal bid limit pursuant to [Public Contract Code § 22032](#).
- Public Works between the informal and formal bid limits shall be performed using established bid procedures.
- Materials, Services, and Supplies: Competitive bids or requests for proposals pursuant to [Public Contract Code § 20111](#) and or statutes allowing for a RFB / RFP process for both state and federally funded purchases.
- \$10,000 for Home-to-School Transportation [\[Education Code § 39802\]](#)
- Federal Program Funds Expenditures:
 - Formal bidding is required when the amount exceeds the more restrictive California bid limit, except for Child Nutrition Programs.
- It shall be unlawful to split or separate into smaller work orders or projects any work, project, service, or purchase for the purpose of evading the provisions of this article requiring contracting after competitive bidding [\[Public Contract Code §20116\]](#).
- The purchase of goods or services is cumulative for the entire District and if the expenditure is recurring (annual), is subject to a cumulative total for the allowable term of a contract, which is three years for goods and five years for capital equipment and services [\[Education Code § 17596\]](#).

The adjusted bid threshold is updated annually and the revised limit and can be found at the link below:

[\[CDE Correspondence - Bid Threshold\]](#)

B. Non-Discrimination in Contracting and Equal Opportunity

STATE:

When required by law, contracts and subcontracts made by the District for public works or for goods or services shall contain a nondiscrimination clause prohibiting discrimination by contractors or subcontractors. The nondiscrimination clause shall contain a provision requiring contractors and subcontractors to give written notice of their obligations to labor organizations with which they have a collective bargaining or other agreement. [[Government Code § 12990](#)]

FEDERAL:

Equal Employment Opportunity. Except as otherwise provided under [41 CFR Part 60](#), all contracts that meet the definition of “federally assisted construction contract” in [41 CFR 60-1.30](#) must include the equal opportunity clause provided under [41 CFR 60-1.40](#), in accordance with [Executive Order 11246](#), “Equal Employment Opportunity,” as amended by [Executive Order 11375](#), “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at [41 CFR Part 60-1](#), “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.”

C. Notice and Advertising Requirements – Non-Construction Bids

The District shall call for bids by advertising in a local newspaper of general circulation, or if no such paper exists, then in some newspaper of general circulation, circulated in the county, at least once per week for two consecutive weeks for equipment and materials bids. The notice shall state the work to be done or materials or supplies to be furnished, and the time and place where bids shall be opened [[Public Contract Code § 20112](#)].

The notice shall contain the time, date, and location of any mandatory pre-bid conference, site visit, or meeting. The notice shall also contain when and where the project documents, including final plans and specifications are available. Any such mandatory conference, site visit, or meeting shall not occur within a minimum five (5) calendar days of the publication of the initial notice [[Public Contract Code § 6610](#)].

The notice may also be posted on the District’s website or through the District’s online vendor portal ([PlanetBids](#)). The notice shall state the work to be done or materials or supplies to be furnished and indicate the date, time, and place bids must be received. No bids will be accepted after the specific date and time requested.

The date and time shall be extended by no less than 72 hours if a material change is issued in the solicitations for any public work or improvement less than 72 hours prior to bid closing. [[Public Contract Code § 4104.5](#)]

D. Bid Security

[Public Contract Code § 20107](#) and [§ 20111](#) state that all bids for construction work shall be presented under sealed cover and shall be accompanied by one of the following forms of bid security:

1. Cash
2. Cashier's check or money order made payable to the District
3. Certified check made payable to the District
4. Bidder's bond executed by an admitted surety insurer, made payable to the District

The security of the unsuccessful bidders shall be returned in a reasonable period of time, but no later than 60 days after the bid is awarded.

E. Change Orders (Public Works)

Change orders are subject to approval or ratification, but the Governing Board has no authority to exceed the limits set forth in [Public Contract Code § 20118.4\(a\)](#) which limits a change to a contract to no more than ten (10) percent of the original contract amount or the bid limit, whichever is less. If the change exceeds the allowed ceiling, it is recommended that the District determine if an emergency exists or contact legal counsel to determine if a bidding exception may be exercised.

F. Bonds and Insurance

A qualified contractor that is awarded a public works contract involving an expenditure in excess of twenty-five thousand dollars (\$25,000) shall, before commencement of work, give a payment bond to and approved by the officer or public entity by whom the contract was awarded. A design professional is not deemed a direct contractor and is not required to give a payment bond. [[Civil Code § 9550](#)]

A performance bond guarantees that a contractor will fulfill their contractual obligations under a project to satisfactory performance. This type of bond protects the District from unsatisfactory or incomplete work. If a contractor does not do quality work or simply does not finish the job, a performance bond allows the client to take legal action against the contractor. For example, a construction company could fold halfway through a project. If that happens, a performance bond ensures that they are still responsible for covering the costs of completing the project. If the completed aspects of the project aren't up to par, the contractor will also be responsible for the corrections to the unsatisfactory work.

Insurance should be reviewed on a contract basis and a determination made, preferably by the District's risk management or insurer. Insurance should be adequate to cover the risk to the District should the contract cause damage to personnel, students, or property.

G. Background Checks/Fingerprinting Requirements

Beginning January 1, 2022, a Contracting Entity that has a contract of any type with a Local Education Agency (LEA) must ensure that any employee of the entity who interacts with pupils outside of the immediate supervision and control of the pupil's parent or guardian or a school District employee has a valid criminal records summary. [CA Education Code § 45125](#). When/if the Contracting Entity later performs the criminal background check for its employees, it must immediately provide to the LEA any subsequent arrest and conviction information it receives. The new standard appears to apply to any kind of contract, not just service-based contracts or those performed on school sites, if it involves any amount of unsupervised interaction with pupils.

The "limited contact" standard has been eliminated from the law, except that LEAs may still avail themselves of the pupil safety alternatives contained in [CA Education Code § 45125.01-45125.02](#) for contracts involving construction, reconstruction, rehabilitation, or repair of a school facility where the employees of the entity will have more than limited contact with pupils; notably, construction contractors may still comply by erecting physical barriers to limit contact with pupils.

H. Requests for Bids (RFB) and Requests for Proposals (RFP) – Goods and Services

In order to comply with a fair and equitable competitive bidding process, the Purchasing & Contracts Department shall use the following process when soliciting bids or proposals:

1. Determine whether competitive bidding is required by evaluating the aggregate spend on goods or services requested.
2. Utilize the appropriate solicitation method.
 - a. Request for Bid (RFB) / Hard bid: Lowest responsive and responsible bid.
 - b. Request for Proposal (RFP) / Best value: Determined by various factors.
RFP may only be used when allowed by statute:
 - i. Technology products ([Public Contract Code § 20118.2](#))
 - ii. Child Nutrition ([Public Contract Code § 20111](#))
 - iii. Energy Services ([Government Code § 4217.12](#))
 - iv. Lease-leaseback ([Education Code § 17406](#))
 - v. Design Build Projects ([Education Code § 17250.10](#))
3. Solicit input from end-users to ensure the procurement will meet their needs.
4. Determine who is responsible for providing specifications and what research is required to ensure a fair and generic specification is provided.
5. Work with interested parties/departments to establish a bidding schedule.
6. Bid/Proposal timeline should include:
 - Time for advertising.
 - Pre-bid Conference/Site Walk (optional). Notice must state the time and place if mandatory.

- Time for Requests for Information (RFIs) to be submitted and Addenda to be issued.
 - Time for substitution of products to be submitted. This can be concurrent to the RFI period.
 - Time for review of substitutions and RFIs.
 - Time for sample testing, if required.
 - Date of final Addendum.
 - Bid Due date.
 - Review/Evaluation period.
 - Board Approval date.
7. Prepare the formal bid document or request for proposal/request for qualification.
 8. Review bid documents to ensure compliance with Federal Code of Federal Regulation requirements when expending federal funds.
See: [2 CFR § 200.320](#) Methods of procurement to be followed.
 9. Bid Advertisement in accordance with [Public Contract Code § 20112](#).
 - The notice will be posted on the District’s online vendor portal ([PlanetBids](#)). The notice shall state the work to be done or materials or supplies to be furnished and indicate the date, time, and place bids must be received.
 - No bids will be accepted after the specific date and time requested.
 - Open bids publicly.
 - Following the opening of bids, staff shall review the bid documents to check for any discrepancies, completeness, and responsiveness.
 - If a tie bid exists; award will be determined in compliance with [Public Contract Code § 20117](#).
 10. Prepare recommendation for award of the contract for Board approval.
 11. Execute contract and obtain all required documents:
 - Insurance
 - Bonds
 - Any other certifications required by the District, state, or federal law.

I. Special Services and Professional Services Agreements

[Government Code § 4526-4528](#) and [Government Code § 53060](#), permits a legislative body of any public corporation or District to “contract with and employ any persons for the furnishing [of] ... Special services and advice in financial, economic, accounting, engineering, legal, or administrative matters if such persons are specially trained and experienced and competent to perform the special services required.”

The California Court of Appeal, Second District, issued a decision in *Fair Education Santa Barbara v. Santa Barbara Unified School District* ([2d Civ. No. B309248](#)) determined that anti-bias training qualified as special services. The determination stated that the exemption to

competitive bidding applies to services that “require specialized knowledge, training, or skill, usually of a mental or intellectual nature.”

The decision is a reminder that services must be competitively bid if the contract will exceed the bid limit, unless a determination has been made that services being provided fall within the definition of “professional services” under [Public Contract Code § 20111](#) or “special services” under [Government Code § 31000](#).

Note: Special services and/or professional services agreements are NOT exempt from the competitive procurement process when using federal funds.

J. Independent Contractor/Consultant Agreements

An independent contractor is someone who provides services that are unrelated to the employer’s primary business and who offers these services to the general public.

An independent contractor is not entitled to any rights, benefits, or protection that accrue to employees of the District. Consultants perform in the capacity of an independent contractor with demonstrated expertise not found in the District. Contractor/Consultants are hired to provide specific services for the District for a specified period of time.

The District’s Payroll/Human Resources department should be contacted when a question arises relative to a determination being made on the hiring of an independent contractor/consultant versus an employee. The independent contractor/consultant must be identified as an independent contractor and is not acting in the capacity of an employee.

In September 2019, the State of California passed [Assembly Bill No. 5](#) in regard to independent contractors and employment. This bill requires a test to determine the contractor meets the requirements, better known as the ABC Test.

Basic Test (ABC):

- The person is free from the control and direction of the hiring entity in connection with the performance of the work, both under the contract for the performance of the work and in fact.
- The person performs work that is outside the usual course of the hiring entity’s business.
- The person is customarily engaged in an independently established trade, occupation, or business of the same nature as that involved in the work performed.

Retirees are subject to reporting to CalPERS or CalSTRS when hired as temporary employees. Caution should be exercised when hiring retirees as independent contractors. Misclassification may lead to penalties for the District and the retiree.

- District employees who perform extra-duty services shall not be retained as independent contractors/consultants. They shall be considered employees for all purposes, even if the additional services are not related to their regular duties.
- Sites/departments that wish to extend contracts that will expire at the end of the contract term must seek Board approval.
- Services cannot be rendered against an expired contract or without a District purchase order issued by the Purchasing & Contracts Department.

K. Public Works Contracts

In 2018, Long Beach Unified School District opted into the California Uniform Construction Cost Accounting Act (CUPCCAA) pursuant to [Public Contract Code § 22000 - § 22003](#).

Generally, a school district must formally bid construction contract awards and public works projects if the cost exceeds \$15,000 pursuant to [Public Contract Code § 20111](#).

CUPCCAA allows the District to proceed by alternative bidding procedures pursuant to [Public Contract Code § 22030-22035](#) based on the following thresholds:

\$1 to \$4,999	\$5,000 to \$14,999	\$15,000 to \$59,999	\$60,000 to \$199,999 (Informal)	> \$200,000 (Formal)
Minimum of 1 quote	Minimum of 2 quotes	Minimum of 3 quotes	Informal Bidding Procedures: newspaper advertisement not required. PlanetBids posting, including notice to trade journals.	Formal Bidding Procedures: newspaper advertisement required. PlanetBids posting, including notice to trade journals.

- Federal procurement regulations apply when expending federal funds.
- Exceeding the informal bid limit without conducting an informal competitive process is a violation of the Act.

Formal Bidding Procedures:

The bid development process is similar to the Invitations for Bids process for goods and services (see Article H: Invitations for Bid and Requests for Proposals for Goods and Services) with the following additional items:

- Mandatory Prebid and Site Walk- Recommended ([Public Contract Code §6610](#))
- Contractor's License
- Additive or Deductive Alternates/Basis of Award
- Bid Security
- Bonds
- Prevailing Wage
- DIR Requirements
- Prequalification
- Escrow Agreement ([Public Contract Code § 22300](#))
- DVBE requirement if applicable (State Facility Bond funds)
- Architectural / Engineering drawings

Informal Bidding Procedures:

For projects below the formal bid limit; the Purchasing & Contracts Department will follow the informal bidding process when a timely request for an informal bid is received.

- Submit informal specifications and drawings to be provided to contractors with the bid.
- The interested parties (Facilities, Maintenance, Purchasing & Contracts, etc.) develop a bid schedule that meets the desired timeline for construction.
- The Purchasing & Contracts Department prepares informal bid documents and sends the notice calling for informal bids to all contractors listed on the registered (qualified) contractors' list or the specified trade papers as noted in the CUPCCAA Manual for Cost Accounting or both not less than ten (10) days prior to opening of bids.
- The bid documents and specifications are posted online.
- Conduct pre-bid site walk (optional).
- Allow time for Requests for Information (RFIs) to be submitted and addenda to be issued.
- Allow time for substitution of products to be submitted. This can be concurrent to the RFI period.
- Open bids as noted in the Invitation to Bid.
- Following the opening of bids, Purchasing & Contracts staff shall review the bid documents to check for any discrepancies (known as vetting).

The following items should be checked:

1. Bid Form
2. Dollar amount
3. Authorized Signature
4. Acknowledgement of Addenda
5. Proof of Contractor's License
6. Proof of Contractor's DIR Registration
7. Non-Collusion Declaration (Required on Public Works)

8. Bid Bond (Required on Public Works)
 9. Subcontractors List (Original and/or Fully Executed)
 10. DVBE Forms if applicable
 11. Certifications required by District
 12. Federal Certifications
 13. Any other certifications required by the District, state, or federal law.
- Award contract through Board approval.
 - Execute construction contract and obtain all required documents:
 1. Insurance
 2. Payment and Performance Bonds
 3. Certificate of Workers Compensation
 4. Certifications and Background Check
 5. Federal Certifications when expending federal funds
 6. Any other certifications required by the District, state, or federal law.

L. Award of Public Works Contracts Pursuant to CUPCAA

Award will be based on the lowest responsible and responsive bid. [Public Contract Code § 22038](#) allows the public agency in its discretion to reject any bids presented.

If all bids received are in excess of \$200,000, the governing body of the public agency may by adoption of a resolution by a four-fifths vote, award the contract, up to the amount authorized in [Public Contract Code § 22034\(d\)](#) or less, to the lowest responsible bidder, if it determines the cost estimate of the public agency was reasonable.

M. State Facility Bond Funded Projects

If the District is eligible for or plans to apply for future eligibility reimbursement from State General Obligation Bond issues (SGOB) and other designated state funds, the District must comply with specific requirements. Known as the School Facility Program, the selection process requires the following:

- Certify that service contracts for any architects, structural engineers, or other design professionals are entered into on or after November 4, 1998, for work related to the project, and were obtained through a qualification-based selection process.
- Prequalification of general contractors and mechanical, electrical, and plumbing subcontractors for projects of \$1 million or more.
- Disabled Veteran Business Enterprise (DVBE) Good Faith Effort.
- Division of State Architect approval prior to executing a contract or filing a funding application.
- State Facility Bond funds may NOT be used to procure modular buildings using a piggyback contract.

N. Prequalification Procedures

The Board or their designee may require that each prospective bidder complete and submit a standardized prequalification packet and financial statement in accordance with [Public Contract Code § 20111.5 - 20111.6](#).

The District may establish a procedure for prequalifying bidders on a quarterly basis and may authorize that prequalification be considered valid for up to one calendar year following the date of the initial prequalification. ([Public Contract Code § 20111.5](#))

The District contracts with Quality Bidders for prequalification of contractors. Additional information can be found on the [District's Bond Website](#). District may opt for either a periodic or project specific process.

The following standards apply:

- Annual or Quarterly Prequalification:
- Include the requirement for prequalification in the Notice to Bidders:
 - i. Note the date questionnaires are due.
 - ii. Note method of submittal.
 - iii. Note location of submittal.
 - iv. Note timeframe for District's response.
- Provide a standardized questionnaire.
- Require submission of audited or reviewed financial statements.
- Review all questionnaires within the timeframe noted in the advertisement.
- Score questionnaires.
- Conduct reference checks.
- Review financial documents.
- Notify contractors of their score, the period of validity for their pre-qualified status, and their right to appeal if disqualified.
- Publish [District list](#) of prequalified contractors.
- Concurrent Prequalification (usually project specific)
- Include the prequalification requirement in the Notice to Bidders Calling for Bids.
- Advertise the bids well in advance of the bid opening. Note that CUPCCAA calls for a minimum notice of 14 days prior to bids; however, the prequalification process will necessitate more time than the minimum required by the Act.
- Send notice inviting bids to construction trade journals 15 days prior to bid opening.
- Notice the number of days prior to bid for submitting questionnaires.
- Build enough time into the bid schedule to allow for review, scoring, contractor notification, and appeals process.
- In the letter or email to contractors, note the period of validity for their pre-qualified status.
- Publish list of prequalified contractors not less than ten (10) calendar days prior to opening of bids.

The questionnaires and financial statements shall not be available as public records and not be open to public inspection.

Appeal Procedures:

Contractors will be allowed to appeal a negative pre-qualification determination in accordance with [Public Contract Code § 20101 \(d\)\(1-3\)](#). There is no appeal from a refusal for an incomplete or late application. Without a timely appeal, the Contractor waives any and all rights to challenge the decision of the District, whether by administrative process, judicial process or any other legal process or proceeding.

Disqualification of Contractor:

- The District shall serve written notice on the contractor setting forth the reasons for the disqualification.
- The written notice shall state that a contractor will be afforded an opportunity to appeal the disqualification as outlined below.
- Effective notice shall be accomplished by certified mail, return receipt requested, to the last known address of the contractor, or the contractor's agent for service of process, or any of its principal officers, partners, owners or affiliated. An email may be concurrently sent.

Receipt and Processing an Appeal:

- The contractor shall submit his/her appeal in writing with the Director of Purchasing & Contracts no later than 4:00 p.m. of the 5th business day following the day on which the notice of rejection was mailed to the contractor.
- The District shall act upon properly filed requests within ten (10) calendar days from the date of receipt of such request. If, after review, the District again rejects the contractor's application, the contractor may request an administrative hearing with the panel.
- At the hearing, the contractor may present oral testimony concerning the contractor's capability and responsibility. The District shall notify the contractor of his decision within five business days following the hearing. The decision of the panel is final.
- A contractor who is denied prequalification shall be disqualified in the same type of work or category of value for a period of one year thereafter.

Note: The sole issue before the Appeals Panel shall be the scoring of a Contractor. The decision of the Appeals Panel shall be the District's final administrative decision. The date for submission and opening of bids for a specific project will not be delayed or postponed to allow for completion of the appeal process.

O. Disabled Veteran Business Enterprise (DVBE)

[Education Code § 17076.11](#) provides that any school District using funds allocated pursuant to the School Facilities Act of 1998 for school construction or modernization to have an annual 3 percent (3%) DVBE participation goal of the overall dollar amount expended each year by the school District.

- Include the DVBE requirement in the Notice to Bidders.
- Provide DVBE forms with the bid documents.

P. Bid Protests

Any bidder may file a bid protest. The protest shall be filed in writing with the Purchasing & Contracts Department not more than three (3) business days after the date of Bid Opening for public works bids and three (3) business days after Notice of Intent to Award for all other bids. An e-mail address shall be provided and by filing the protest, the protesting bidder consents to receipt of email notices for purposes of the protest and protest related questions and protest appeal, if applicable. The protest shall specify the reasons and facts upon which the protest is based.

Resolution of Bid Controversy: Once the bid protest is received, the apparent lowest, responsible bidder will be notified of the protest and the evidence presented. If appropriate, the apparent lowest responsive bidder will be given an opportunity to rebut the evidence and present evidence that the apparent low bidder should be allowed to perform the Work. If deemed appropriate by the District, an informal hearing will be held. The District will issue a written decision within fifteen (15) calendar days of receipt of the protest, unless factors beyond the District's reasonable control prevent such resolution. The decision on the bid protest will be copied to all parties involved in the protest.

Appeal: If the protesting bidder or the apparent low bidder is not satisfied with the decision, the matter may be appealed to the Purchasing & Contracts Director or their designee, within three (3) business days after receipt of the District's written decision on the bid protest.

The appeal must be in writing and sent via overnight registered mail and a copy sent by email with all accompanying information relied upon for the appeal from which questions and responses may be provided to:

LBUSD Purchasing & Contracts Branch, Attn: Purchasing & Contracts Director
2201 E. Market Street, Long Beach, CA 90805. Email: jtamura@lbschools.net

Appeal Review: The Purchasing & Contracts Director or their designee shall review the decision of the bid protest and issue a written response to the appeal, or if appropriate, appoint a Hearing Officer to conduct a hearing and issue a written decision. The written decision of the Purchasing & Contracts Director or the Hearing Officer shall be rendered within fifteen (15) calendar days and shall state the basis for the decision. The decision concerning the appeal will be final and not subject to any further appeals.

Reservation of Rights to Proceed with Project Pending Appeal: The District reserves the right to proceed to award the bid pending an Appeal. If there is a critical completion deadline, the District may choose to shorten the time limits set forth in this section if written notice is provided to the protesting party. E-mailed notice shall be sufficient to constitute written notice. If there is no written response to a written notice shortening time, the District may proceed with the award.

Finality: Failure to comply with this Bid Protest Procedure shall constitute a waiver of the right to protest and shall constitute a failure to exhaust the protesting bidder's administrative remedies.

Q. Sole Source Procurement

Sole source procurement is an exception to the normal procurement function and requires a detailed justification or finding [[Education Code § 3400\(c\)\(3\)](#)]. Sole source is justified in certain situations. In processing sole source requests for supplies, services, and/or equipment, the Purchasing & Contracts Department adheres and is governed by the principles set forth in the Education Code, Public Contract Code, other State Codes, the Federal Code of Regulations, and Governing Board Policy and Administrative Regulations. Sole source requests must be reviewed and approved by Purchasing and Contracts.

A request should not be approved unless the request is reasonable and one or more of the following conditions apply:

1. The product is designated to match others in use on a particular District improvement that has been completed or is in the course of completion.
2. The product has a unique application required to be used in the District's interest.
3. Only one brand or trade name is known (for example, patented technology).

The following factors DO NOT apply to sole source requests and should not be permitted as a sole source/sole brand justification.

1. Personal preference for product or vendor.
2. Cost, vendor performance, and local service.
3. Features which exceed the minimum District standards.

When a product is truly a sole source and is the only item being purchased, the Governing Board may approve a no benefit in bidding exception and move for direct award.

For Federal awards, the sole (single) source process is as follows ([2 CFR § 200.320](#)):

- Procurement by noncompetitive proposals may be used only when one or more of the following circumstances apply:
 - a. The item is available only from a single source.
 - b. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation.

- c. The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity; or
 - d. After solicitation of a number of sources, competition is determined inadequate.
- Failure to comply with competitive bidding requirements for federally funded purchases may result in the government’s recapture of funding.

R. Emergency Procurement

Emergency purchases above the bid limit require the Governing Board to make a finding that competitive bidding is unfeasible or of no benefit. The opinion of legal counsel in making such a finding is considered a best practice.

An emergency is defined as “sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services.”

An emergency is not a result of lack of planning, maintenance, or for convenience.

S. Joint Power Authorities/Agencies

Pursuant to [Government Code § 6500-6539.9](#), the District along with other public entities may enter into joint powers agreements to exercise powers common to them by a Joint Powers Agency (JPA).

The article authorizes two kinds of JPA arrangements. The first allows two or more public agencies to contract to jointly exercise common powers. The second allows two or more public agencies to form a separate legal entity. This new entity has independent legal rights, including the ability to enter into contracts, hold property, and sue or be sued.

Generally, joint powers agreements establish the manner in which the JPA will be administered. The purpose of the JPA, the relationship between each member District and the JPA, and the manner in which it will purchase equipment, materials and supplies should be set forth in the joint powers agreement. The agreement should also indicate how costs should be shared. JPAs may not delegate authority to a private company to purchase on behalf of the JPA.

Forming a Joint Powers Agency (JPA):

- Public officials negotiate a formal agreement that spells out the member agencies’ intentions, the powers they will share, and other mutually acceptable conditions that define the intergovernmental arrangement.
- Each member agency’s governing body approves the joint powers agreement.
- A Joint Powers Agreement may create a JPA.

The Joint Powers Agency (JPA):

- a. Must register with the Secretary of State.
- b. May not incur debts, liabilities, or obligations.
- c. May not exercise any powers until the registration documents are filed.
- d. Enter into an agreement that outlines the size, structure, and membership of the JPA's governing Board and document the JPAs functions and powers.

T. Purchases Through Other Public Agencies (Piggybacks)

[Public Contract Code § 20118](#): The governing Board of any school District, without advertising for bids, if the Board has determined it to be in the best interests of the District, may authorize by contract, lease, requisition, or purchase order, any public corporation or agency (includes public JPAs and Consortiums), including any county, city, town, or District, to lease data-processing equipment, purchase materials, supplies, equipment, automotive vehicles, tractors, and other personal property for the District in the manner in which the public corporation or agency is authorized by law to make the leases or purchases from a vendor.

To take advantage of the exception, the governing Board of a District is required to make a determination that a purchase through a public corporation or agency is in the best interest of the District.

The Purchasing Agent will review piggyback options and complete a Piggyback Justification Form to document their findings.

U. Textbooks and Instructional Materials

[Public Contract Code § 20118.3](#): The governing Board of any school District may purchase supplementary textbooks, library books, educational films, audiovisual materials, test materials, workbooks, instructional computer software packages, or periodicals in any amount needed for the operation of the schools of the district without taking estimates or advertising for bids.

III. FEDERAL PROCUREMENT

[Federal Procurement Procedures](#)

[Click Link Above to Access](#)

IV. FORMS FOR PURCHASING AND CONTRACTS

[Purchasing and Contracts Forms](#)

[Click Link Above to Access](#)

V. PROCUREMENT CARD POLICY

[PCARD Policy Manual](#)

[Click Link Above to Access](#)

VI. DISTRICT BOARD POLICIES

[Board Policies \(Board Docs\) - State](#)

[Click Link Above to Access](#)

VII. REQUISITION ENTRY MANUAL

[Requisition Entry Process](#)

[Click Link Above to Access](#)

VIII. WAREHOUSE: GENERAL OPERATIONS

A. General Operations

The District Warehouse operates from 6:00 a.m. to 2:30 p.m. Monday through Friday. In addition to fulfilling orders and processing outside vendor orders, the Warehouse is responsible for surplus property disposal, inventory control, mail services, and housing of excess instructional materials.

The Warehouse will:

1. Receive all vendor orders and deliver to the requesting District location.
2. Collect and store all surplus District items and prepare the items for sale at public auction (or recycling) and/or District surplus sale.
3. Receive, sort, and deliver all mail to District sites and offices. Mail delivery occurs once per day.
4. Handle merchandise returns and parcel post shipments.
5. Assign a District fixed asset inventory tag as required by California School Accounting Manual standards and enter assets into the District's fixed asset inventory system.
6. Perform a physical inventory count of Warehouse stock prior to annual audit, and compare with counts in the District inventory software system.
7. Provide logistical support to the District in moving equipment and materials between District schools, offices, and sites, when necessary and personnel are available.

Stores Orders:

Stores orders will be handled as follows:

1. Warehouse staff reviews orders at the start of the workday.
2. Pick lists/requisitions are printed out and distributed among the Warehouse staff for picking.

3. Orders are verified, packaged, and separated by site in the staging area for outgoing deliveries.
4. Orders received prior to 10:30 a.m. will be processed for the next scheduled delivery date.
5. Transportation staff load trucks by assigned routes at the start of their shift and begin their deliveries.

Receiving:

Orders from outside vendors will be received as follows:

1. Orders are off-loaded from trucks and moved to Warehouse.
2. All POs are entered into the District software system to record PO, piece count and carrier of delivery.
3. Within 3-5 days, Warehouse staff inspects orders for discrepancies and damage (peak load can delay the lead time).
4. Orders are verified against the packing list and inspected for discrepancies.
5. Receiver uses the packing list to receive items in the District software system.
6. Items marked for asset tagging are given an inventory label which is to be placed in a visible area of the item.
7. Orders are resealed when applicable and staged by the vendor and marked with the receiving date.
8. Orders are placed in the receiving dock area for loading by site.
9. Discrepancies: Orders with missing and/or damaged items are processed as follows:
 - o Contact the vendor (or email Purchasing & Contracts with details) when an order contains missing or damaged items.
 - o Vendor contact is made requesting corrective action such as a Return Material Authorization (RMA), replacement, and/or refund.
 - o Report to Purchasing & Contracts and Accounting via email or phone.
 - o Site is notified of any restocking fees or shipping charges.
 - o Refer discrepancies to Purchasing & Contracts if issue cannot be resolved by Warehouse staff.

Deliveries:

Following the picking of Stores orders or receipt of outside vendor deliveries, the Warehouse will deliver orders to sites as follows:

1. Orders are off-loaded from trucks and moved to Warehouse.
2. Within 48-hours, Warehouse staff inspects orders for discrepancies and damage.
3. Orders are verified against the packing list.
4. Orders are resealed, staged, and labeled for delivery, and marked with the receiving date.
5. Orders are placed in the outgoing deliveries for loading by site.
6. Receiver uses the packing list to receive items in District software system.
7. Items marked for asset tagging are marked with inventory label(s).
8. Items (PO and # of packages) are entered in the delivery tracking sheet.

9. Signature is obtained upon receipt by sites.

Mail Handling:

The Warehouse is responsible for ensuring delivery of U.S. Mail to all sites and collecting outgoing mail as follows:

1. Interdepartmental mail and outgoing U.S. Mail will be delivered and picked up once per day from each site or department.
2. Warehouse personnel will pick interdepartmental and regular U.S. mail from each District site and deliver it the next day or process for delivery to the Post Office.
3. First Class Mail will be processed through the District's mail processing area and delivered to the post office by the time deadline posted for receipt of mail.
4. All certified mail will be handled and processed through by District mail courier.
5. Each site is responsible for the cost of first class and certified mail.
6. Any outgoing mail that is not received by the Warehouse when mail pickup is made will be delivered to the Post Office the next day.
7. Bulk Mail will be picked up in the same manner as first-class mail.
8. Personal Mail Handling is prohibited
 - Use of a District postage meter for personal mail is prohibited.
 - Personal mail should never be mailed to the District's address.
 - Use of public resources for personal interests is against the law.

IX. WAREHOUSE: ASSET MANAGEMENT, INVENTORY, SURPLUS

A. Asset Management

[Education Code § 35168](#) states that the Governing Board of each school District, shall establish and maintain a historical inventory, or an audit trace inventory system, or any other inventory system authorized by the State Board of Education, which shall contain the description, name, identification numbers, and original cost of all items of equipment acquired by it whose current market value exceeds five hundred dollars (\$500) per item, the date of acquisition, the location of use, and the date of disposal. A reasonable estimate of the original cost may be used if the actual original cost is unknown.

Receipt and Identification of Assets:

Warehouse Inventory Control Technician shall be responsible for tagging all assets with a value of \$500 or more as follows:

1. Warehouse to check all received equipment for any damage or defects upon receipt.
2. Inventory Control Worker will review the purchase order to ensure that all equipment is properly identified as an asset.
3. Receive equipment marked as an asset on the Purchase Order.
4. Adhere a barcode asset tag in a location that facilitates scanning but discourages removal.
5. When equipment is delivered to a site, schedule a visit to complete the tagging process.

6. Fill out an inventory record to ensure all the following information is added to the inventory record. [[Cal. Admin. Code tit. 5, § 3946](#)]
 - Type/description
 - Model/name
 - Serial number or other identification number, if applicable
 - Purchase Order No.
 - Funding source / Resource Code
 - Title Holder (on report only)
 - Acquisition date
 - Cost
 - Location
 - Use and Current condition (Fair, Good, New)
 - Disposition: (Active, Obsolete, Unusable)
7. In addition, items purchased with Federal Funds must include:
 - Federal Award Identification Number (On report only)
 - Percentage of Federal Participation in the Project Costs (For the Federal Award under within the Property was acquired - On report only)
 - Additional disposition data (to include Date of Disposal (On report only) [[2 CFR § 200.313\(d\)](#)])

B. Inventory

STATE:

The purpose of taking inventory is to verify the physical existence of the property and equipment that appear in the District records and to check the accuracy of the inventory control system. For a good internal control system, CDE recommends that a physical inventory of the LEA's property and equipment be taken at least annually.

FEDERAL:

The uniform administrative requirements, cost principles, and audit requirements for Federal Awards [2 CFR §313\(d\)\(2\)](#) states that physical inventory of equipment must be taken, and the results reconciled with the property records at least once every 2 years.

District:

The Inventory Control Technician is responsible for maintaining an electronic Fixed Asset Inventory System. The Inventory Control Technician will generate reports as needed.

Centralized Physical Inventory Procedure:

1. Prior to visiting the site, the Inventory Control Technician will ensure all new asset items have been entered into the inventory control system. Additionally, review that all asset items transferred out or disposed are recorded in the inventory control system prior to visit.
2. Count team travels to each site and conducts physical count as follows:
 - a. Equipment with an asset tag will be visually inspected and scanned.
 - b. Items found without an asset tag with a value of \$500 or more (including shipping and tax) shall be noted and researched after site visit.

3. Completion of the inventory site visit will include items found that belong to the site and missing items. Additionally, items found at the visited site belonging to another site will be scanned and subsequently transferred to the site upon which they were found.

Following Physical Inventory:

1. The Inventory Control Technician generates the post inventory report which identifies items found and missing at the site, as well as, the items found at the sites which belong to another site.
2. The Inventory Control Technician will follow up on any items found at the site needing an asset number.
3. If there are physical count discrepancies between the site's inventory and the records in the inventory management system, the site will perform verifications to try to locate missing items, if needed.
4. For items marked as missing, the site may provide a list of items not scanned during site visit and will be noted in the count.
5. The final inventory report will be generated by Accounting from the inventory control system as needed.
6. The Accounting Branch or the Inventory Control Technician will generate any reports needed for review by the District's independent auditor.
7. The audit firm will verify, at random, the information reported by each site/department, which may include a site visit.

C. Surplus

FURNITURE AND EQUIPMENT

Disposal of surplus property is governed by [Education Codes § 17545 - 17546](#) and [Board Policy 3270](#)

The requirements for the proper disposal of surplus furniture and equipment are:

1. The property is not required for school purposes, needs to be replaced, or is not suitable for school purposes.
2. Former capital assets still in saleable condition will be offered through an authorized online vendor selected by Purchasing & Contracts.
3. Items of lesser value if still in saleable condition may be offered for sale through the District Warehouse.
4. If the cost of selling or auctioning the property is more than the worth of the property, the property may be disposed of pursuant to the authority delegated by the Board or donated to a charitable organization with the approval of the governing Board.

Process for Disposal or Transfer of Surplus Equipment and Furniture:

1. The site/department enters an equipment transfer form.
2. Transportation/Warehouse staff will contact the site/department to arrange pickup of surplus property.

3. Electronic items will be sent to an e-waste vendor.
4. Prior to disposal, any equipment and/or furniture transferred into surplus storage shall be made available for use by any school or office within the District.
5. General public may view the surplus items offered at the warehouse or online.
6. Warehouse obtains Board approval/ratification.

Transfer of Surplus Assets from Warehouse:

1. To obtain available equipment and/or furniture from the surplus yard.
2. Site/department to check the surplus items are available.
3. Contact the Warehouse Department to confirm that the needed equipment item(s) is/are available.
4. The Warehouse Department will check surplus inventory and determine if the requested items are usable and available for transfer.
5. Requested items will be scheduled when time permits.

Recycled Items:

Metals or other recyclable materials will be processed through the District Warehouse and any funds received will be deposited into the District's general fund.

1. Set up an account with a local recycler for metals, plastics, paper, etc. Require a check in payment (never cash) made payable to the Long Beach Unified School District.
2. Provide a receipt to the vendor.
3. Forward check to the Accounting Department for deposit to the general fund.
4. Maintain receipts for audit of receivables.

SURPLUS TEXTBOOKS AND INSTRUCTIONAL MATERIALS

[Education Codes § 60510-60511](#) governs the disposal of instructional materials and require the proceeds of any sale to be used to purchase materials for the instructional program. The District may dispose of surplus or undistributed obsolete instructional materials in its possession that are usable for educational purposes in any of the following ways:

1. By donation to a governing Board, county free library, or other state institution.
2. By donation to a public agency or institution of any territory or possession of the United States, or the government of a country that formerly was a territory or possession of the United States.
3. By donation to a nonprofit charitable organization.
4. By donation to children or adults in the State of California, or foreign countries for the purpose of increasing the general literacy of the people.
5. By sale.
6. Mutilated as not to be saleable as instructional materials and sold for scrap or for use in the manufacture of paper pulp or other substances at the highest price that can be obtained.

7. Destroyed by any economical means, provided that no instructional material shall be destroyed until 30 days after the governing board has given notice to all persons who have filed a request for such notice.

Process for Collection and Disposal of Instructional Materials

The Warehouse is responsible for the collection of surplus instructional materials, including textbooks, supplemental workbooks, and library books from sites. The following procedures are to be followed:

1. Sites are responsible for submitting an online equipment transfer. The equipment transfer must include the quantity, the description of the item, and instructions for pick-up.
2. Review equipment transfer request.
3. Collect pallets or boxes of materials from the site.
4. Shrink wrap pallets making sure that labels are visible.
5. Collection of instructional materials is delivered to Textbook/Library Service for proper handling and disposition.

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**PURCHASING
& CONTRACTS**
LONG BEACH UNIFIED SCHOOL DISTRICT

FEDERAL PROCUREMENT PROCEDURES



**PURCHASING
& CONTRACTS**

LONG BEACH UNIFIED SCHOOL DISTRICT

1st Edition: 02/19/2024

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I. SUMMARY

A. Federal Procurement Process

The prudent expenditure of tax dollars is a priority of the District. All purchase orders and formal contracts must be approved by the Governing Board, with specific approvals indicated in the official Board minutes.

Clear guidelines should be established through the adoption of [Board policies](#), Purchasing & Contracts policies and procedures, and inclusive of Part 200 of Title 2 of the Code of Federal Regulations [[2 CFR § 200.318](#)] General Procurement Standards. The District's Director of Purchasing and Contracts guides the development and control of standards, procedures, and forms that implement the purchasing policies established by the District.

B. Code of Conduct

In accordance with the general procurement standards in Title 2, *Code of Federal Regulations* [2 CFR § 200.318](#), each School District must develop and maintain written standards of conduct to cover potential personal and organizational conflicts of interest. These written standards govern the actions of agency employees, officers, or agents who engage in the selection, award, and administration of contracts funded by federal awards.

Any person employed by the District who purchases goods and services, or is involved in the purchasing process for the District, shall be bound by this code and shall:

1. Avoid the intent and appearance of unethical or compromising practice in relationships, actions, and communications;
2. Diligently follow all lawful instructions while using professional judgment, reasonable care, and exercising only the authority granted;
3. Conduct all purchasing activities in accordance with the laws, while remaining alert to and advising the District regarding the legal ramifications of purchasing decisions;
4. Refrain from any private or professional activity that would create a conflict between personal interests and the interests of the District;
5. Identify and strive to eliminate participation of any individual in operational situations where a conflict of interest may be involved;
6. Never solicit or accept money, loans, credits, or prejudicial discounts, and avoid the acceptance of gifts, entertainment, favors, or services from present or potential suppliers which might influence or appear to influence purchasing decisions;
7. Promote positive supplier relationships through impartiality in all phases of the purchasing cycle;

8. Display the highest ideals of honor and integrity in all public and personal relationships to merit the respect and inspire the confidence of the public being served;
9. Provide an environment where all business concerns, large or small, majority- or minority-owned, are afforded an equal opportunity to compete for the District's business; and,
10. Enhance the proficiency and stature of the purchasing profession by adhering to the highest standards of ethical behavior.

C. Procurement Standards

Local Education Agencies (LEA) must conduct all procurement transactions in a manner that allows full and open competition consistent with the standards stated in [2 CFR § 200.319](#) and [200.320](#). To ensure objective vendor performance and eliminate any unfair competitive advantage, vendors that develop or draft specifications, requirements, statements of work, requests for bid (RFB), or requests for proposal (RFP) must be excluded from competing for the bid.

Actions that restrict competition include, but are not limited to:

1. Placing unreasonable requirements on firms to qualify to do business.
2. Requiring unnecessary experience and excessive bonding.
3. Conducting noncompetitive pricing practices between firms or affiliated companies.
4. Awarding noncompetitive contracts to consultants on retainer contracts.
5. Allowing organizational conflicts of interest.
6. Specifying brand name product instead of an equal product to be offered by describing product performance or other relevant requirements.
7. Engaging in any arbitrary action during the procurement process; such as awarding a contract without justification to a vendor that did not rank first or lowest in price when awarding a contract.

D. Required Provisions and Certifications

- Termination for Cause, Termination for Convenience apply to all contracts over \$10,000.
- Legal Remedies, Penalties, and Liquidated Damages to be included in contracts above the state bid threshold and federal purchase limit.
- Debarment Certification: For purchases of \$25,000 or more made from federal funds, purchasing staff will verify that the vendor is not excluded or disqualified by the federal government.
 - Search for the business entity on sam.gov.

- If a Contractor is marked as having “an active exclusion,” the District cannot do business with them. Notify the Director of Purchasing & Contracts immediately.
- **Drug Free Workplace:** A bidder/proposer must represent and warrant that it shall comply with the applicable provisions of the Drug-Free Workplace Act of 1988 ([41 U.S.C. § 701 et seq.](#)) and maintain a drug-free work environment.
- **Byrd Anti-lobbying Act:** Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by [31 U.S.C. § 1352](#). Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.
- **Equal Opportunity/Non-Discrimination:** Contractors must represent and warrant that it shall not discriminate against any person on the basis of race, color, national origin, creed, religion, political belief, sex, sexual orientation, age, and disability in the performance of this Contract. [Equal Opportunity/Non-Discrimination](#)
- **Clean Air Act** ([42 U.S.C. § 7401-7671](#)) and the **Federal Water Pollution Control Act** ([33 U.S.C. § 1251-1387](#)), as amended - Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act and the Federal Water Pollution Control Act as amended. Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).
- **Davis-Bacon Act**, as amended ([40 U.S.C. § 3141-3148](#)). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act as supplemented by Department of Labor regulations ([29 CFR Part 5](#)) Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction).

The required provisions and certification are under [Appendix II to Part 200, Title 2](#)

E. Incentives

Incentives that may serve to induce or influence an employee engaged in the selection, award, or administration of contracts may be unlawful. Examples of incentives include, but are not limited to:

- Extra goods or services that were not solicited.
- Gifts (such as merchandise, extra tickets, gift cards).
- Money for scholarships.
- Cash.
- Points redeemed for merchandise.

To avoid noncompliance with federal procurement regulations including, but not limited to [2 CFR § 200.318](#) (General Procurement Standards), [200.319](#) (Competition), and [400.2](#) (Conflict of Interest) and to prevent bid protests, these written codes of conduct prohibits District staff from accepting any incentives offered by a bidder for any District staff member's personal use.

F. Consequences

Consequences for failure to comply with federal regulations are outlined in [2 CFR § 200.339](#) (Remedies for Noncompliance) and may include temporary withholding of cash payments, suspension of program funding, denial of all or part of the cost of the noncompliant activity, and/or other remedies to bring the District into compliance and termination.

The District should be familiar with federal, state, and local laws regarding the misuse of public funds that could lead to consequences, including civil or criminal penalties, lawsuits, and bid protests that may result in public mistrust. The District shall be responsible for ensuring that their purchasing and contracting activities comply with all applicable laws, program instructions, and guidance materials. District will consult with their legal counsel regarding any proposed procurement methods or contract language.

G. Conflict Between State and Federal Law

When a conflict exists between state and federal law, and when the expenditure is made using federal funds, the District must follow the most restrictive law. ([2 CFR § 200.320\(b\)](#)) (Statutory and National Policy Requirements).

II. PURCHASING METHODS

A. Federal Procurement at a Glance ([2 CFR § 200.320](#))

Procurement Method	Goods	Services	CFR Requirements
Micro Purchase	< Below \$10,000	< Below \$10,000	Price reasonableness. Distribute equitably among suppliers.
Small Purchase (Simplified Acquisition)	> Over \$10,000 - State Bid Limit	Use most restrictive thresholds. State exemptions do not apply.	Have an adequate number of qualified sources. Documentation of quotes.
Formal Procurement	> Over State Bid Threshold for all non-contract negotiated programs State exemptions do not apply. CDE Guidelines allow Child Nutrition Programs to use higher threshold of \$250,000 and best value procurement (Request for Proposal)	Applies to all services paid for in whole or in part with Federal funds. State exemptions do not apply.	Advertisement of bids. Receipt of sealed bids. Firm Fixed Price. Have an adequate number of qualified sources. Cost or Price analysis may be required.
Noncompetitive Procurement	State exemptions do not apply. The item is available only from a single source; The public exigency or emergency for the requirement will not permit a delay resulting from publicizing a competitive solicitation; The Federal awarding agency or pass-through entity expressly authorizes a noncompetitive procurement in response to a written request from the non-Federal entity; or After solicitation of a number of sources, competition is determined inadequate.		Conflict of Interest Debarment Cost or Price analysis may be required.

B. Micro Purchase

Pursuant to [2 CFR § 200.1](#), the threshold for a micro-purchase is defined as \$10,000, periodically adjusted for inflation.

The procurement of goods and services using federal funds may be awarded without soliciting competitive quotes, provided that the District considers the price to be reasonable and maintains written evidence of this reasonableness per [2 CFR § 200.320](#) (Methods of Procurement to be followed).

The Purchasing Agent/Contract Analyst will complete a Micro Purchase form to verify pricing is fair and reasonable.

C. Small Purchase (Simplified Acquisition)

When using federal funds for the procurement of goods and services, that exceeds the micro-purchase threshold but is less than the bid limit authorized by [Public Contract Code § 20111](#), the Superintendent or designee shall utilize “small purchase” procedures that include obtaining price or rate quotes from an adequate number of qualified sources per [2 CFR § 200.320 \(a\)\(2\)](#) (Small Purchases).

The Purchasing Agent/ Contract Analyst will obtain at least two quotes to secure the most favorable prices when formal competitive bidding is not required.

D. Formal Procurement

Solicitations using formal bids require advertising, sealed bids, and a specific date, time, and location for all bid submittals.

Bids for purchases in excess of the [state bid threshold](#) for equipment, materials or supplies, non-construction services and repairs including maintenance, and \$15,000 for public projects must be obtained from vendors/contractors through a formal competitive bidding process. All formal bids should be executed on documents approved by the District.

The District shall call for bids by advertising in a local newspaper of general circulation, or if no such paper exists, then in some newspaper of general circulation, circulated in the county, at least once per week for two consecutive weeks for equipment and materials bids, and at least one week for formal construction bids. The notice shall state the work to be done or materials or supplies to be furnished, and the time and place where bids shall be opened [[Public Contract Code § 20112](#)].

The notice shall contain the time, date, and location of any mandatory pre-bid conference, site visit or meeting. The notice shall also contain when and where the project documents, including final plans and specifications are available. Any such mandatory conference, site visit, or meeting shall not occur within a minimum of five (5) calendar days of the publication of the initial notice [[Public Contract Code § 6610](#)].

The notice will be posted on the District's online vendor portal ([PlanetBids](#)). The notice shall state the work to be done or materials or supplies to be furnished and indicate the date, time, and place bids must be received. No bids will be accepted after the specific date and time requested.

The date and time shall be extended by no less than 72 hours if a material change is issued in the solicitations for any public work or improvement less than 72 hours prior to bid closing. [[Public Contract Code § 4104.5](#)]

E. Noncompetitive Procurement

Federal procurement [2 CFR § 200.320\(c\)](#) (Noncompetitive Procurement) allows for the use of a noncompetitive procurement method under limited circumstances:

- The item is available only from a single source;
- The public exigency or emergency for the requirement will not permit a delay resulting from publicizing a competitive solicitation;
- The Federal awarding agency or pass-through entity expressly authorizes a noncompetitive procurement in response to a written request from the non-Federal entity; or
- After solicitation of a number of sources, competition is determined inadequate.

F. Conflict of Interest

The District in accordance with [2 CFR § 200.318\(c\)\(1\)](#) (General Procurement Standards) and [2 CFR § 200.112](#) (Conflict of Interest) must establish written conflict of interest policies for Federal awards. The District must also disclose in writing any potential conflict of interest to the Federal awarding agency or pass-through entity in accordance with applicable Federal awarding agency policy.

G. Debarment and Suspension

When using federal funds for the procurement of goods and services, non-federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred. “Covered and not covered transactions” include those procurement contracts for goods and services as specified in [[2 CFR Part 180](#)] and [[2 CFR § 180.200 - 180.225](#)] (OMB Government Guidelines to Agencies on Governmentwide Debarment and Suspension (Covered Transactions)).

When entering into a covered transaction with another entity, the District will verify that the entity is not excluded or disqualified by:

- Searching for the business entity on [sam.gov](#); OR
- Collecting a certification from the entity.

III. OTHER PROCUREMENT CONSIDERATIONS

A. Request for Quote (RFQ)

A request for quotation (or pricing) is an informal method of obtaining the product or service at the best available pricing. This method is used for products and services that will not exceed current bidding regulations.

B. Request for Bid (RFB)

A request for bid is a formal solicitation for goods and services designed for awards based upon price and the bidder’s pricing and bid documentation being responsive and responsible. Additional criteria may be included in the RFB where the bidder may need to meet specific requirements.

An RFB contains language for terms, conditions, and pricing. RFB solicitations require advertising, sealed bids, a specific date, time, and location for bid submittals.

C. Request for Proposal (RFP)

A request for proposal is a formal solicitation for goods and services designed for awards based on the proposer’s pricing and proposal documentation being responsive and responsible. The price shall be the primary consideration, but not the only determining factor. The RFP document establishes the specific criteria for the basis of award and contains language for terms, conditions, and pricing. RFP solicitations require advertising, sealed proposals, a specific date, time, and location for proposal submittals.

Procurement solicitations and awards made by a school district approved to operate at least one federal nonprofit child nutrition program for purchases in support of those programs shall be consistent with the federal procurement standards in [2 CFR §200.318 to 200.326](#) (Procurement Standards). The price shall be the primary consideration, but not the only determining factor. [\[Public Contract Code § 20111\(c\)\]](#). For the procurement of goods and services in support of a federal nonprofit child nutrition program, the federal micro-purchase threshold is \$50,000 and small purchase threshold is \$250,000.

D. Piggybackable /Cooperative Contracts

[2 CFR § 200.318\(e\)](#) (Procurement Standards) encourages the use of intergovernmental or inter-entity agreements to purchase common or shared goods and services in a cost-effective manner.

[Public Contract Code § 20118](#) authorizes the District, under specified conditions, to purchase or lease personal property without advertising for bids (“piggyback clause”). In the best interest of the District, the governing board may authorize Purchasing to purchase materials, supplies, and equipment for the District through the use of a contract that was legally awarded to a vendor by any public agency.

The Purchasing Agent will review piggyback options and complete a Piggyback Justification Form to document their findings.

E. California Uniform Public Construction Cost Accounting Act (CUPCCAA)

The district has opted into the California Uniform Public [Construction Cost Accounting Act \(CUPCCAA\)](#) which sets the threshold for public projects at \$60,000 or \$200,000 for formal bids as previously defined. [\[Public Contract Code § 22032\(a\)to 22032\(c\)\]](#)

F. Exigency or Emergency Procurement

If using the exigency or emergency noncompetitive procurement method [\[2 CFR § 200.320\(c\)\(3\)\]](#) (Noncompetitive Procurement):

The Director of Purchasing and Contracts should review the exigency/emergency justification and determine (documented in or attached to the purchase order):

- That the information provided in the exigency/emergency justification is valid.
- The justification meets the District’s criteria and complies with Federal/State law.
- All other requirements such as conflict of interest, debarment, and cost price analysis requirements are followed.
- After solicitation from several sources, competition is determined inadequate [\[2 CFR § 200.320\(c\)\(5\)\]](#) (Noncompetitive Procurement).

G. Single Source Procurement

- If using the single source noncompetitive procurement method [[2 CFR § 200.320\(c\)\(2\)](#)] (Noncompetitive Procurement) is used; it is strongly recommended that multiple quotes, use of an evaluation process, or analysis matrix should be provided with the single source justification.
- Additionally, these items should be considered:
 - a. What are the unique performance factors (functionality) of the product or service specified?
Provide information on specifications to explain.
 - b. Why are these unique performance factors required and important?
Provide supportive details with descriptions.
 - c. Why are other sources providing goods or services unacceptable?
Provide a meaningful and adequate justification.

The Director of Purchasing and Contracts should review the single source procurement justification and determine (documented in or attached to the purchase order):

- That the information provided in the single source justification is valid.
- The justification meets the District's criteria and complies with Federal/State law.
- All other requirements such as conflict of interest, debarment, and cost price analysis requirements are followed.

H. Inventory and Surplus Requirements

Capital assets purchased with federal grants funds shall be maintained and identified as federally funded property and equipment in the District's asset inventory system.

Equipment purchased with federal funds may not be disposed of through the normal surplus process. It is preferred that the equipment shall be transferred to the same program at a different site within the District.

- If the same program is not available, then equipment must be transferred to another federal program.
- If there are no federally supported programs that need the equipment, the disposal rules depend on the current fair market value of the equipment. If the equipment has a current fair market value of less than \$5,000, the District may keep the equipment, sell it, or otherwise dispose of it with no further obligation to the U.S. Department of Education.
- If the current per unit fair market value is \$5,000 or more, the equipment may be retained or sold, and the awarding Federal agency shall have a right to an amount calculated by multiplying the current market value or proceeds from the sale by the awarding Federal agency's share of the equipment.

I. Records Retention for Federal Purchases

- Financial records, supporting documents, statistical records, and all other non-Federal entity records pertinent to a Federal award must be retained for a period of three (3) years from when the final expenditure report is submitted. ([2 CFR § 200.334](#)) (Retention Requirements for Records)
- For Federal awards that are renewed annually, records must be maintained for 3 years from the date the grant recipient submits the annual financial report, as reported to the Federal awarding agency or pass-through entity (PTE) in the case of a subrecipient.
- The Purchasing and Contracts Director shall ensure that all contracts for purchases using federal funds contain the applicable contract provisions described in [Appendix II to Part 200](#) (Contract Provisions for Non-Federal Entity Contracts Under Federal Awards).

IV. PURCHASING AND CONTRACTS MANUAL

[Purchasing and Contracts Policies and Procedures](#)

[Click on Link to Access](#)

V. PURCHASING AND CONTRACTS FEDERAL FORMS

[Federal Purchasing and Contract Forms](#)

[Click on Link to Access](#)

VI. PROCUREMENT CARD POLICY

[PCARD Policy Manual](#)

[Click on Link to Access](#)

VII. DISTRICT BOARD POLICIES

[Board Policies \(Board Docs\) - Federal](#)

[Click on Link to Access](#)

VIII. REQUISITION ENTRY MANUAL

[Requisition Entry Process](#)

[Click on Link to Access](#)

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**PURCHASING
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LONG BEACH UNIFIED SCHOOL DISTRICT