



Saint Louis Public Schools

2020 – 2021

# PROCUREMENT MANUAL



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## Overview

The Board of Education of the City of St. Louis recognizes the importance of a sound fiscal management program and expects District staff to maximize the resources available for the District's educational program and to be good stewards of public funds by exercising fair, competitive Procurement practices. The St. Louis Public Schools (SLPS) will respect its financial obligations and require that service providers and vendors meet their obligations to provide quality products and services in a timely manner.

## SLPS Finance Division Mission Statement

We support improved student achievement and organizational excellence in the SLPS through the provision of transparent, accurate and timely financial information, the development of fiscal policies and internal controls that safeguard the district assets and ensure compliance with both generally accepted accounting principles and all state/federal laws.

## SLPS Procurement Department Mission Statement

### Goals:

#### 1. Pricing Values and Principles

The SLPS Procurement Department adheres to the following Values and Principles (adopted from the National Institute for Public Procurement):

##### 1. **Accountability:**

Taking ownership and being responsible to stakeholders for our actions

*Principles:*

- Practice due diligence
- Promote effective, economic, and efficient acquisition
- Use procurement strategies to optimize value to stakeholders

##### 2. **Ethics:**

Acting in a manner true to these values...essential to preserve the public's trust

*Principles:*

- Act and conduct business with honesty and integrity, avoiding even the appearance of impropriety
- Maintain consistency in all processes and actions

##### 3. **Impartiality:**

Unbiased decision-making and action...essential to ensure fairness for the public good

*Principles:*

- Be open, fair, impartial, and non-discriminatory in all processes

##### 4. **Professionalism:**

Upholding high standards of job performance and ethical behavior

*Principles:*

- Professional development through education, mentorship, innovation, and partnerships
- Seek continuous improvement through on-going training, education, and skill enhancement

##### 5. **(Customer) Service:**

Obligation to assist stakeholder

*Principles:*

- Be a crucial resource and strategic partner within the organization and community
- Develop collaborative partnerships to meet public needs
- Maintain a customer-service focus while meeting the needs, and protecting the interests, of the organization and the public

##### 6. **Transparency:**

Easily accessible, clear policies and procedures, which are essential to demonstrate responsible use of public funds

*Principles:*

- Maintain current and complete policies, procedures, and records
- Provide timely access to procurement policies, procedures, and records

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**SLPS Expectations of all District Personnel when engaging the Business Community**

1. Demonstrate a personal commitment to the highest ethical standards when communicating with suppliers, vendors, contractors, purveyors, or other business professionals.
2. Follow District policies and internal procedures in making recommendations and decisions about District business matters.
3. Operate fairly without any personal agenda in all matters involving the business relationships of the district.
4. Obey the law in its word, spirit, and intent at all times.
5. Exercise great care and good professional judgment in order to avoid situations that may compromise the reputation of the District.
6. Seek guidance, advice, and training from experts regarding current school business practices.
7. Treat all vendors, businesses in the community, and business partners fairly and equitably, taking care not to use District resources (facilities, employees, communication ability, etc.) to promote the interests of any particular company.
8. Do not solicit District vendors for donations, favors, or other items of value to avoid the appearance of biased Procurement practices. For additional information, see Board Regulation 4760 – Acceptance of Gifts.

**Procurement Supervision**

The Chief Financial Officer (CFO) serves as the District’s Procurement Officer or will designate a Procurement Officer. The CFO and Procurement Officer supervise direct purchases of products and services and may authorize purchases on behalf of the District that comply with the budget as adopted by the Board.

The Superintendent of Schools, in consultation with the CFO and/or Procurement Officer, develops administrative procedures to implement the Board’s Procurement related Policies and Administrative Regulations, in a manner that will meet the District’s needs, while protecting the District’s resources. These administrative procedures comply with all applicable Federal and State laws and provide oversight of all District Procurement decisions.

**Prohibited Activity and Reporting Requirements**

The District expects all staff members to comply with the letter and intent of all District policies and procedures regarding Procurement. Under no circumstances may employees use District funds to make unauthorized or personal purchases. Staff members may not artificially divide purchases to avoid bidding requirements or design bid specifications to favor a particular provider.

All district employees must report suspected fraud, theft or misuse of District funds to the Superintendent or Procurement Officer immediately. The Superintendent will make all decisions regarding what action to take when employees misuse District funds and resources during the procurement process.

**Procurement Process and Source Selection**

Once a need for a good or service is identified, the procurement process begins with the preparation of a requisition by an authorized individual at a school or department via the SLPS Financial System – BusinessPlus. A requisition is a request to purchase goods or services. Completion of a requisition is required for most purchases. The SLPS BusinessPlus automatically verifies that the school or department has the funds to purchase the good or service before the requisition is created (released). Once the requisition is created, the funds then become “committed” and restricted for that purchase. The requisition is routed electronically for approval via BusinessPlus. Required approval levels include a principal or department head, Grants Management (if funding source is State or Federal Grant), Accounting, and Procurement. Once the requisition is approved at the required levels one of two things occur:

1. For non-contractual requisitions, the Procurement staff will create a purchase order and send the purchase order to the vendor. Once the goods are received at the school or department, the requestor enters a goods receipt, and the Accounts Payable department generates a vendor check upon receipt of the approved vendor invoice.
2. For contractual requisitions, the school or department will generate a contract, using one of the contract templates approved by SLPS Legal Services. The contract is routed for approval and applicable signatures, Superintendent, Board President and Vendor. Procurement will generate a purchase order and send it to the vendor. Once services are rendered and the vendor submits invoices for payment, school administrator or department head will sign the invoices and submit to the Accounts Payable department, Accounts Payable will generate a vendor check.

## Types of Goods and Services

### **Contracted Goods and Materials**

The purchase of all goods, equipment, food items, office and other supplies such as art, furniture, textbooks, instructional aids, and other materials for education

### **Construction**

All contracts relating to buildings, facilities, and other erected structures on real estate of St. Louis Public Schools such as new construction and renovations

### **Non-Professional Services**

Procurement of advertisements, printing, non-construction repairs, computer and information systems, shipping, mailing, microfiche, microfilm, courier, storage, travel, and other non-professional services

### **Professional Services**

Consultants, auditors, architectural engineers, and any other services whose applicable selection criteria requires a license or other certificate of competency

### **Authorized Exclusions**

Certain items are excluded from the competitive bid process, but are necessary purchases for SLPS. These may include software licenses, fees for professional membership, postage, Metro bus passes, standardized tests, subscriptions, government agencies, public utilities, price agreements, some consultative contracts, professional development, high school prom venue selection, and such items.

## SLPS Dollar Value Thresholds – Methods of Procurement

### **Purchases up to \$1,000.00**

1. One vendor quote is required and should be solicited and documentation maintained by the school or department. Vendor quotes may be taken and accepted on the judgement of the Procurement Officer
2. Suggested vendor names can be provided to SLPS Procurement department if there is no current history with vendor
3. Purchases less than \$25.00 should be submitted on an SLPS voucher. No purchase order required
4. Purchases that are \$25.00 or more require a requisition to be entered into SLPS BusinessPlus System. A purchase order is required
5. Require submittal of invoices from vendor for payment
6. Non-contractual purchases require a goods receipt entry by the originator, blanket purchase orders and contractual arrangements do not require a goods receipt
7. Payment to vendor via SLPS check

### **Purchases between \$1,000.01 and \$4,999.99**

1. Vendor quotes should be solicited and documentation maintained by the school or department
2. School or department is **required** to obtain at least two (2) vendor quotes
3. Suggested vendor names can be provided to SLPS Procurement department if there is no current history with vendor
4. Require a requisition entered into SLPS BusinessPlus System
5. Require a SLPS purchase order
6. Require submittal of invoices from vendor for payment
7. Non-contractual purchases require a goods receipt entry by originator, blanket purchase orders and contractual arrangements do not require a goods receipt
8. Payment to vendor via SLPS check

**Purchases between \$5,000 and \$14,999.99**

All recommendations for purchases between \$5,000 and \$14,999.99 require Superintendent's approval and may require Board approval via Board Resolution unless included on the Authorized Exclusion List

1. Vendor quotes and bids shall be collected via written bid process.
2. Schools and departments are **required** to obtain at least three (3) vendor quotes
3. Quotes are solicited and documentation maintained by the school or department
4. Suggested vendor names can be provided to SLPS Procurement department if there is no current history with vendor
5. Require a requisition entered into SLPS BusinessPlus System
6. Require a SLPS purchase order
7. Require submittal of invoices from vendor for payment
8. Non-contractual purchases require a goods receipt entry by originator, blanket purchase orders and contractual arrangements do not require a goods receipt
9. Payment to vendor via SLPS check

**Purchases \$15,000.00 and over**

All recommendations for awards of contracts to vendors (\$15,000.00 or over) require Superintendent's approval, and Board approval via Board Resolution, unless included on the **Authorized Exclusion List**

1. Require a requisition entered into SLPS BusinessPlus System
2. Solicitation of vendor quotes must go through the competitive bidding process (i.e., Invitation for Bid, Request for Proposal, Request for Quotes ) unless included on the Authorized Exclusion List
3. Require a SLPS purchase order
4. Require submittal of invoices from vendor for payment
5. Payment to vendor via SLPS check

**Formal Sealed Solicitations (ITBs, RFPs and RFQs)**

The formal sealed solicitation process is required for *most* purchases that are \$15,000 or over. This is a lengthy process that results in good or best value for the District. Sound acquisition planning is the key element in the success of formal sealed solicitations along with the development of quality specifications. Below is a summary of the general responsibilities of the originating school or department and the Procurement department as they relate to this process:

**General School/Department Responsibilities:**

- Determine the need for the good or service
- Determine if funding is available
- Develop specifications
- Submit specifications to the Procurement department
- Create a requisition in SLPS BusinessPlus on-line system
- Create Board Resolution, if applicable
- Monitor vendor performance

**General Procurement Department Responsibilities:**

- Develop a draft solicitation
- Route and coordinate the draft solicitation with originating department and legal counsel
- Make revisions as appropriate after review and distribute the solicitation for final internal review
- Make final revisions as appropriate
- Determine the date bids and proposals are to be received
- Post the solicitation to [www.slps.org](http://www.slps.org)
- At the discretion of the CFO or designee, the Procurement department will prepare a general notice of advertisement for local newspaper (St. Louis Post-Dispatch, St. Louis American, Daily Record, & other trade periodicals, SLPS website)

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- Receive sealed bids and proposals
  - Conduct public opening of sealed bids and proposals
  - Tabulate and review sealed bids and proposals
    - Identify lowest responsive and responsible bidder
    - Identify the Proposal that meets the Identified needs of the District
  - If total cost of Bid or Proposal is \$15,000 or over, a Board Resolution is created and submitted to the Board for approval
  - After Board approval, purchase order is created and forwarded to Vendor

### **Invitation to Bid (ITB)**

An ITB enables SLPS to acquire goods and/or commodities at a low price. This type of solicitation generally focuses solely on price. The originating school or department develops product and service specifications that are specific as to service performance and expected outcomes and/or the design of a good. This type of solicitation is mostly used for procuring textbooks, instructional materials, athletic equipment, uniforms, etc. An ITB may also be used for procuring certain services that are driven by standard services or cost requirements, such as Transportation Services or Food Services.

Negotiation is not normally used with competitive sealed bidding. The ITB is evaluated according to cost. ITBs are best used when no negotiation is required among responsive bidders, and the contract will be awarded solely based on price.

An ITB can only result in one of the following types of fixed-price contracts:

- A firm-fixed-price contract
- A fixed-price contract with economic price adjustment
- A fixed-price contract with prospective price redetermination

### **Requests for Proposals (RFP)**

A Request for Proposal (RFP) process may be used when the scope of the work cannot be completely defined by the District. Contract award for Request for Proposals **are not based solely upon price**. Other factors, such as:

- Qualifications and experience of principals and staff
- Methodology and management approach
- Understanding of the project and the District's objective
- Technical superiority
- Financial stability
- Experience
- History of the firm

### **General RFP Requirements:**

- Generally, four weeks (28 calendar days) public notice of the Request for Proposals will be given. In scenarios of extenuating circumstances, the public notice can be reduced to three weeks (21 calendar days). However, the CFO must approve this exception.
- A register of proposals shall be prepared and made available for public inspection after the award of contract.
- The Request for Proposals shall state the relative importance of the scope of services, price and other evaluation factors.
- All information provided by Vendor in RFP response is subject to Missouri Sunshine Request statute. Vendors must identify any submitted information that is proprietary in nature (information that they do not want to share with the Public) by writing on the top of each applicable page,  
**"THIS INFORMATION IS PROPRIETARY AND NOT TO BE SHARED WITH THE PUBLIC"**

### **RFP Evaluation**

- Procurement, with the assistance of the originating school or department, will determine the composition of the Evaluation Committee. The Evaluation Committee is made up of subject matter experts selected from within the school district who are knowledgeable enough to perform evaluation of applicable proposals.

- Procurement, with the assistance of the originating school or department, will prepare an evaluation plan prior to the start of evaluation that allows for scoring of the proposals according to the evaluation factors and their weighted values.
- It is mandatory that Procurement staff be in attendance for all Vendor proposals, bid conferences, and walkthroughs (onsite or via phone). These conferences are conducted in support of answering questions from interested Vendors. This mandate is driven by the Standard Procurement Practice of ensuring that all vendors are shepherded through SLPS's procurement process of Fairness and Equity.

#### Rejection of Bids/Proposals

- SLPS reserves the right to reject any bids or proposals submitted in response to any solicitation document, to reject any portion thereof, or to waive any minor irregularity.

#### RFP Award

- Award will be made to the responsible bidder whose proposal is determined in writing to be in the best interest of SLPS, taking into consideration price and other evaluation factors as set forth in the Request for Proposal document. No other factors or criteria are used in the evaluation. The contract file will maintain the basis on which the award was made.

### **Non-Competitive Procurement**

If the Procurement Department determines that the items can reasonably be purchased for less than \$4,999.99, the purchase may be made without formal competitive bidding. However, the school or department is required to obtain at least two (2) vendor quotes.

#### **Emergency Purchase**

The Superintendent, or designee, must approve all emergency purchase requests. At least three (3) informal bids must be obtained for emergency repairs in an amount not to exceed \$50,000. All emergency requests must be approved prior to work being performed by vendors. Emergency purchases include:

- Board property has been damaged through fire, vandalism, windstorm, hail, earthquake, or other force majeure
- Board property has failed or broken down and has placed the safety of persons using the facility in immediate jeopardy
- Facilities cannot be used for educational purposes and such use is immediately necessary to carry out the educational program

Any individual who attempts to obligate the District without the Superintendent's prior approval may be subject to disciplinary action and may be personally liable for the unauthorized purchase.

### **Governmental Agency or Cooperative Procurement Program Competitively Bid Contracts**

Government Agency or Cooperative Procurement Organizations are used to lower prices and administrative costs, and obtain more favorable terms and conditions. Some examples of these include:

- Missouri Cooperative Procurement Program <https://oa.mo.gov/Procurement/cooperative-procurement-services>
- 1 Government Procurement Alliance (1GPA) <http://www.1gpa.org/>
- Association of Educational Procurement Agents (AEPA) <http://www.aepacoop.org/>
- National Association of State Procurement Officers (NASPO) <http://naspo.valuepoint.org/#/home/contracts>
- National Cooperative Procurement Alliance (NCPA) <http://www.ncpa.us/>
- National IPA <http://www.nationalipa.org/>
- National Joint Powers Alliance (NJPA) <http://www.njpacoop.org/>
- US Communities <http://www.uscommunities.org/>

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## Professional Services

- Professional Services are services provided by a person or firm that is of a professional nature, with special licensing, educational degrees and unusual or highly specialized expertise.
- All proposed Service Agreements or Contracts must be reviewed by the Procurement Officer and Contract Compliance Specialist to ensure contract and procurement compliance. The Procurement department will determine what contract documentation is required and/or negotiate additional or revised contract terms if deemed appropriate.
- All Professional Services Agreements or Contracts must be approved and signed by the Superintendent

### Sole Source

On occasion, it may be necessary to purchase equipment, supplies or services from a single source vendor. This means that there is only one source or supplier available for a good or service. Examples of a sole source purchase include:

- One-of-a-kind
- Compatibility
- Replacement Part
- Delivery Date
- Research Continuity
- Unique Design
- Emergency

### Contract Management

The District utilizes the following contractual templates, as approved by legal counsel:

- Memorandum of Understanding
- Contractual Agreement
- Agency Agreement
- Service Agreement

### Memorandum of Understanding

A Memorandum of Understanding (MOU) is an agreement between the SLPS and some other external party or group of parties in the form of a legal document. No money is exchanged. All SLPS MOU's must contain the following elements:

1. Legal names of the contracting parties
2. Subject matter of the agreement and its objectives
3. Essential terms of the agreement
4. Request must be approved by Department's Senior Leadership
5. Signatures of the contracting parties must be approved by Superintendent of Schools

### Contractual Agreement

A contract is a voluntary, deliberate, and legally binding agreement between the SLPS and an external party. It is generally initiated by a school or department for the provision of goods and/or services. All SLPS contracts must contain the following elements:

1. Legal names of the contracting parties
2. Subject matter of the agreement and its objectives
3. Essential terms of the agreement
4. Signatures of the contracting parties

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## Agency Agreement

An agency agreement is between the SLPS and some other external party or group of parties in the form of a legal document. Money is exchanged, generally as a pass through from a Federal source. All SLPS agency agreements must contain the following elements:

1. Legal names of the contracting parties
2. Subject matter of the agreement and its objectives
3. Essential terms of the agreement
4. Signatures of the contracting parties (must be pre-approved by the Board of Education of the City of St. Louis)

## Service Agreement

A service agreement is between the school or department and some other external party or group of parties in the form of a legal document. Money is exchanged, generally in small amounts. All SLPS service agreements must contain the following elements:

1. Legal names of the contracting parties
2. Subject matter of the agreement and its objectives
3. Essential terms of the agreement
4. Signatures of the contracting parties (must be pre-approved by the Board of Education of the City of St. Louis)

## Monitoring Vendor Performance

Monitoring vendor performance is one of the basic responsibilities of the school or central office department since they are generally engaged in the daily interaction with the vendor. As such, the Procurement Department relies on schools and departments to provide feedback on Vendor performance. The Vendor must be held accountable to perform at acceptable levels according to its contractual promises.

A Vendor Performance Report Form is required for all contract renewals.

## Contract Renewals and Non-Renewals

The Procurement department will notify the school or department of the upcoming contract expiration. The school or department is ultimately responsible for making the decision to renew the existing contract or to re-solicit the services.

The Procurement department will:

1. Renew the contract if the services are needed, the vendor performance was satisfactory, and the renewal option is available
2. Let the contract end if the vendor services are no longer required or desired
3. Prepare contract specifications to re-solicit
4. Utilize the framework in the RFP - Solicitations Timeline

## Contract Execution

The vendor, Superintendent or designee, and Board President (if applicable) must sign all contracts. Copies of the executed contract are sent to the originating school or department. The Procurement department serves as the repository for all original signed vendor contracts. All vendor contracts are kept on file in the Procurement Department.

The District has made a concerted effort to align contracts with its fiscal year: July 1, 2019 to June 30, 2020.

The process for submitting a Contractual Agreement for Consultative or Technical Services after Board approval is as follows:

1. School or department complete a Contractual Agreement form
2. School or department submits Contractual Agreement to Procurement Department
3. Procurement department facilitates legal review, if necessary, and obtains required signatures (Vendor, Superintendent, Board President)

4. Procurement department distributes signed copies of contract
5. Procurement department generates and forwards Purchase Order

#### **Debarment**

The District will not do business with providers who have been suspended or debarred on a state or federal level unless the Superintendent authorizes the transaction and provides the Board of Education of the City of St. Louis with written justification. Authorized Procurement employees are directed to verify that selected providers are in good standing before making a procurement decision.

#### **Procurement Cards**

Authorized District employees and Board of Education of the City of St. Louis members may use credit cards or Procurement cards issued to the District to make purchases for the District or to pay for reasonable travel expenses incurred when performing job duties. Authorized employees and SAB members will not use these cards to circumvent the bidding and Procurement requirements established by law and Board policy. All purchases generated using District procurement cards must be charged to the appropriate budget codes and must conform to the Board-adopted budget.

#### **Unauthorized Purchases**

A purchase is declared an unauthorized when it has been made without a valid purchase order issued by the Procurement department. A purchase is also deemed unauthorized when the Procurement Department receives a requisition and has evidence that goods or services have already been ordered, received, or vendor services performed prior to the issuance of a valid purchase order.

#### **Open Records Requests**

All public records are subject to inspection under the provisions of the Missouri Sunshine Law. If a school or department receives such a request relative to a Procurement related document, they should forward the request to the Director of Communications. The pricing sheets relative to Bids and RFPs may be read during public openings. The contents of Bid Tabulations and RFP Evaluation Scoring are not available for public inspection. If a vendor requests such records, they must send their request to the Director of Communications.

#### **Changes to the 2019 – 2020 SLPS Procurement Manual**

**Effective 11/13/2018 Version 1.0 SLPS at its option, may change, delete, suspend or discontinue parts or the manual in its entirety, at any time without prior notice. In the event of a change, SLPS Finance department offices will update the procurement manual and version number.**

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Purchases using State and Federal funds are guided by Title 2 of Code of Federal Regulations (CFR), Part 200. If SLPS Procurement Policy is less restrictive than CFR Part 200 when procuring services and materials with State and Federal Funds, SLPS will follow the SLPS Procurement procedures. Therefore, other than exceptional circumstances (more restrictive) will CFR, Part 200, procurement methods will be utilized.

These are the procurement methods used by the District when using State and Federal funds.

1. Micro-purchase (not to exceed \$10,000 in a fiscal year (1 September through 31 August)
  - Intended for incidental purchases
  - Purchases must be distributed among qualified vendors
  - User must maintain a list of purchases by category (i.e. paper, pens etc. not to exceed the yearly limit)
2. Small Purchase (not to exceed \$50,000 unless using existing District approved vendors)
  - Requires the completion of a procurement form
  - Requires 3 quotes to be obtained from qualified vendors
  - Selection made based on quotation or rate and or meeting the needs of the District.

See Section titled “Explanation of State and Federal Title 2 of the Code of Federal Regulations, Part 200 (2 CFR Part 200)” for clarification.

### **Explanation of State and Federal Title 2 of the Code of Federal Regulations, Part 200 (2 CFR Part 200)**

#### **General Procurement Standards:**

Procurement standards apply to the purchase of supplies, equipment, construction (if approved) and other services funded in whole or in part by federal grant funds. These standards should be consistent with policies and procedures that apply uniformly to both federally financed and other activities of the non-Federal entity and include the following:

- Non-Federal entity must use its own documented procurement procedures, which reflect applicable State and local laws and regulations, provided that the procurements conform to applicable Federal law.
- Non-Federal entity must maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.
- The non-Federal entity must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts.
  - 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.
  - The officers, employees, and agents of the non-Federal entity may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts.
- The non-Federal entity is encouraged to enter into state and local intergovernmental agreements for use of common or shared goods and services.
- The non-Federal entity is encouraged to use Federal excess and surplus property.
- The non-Federal entity is encouraged to use value-engineering clauses in contracts for construction projects.
- The non-Federal entity must award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement.
- The non-Federal entity must maintain records sufficient to detail the history of procurement. The records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.
- The non-Federal entity must be responsible for the settlement of all contractual and administrative issues arising out of procurements.

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**Suggested Methods of procurement**

- Micro-purchases,
- Small purchase procedures,
- Sealed bids,
- Competitive proposals, or
- Non-competitive proposals (severely limited).

**Micro-Purchases**

**A purchase of supplies or services using simplified acquisition procedures, the aggregate amount of which does not exceed the micro-purchase threshold.**

- As of June 20, 2018 the micro-purchase threshold increased from \$3,500 to \$10,000
- **Micro-Purchases** are acquisition of supplies or services, which are up to \$10,000.
- Must be distributed equitably among qualified suppliers.
- May be awarded without soliciting competitive quotations if the price is considered reasonable.

**Small Purchase Procedures**

- As of June 20, 2018 the simplified acquisition (small purchases) threshold increased from 10,000 to \$250,000
- Small purchase procedures are those simple and informal procurements for securing services, supplies or other property that cost between \$10,000 and \$250,000. Price and rate quotations must be obtained from at least two qualified sources.
- Simple, informal methods for securing needed material that do not cost more than Simplified Acquisition Threshold (\$250,000).

**Sealed Bids (Formal Advertising)**

- Bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid: conforms to all the material terms and conditions and is the lowest in price.
- Bids are publicly solicited and a firm fixed price contract is awarded.
- The sealed bid method is preferred for procuring construction.

**Competitive Proposals**

- Must use adequate number of sources, and either a fixed price or cost-reimbursement type contract is awarded.

**Noncompetitive Proposals (Sole Source)**

Solicitation of a proposal from only one source may be used only when one or more of the following circumstances apply:

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