

 GOVERNING BOARD POLICY	POLICY TITLE: Procurement Policy
	POLICY CODE: DJ

Competitive Solicitation Threshold Requirements, Procurement Approval Levels, After-the Fact Transactions, and Various Procurement Policies

The Tucson Unified School District No. 1 shall seek competitive bids, proposals or quotations for all purchases in accordance with the requirements of the appropriate sections of the Arizona Revised Statutes, the Arizona State Board of Education Administrative Rules, and the Uniform System of Financial Records.

Administrative regulations prescribing purchasing procedures for Tucson Unified School District No. 1 shall be consistent with this Governing Board Policy and with the appropriate sections of the Arizona Revised Statutes, the Arizona State Board of Education Administrative Code, and the Uniform System of Financial Records. District Regulation DJ-R, Procurement Procedures, is hereby incorporated into this Board Policy.

Procurement Threshold Levels

Purchases with an aggregated fiscal year value of less than \$10,000 shall be made in accordance with Regulation DJ-R. Such procurements are not subject to formal competitive purchasing requirements; however reasonable judgment should be used to ensure the purchases are advantageous to the District.

For purchase transactions with an aggregated fiscal year value of at least \$10,000, but less than \$50,000, a minimum of three vendors shall be solicited for verbal price quotations or, at the direction of the Purchasing Department, three written price quotations. For either verbal or written price quotations, documentation must be provided which specifies all vendors contacted, their respective contact information and quoted prices and terms, or an indication of their election to not quote.

For purchase transactions with an aggregated fiscal year value of at least \$50,000, but less than \$100,000, a minimum of three vendors shall be solicited for written price quotations. Documentation must be provided which shall specify all vendors contacted, their respective contact information and quoted prices and terms, or an indication of their election to not quote.

Except in the case of approved emergency or sole source procurements, all purchase transactions exceeding \$100,000 shall require a formal competitive sealed bid, competitive multistep sealed bid or competitive sealed bid or proposal process in accordance with the requirements of the Arizona State Board of Education Administrative Code and the Uniform System of Financial Records.

The Purchasing Department representative most closely involved in the procurement shall serve as the District representative for protests and claims on solicitations and contracts.

Procurement Approval Levels

All procurements including all documented sole source and emergency procurements shall be approved by the Director of Purchasing or the Purchasing Manager when the transaction is less than \$150,000.

All procurements, including all documented sole source and emergency procurements between \$150,000 and \$250,000 shall require additional approval of the Deputy Superintendent of Operations, Chief Financial Officer, or the Superintendent.

All Procurements, including all documented sole source and emergency procurements that exceed \$250,000, and all consultant contracts that exceed \$100,000 shall require the approval of the Governing Board.

The Director of Purchasing or the Purchasing Manager may sign procurement agreements on behalf of Tucson Unified School District No. 1, when the agreements comply with applicable rules, regulations, statutes, and policies. The Purchasing Department shall prepare written determinations as required by the Arizona State Board of Education Administrative Code prior to issuing formal solicitations for multi-step sealed bidding, competitive sealed bids or proposals, multi-term contracts, or non-construction contracts requiring bid or contract security.

Construction-related professional services shall include, but are not limited to architects, engineers, geologists, surveyors, and applicable testing laboratories. The procurement officer for construction and construction-related services is authorized to develop, evaluate and recommend award of applicable solicitations, and to approve, sign and administer applicable contracts and change orders in accordance with this Governing Board Policy. The maximum dollar amount of an individual job order for a job-order-contracting construction service shall be one million dollars (\$1,000,000) or as determined by the Board.

After- the-Fact Procurement and Purchase Order Requirements

A properly executed purchase order shall be issued for the acquisition of all goods, personal services and construction. If a school site or department orders materials, services or construction prior to a purchase order being issued, then an After-the-Fact

procurement has occurred. After-the-Fact procurements violate the Arizona Revised Statutes, Article 10 of the Arizona Board of Education Administrative Code and the Uniform System of Financial Records. School Sites or departments that violate statute and code will be required to follow certain District Regulations (see District Regulation DJ-R). Violation may be considered misappropriation of District funds, which will result in corrective action, up to and including termination of employment.

Purchase orders may be signed only by authorized staff, which includes the Director of Purchasing, Purchasing Manager, Purchasing Department Procurement Specialists, Deputy Superintendent of Operations, Chief Financial Officer or Superintendent. Purchasing Department Procurement Specialists are authorized to sign purchase orders for procurements up to \$100,000.

Selection of Architects, Engineers and other Professionals

It is the policy of the Governing Board that architects, engineers and other professionals shall be selected through competitive practices and procedures, to the extent practicable for each transaction. Procurement of the services of architects, engineers and other professionals shall be in accordance with the requirements of the appropriate sections of the Arizona Revised Statutes, the Arizona Department of Education Administrative Code, and the Uniform System of Financial Records.

Selling or Purchasing for Personal Use

No employee may purchase goods or services for personal use in the name of Tucson Unified School District No. 1.

No employee may sell goods or services for private gain to students or other employees on school premises or via District computer networks.

No employee may use his/her position with the District to solicit, directly or indirectly, the purchase of supplies, services or equipment at special discounts for private use from any school district vendor.

Any person using their employment position or influence at the District for the purpose of obtaining goods or services for personal benefit or the personal benefit of others shall be subject to disciplinary action up to and including dismissal and possible criminal charges. Such activities shall include, but are not limited to:

- A. Purchases at discounted rates not available to the general public; or
- B. Acceptance of goods and services at no or reduced cost; or
- C. Purchases with the intent of avoiding sales taxes.

It is permissible to obtain goods and services for personal use at discounted rates where suppliers typically offer educational discounts to employees of the District. Such discounts are characterized by being made available to all employees regardless of

position or influence. Employees are responsible for personal transactions with vendors, including sales tax, and purchase arrangements shall not be made through the use of District purchase orders or procurement cards.

Procurement Card

The Governing Board acknowledges that instances occur when ready payment for goods or services is in the best interest of the District. The District defines Procurement Cards as a method of payment in lieu of cash or check and used in accordance with governing policies, laws or regulations pertaining to the District (see Policy Regulation DJ-R).

The Deputy Superintendent of Operations is responsible for the implementation of all aspects of the District Procurement Card Program also known as the “pCard” Program. The Governing Board authorizes the Superintendent to secure and assign controlled limit Procurement Cards to designated personnel. District assigned Procurement Cards may not be used for personal expenditures, cash withdrawals, alcoholic beverages, tobacco or any material or service that violates policy, law or regulations pertaining to the District. Misuse may be considered misappropriation of District funds, which will result in corrective action, up to and including termination of employment.

The use of Procurement Cards is to be closely monitored and payment of statements for authorized purchases and vendor payments are to be made as promptly as possible to avoid finance charges or late fees associated with the use of such cards.

Ethics and Professional Conduct

The procurement activities of the Purchasing Department staff, shall be conducted on the highest level of ethical conduct. The activities of all staff involved in District procurement shall promote positive relationships through courtesy and impartiality in all phases of the purchasing cycle by providing prompt and courteous attention to all who call with a legitimate business mission. Furthermore, staff shall refrain from reciprocal agreements that limit or restrain fair competition for District business opportunities. District staff involved in procurement activities or decisions on behalf of the District are required to sign and adhere to a written Ethics Policy regarding procurement and vendor relations.

Registered Sex Offender Restriction

All purchase orders, agreements to purchase, and contracts for services to be provided by personnel other than District employees will include the following statement:

Registered Sex Offender Restriction. The vendor/contractor agrees by acceptance of this purchase order and/or contract that no employee or subcontractor of the vendor , who is required to register as a sex offender pursuant to A.R.S. 13-3821, will perform work on District premises or

equipment at any time when a District student(s) is present or is reasonably expected to be present. The vendor/contractor further agrees by acceptance of a District purchase order and/or contract that a violation of this condition shall be considered a material contract breach and may, at the District's sole discretion, result in cancellation of the purchase order and/or contract.

Procurement from Arizona Industries for the Blind, Nonprofit Agencies serving the Disabled and Arizona Correctional Industries

The District may, without a competitive solicitation process, purchase or contract for any products, materials or services directly from the Arizona Industries for the Blind, certified nonprofit agencies that serve individuals with disabilities and Arizona Correctional Industries if the delivery and quality of the goods, materials or services meet the District's reasonable requirements.

Intergovernmental Agreements

Intergovernmental agreements and contracts between school districts or between the District and other governing bodies as provided in A.R.S. 11-952 are exempt from competitive bidding under the procurement rules adopted by the State Board of Education pursuant to A.R.S. 15-213.

District Participation in State Authorized Insurance Pools

The District is not required to engage in competitive bidding to make a decision to participate in insurance programs authorized by A.R.S. 15-382

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Legal Reference: A.R.S. 11-952, 15-213, 15-213.01, 15-213.02, 15-239, 15-323, 15-342, 15-382, 15-765, 15-910.02, 23-214, 34-101 *et seq.*, 35-391 *et*

seq., 35-393 *et seq.*, 38-503, 38-511, 38-621, 38-622, 38-623, 38-624, 38-625, 39-121, 41-2632, 41-2636, 41-4401

A.G.O. 183-136, 187-035, 106-002

A.A.C. R7-2-1001 *et seq.*

Uniform System of Financial Records for AZ School Districts

Cross Reference: DJ-R Purchasing Procedures
BCB Board Member Conflict of Interest
GBEAA Staff Conflict of Interest