

# Downey Unified School District

## BUSINESS SERVICES

### PURCHASING OF SUPPLIES

AR 6360

#### Definitions

#### Supplies

Materials which are consumed in current use and those articles with a relatively short life of service and small unit cost which are frequently replaced without addition to the value of the physical properties.

#### Equipment

Physical property of a more or less permanent nature, other than land, buildings, or improvement to either of these.

#### Contractual Services

Any and all telephone, gas, water, electric light and power services, and all other types of agreements wherein the contractor provides services required by the District that cannot be furnished by its own employees.

#### Responsive Bid

An offer submitted by a responsible bidder, in ink or typewritten, to furnish supplies, materials, equipment, or contractual services in conformity with the specifications, delivery terms and conditions, and other requirements included in the invitation for bid.

#### Responsible Bidder

A bidder who submits a responsive bid; who has furnished, when requested, information and data proving that regulations and experience are adequate to make satisfactory delivery of the supplies, materials, equipment or contractual service on which he/she bids.

#### Non-Responsible Bidder

A bidder or prospective bidder who fails to furnish, upon written request, proof of his/her responsibility, or who has, as a vendor or contractor with the District, repeatedly made slow or unsatisfactory deliveries or failed to perform.

#### Non-Responsive Bidder

A vendor or contractor who fails to meet specifications in the bid response.

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General Procedure

1. Bids shall be sought from sources believed to be able to offer the best prices, consistent with quality and service.
2. In compliance with the Education Code the Board reserves the right to enter into a continuing contract with an accepted vendor as follows: for work or services, or for apparatus or equipment, not to exceed five years; for materials or supplies, not to exceed three years, except in the matter of insurance contracts.
3. Common items which are used generally throughout the District shall be stored in the District warehouse and purchased in quantity, which will assure the lowest possible cost through quantity buying.
4. It shall be the duty of the Purchasing Department to maintain a running inventory of the warehouse stock, setting up maximums and minimums of stock to be carried.
5. All purchase orders shall be submitted to the Board of Education for approval and/or ratification.

Bid Procedure

Except as allowed under the Uniform Public Construction Cost Accounting Act, as described further below, the dollar limits for determining competitive bidding for equipment, supplies, materials, and labor shall be as follows:

1. Materials, Supplies, Equipment, Services, except for Construction Services, and Repairs, including Maintenance as defined in P.C.C. Section 20115 and 22002.
  - a. \$50,000+ (legal bid limit\*)                      Formal bid required  
(includes tax)
  - b. \$25,000-50,000                                      Three written quotes required (informal  
(includes tax)                                      bid form)

\*subject to annual review

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Bid Procedure - continued

1. Materials, Supplies, Equipment, Services, except for Construction Services, and Repairs, including Maintenance as defined in P.C.C. Section 20115 and 22002. - continued

- c. \$10,00-\$24,999  
(includes tax)
  - 1. Three telephone quotes required
  - 2. Purchasing Department's discretion providing quote is consistent with quality and service
- d. \$1-\$9,999  
(Includes tax)
  - 1. One quote
  - 2. Purchasing Department's discretion providing quote is consistent with quality and service

2. Labor (Work to be Done) and Materials

- a. \$15,000+
  - 1. Formal bid required
  - 2. Requires Board approval before going to bid
- b. \$10,000 -14,999
  - 1. Three written quotes required (informal bid form)
  - 2. Purchasing Department's discretion consistent with expected quality of service
- c. \$1-9,000
  - 1. Two telephone quotes required
  - 2. Purchasing Department's discretion consistent with expected quality of service

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Bid Procedure - continued

3. Negotiated Bid - may be used for the purchase of
  - a. Perishable foodstuffs (per Ed Code Section 38083)
  - b. Seasonal commodities (per Ed Code Section 38083)
  - c. Supplementary textbooks (per Public Contract Code Section 20118.3)
  - d. Library books (per Public Contract Code Section 20118.3)
  - e. Educational films (per Public Contract Code Section 20118.3)
  - f. Audio-visual materials (per Public Contract Code Section 20118.3)
  - g. Test material and workbooks (per Public Contract Code Section 20118.3)

The negotiations may be verbal or written, but the final agreement reached must always be reduced to writing and becomes a binding contract.

Special Note:

Exceptions to the procedures described above shall be made only in case of an emergency requiring immediate action, or inability to obtain competitive quotations on an item of unique manufacture, or repairs to equipment or rolling stock, as in the case of maintenance work. Because of the nature or extent of the repair, work necessary cannot be ascertained until the actual job is completed.

4. High school and elementary textbooks will be purchased in accordance with provisions of the California Education Code, Section 38083.

Bid Conditions

1. Bids for supplies and equipment shall be accompanied by certified check, cashier's check, or bond, payable to the Downey Unified School District in the amount specified in the advertisement, as a guarantee that the successful bidder will enter into the contract.

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Bid Conditions - continued

2. Successful bidders for construction or remodeling shall provide a Payment Bond covering an amount equal to 100% of the contracted amount of work to be done, in accordance with the Civil Code.
3. A Performance Bond guaranteeing that 100% of the work will be performed shall be received with all other contract documents following the award of the contract.
4. The Board of Education shall reserve the right to reject any and all bids and waive any irregularities or informalities in any bid or in the bidding.

Uniform Public Construction Cost Accounting Act

Procedures for awarding contracts for public works projects shall be determined on the basis of the amount of the project, as follows:

1. Public projects of \$60,000 or less may be performed by district employees by force account, negotiated contract, or purchase order. (Public Contract Code 22032)
2. Contracts for public projects of \$200,000 or less may be awarded through the following informal procedures: (Public Contract Code 22032, 22034, 22038)
  - a. The Superintendent or designee shall prepare a notice inviting informal bids which describes the project in general terms, explains how to obtain further information about the project, and states the time and place for the submission of bids. This notice shall be disseminated by mail, fax, or email or both of the following:
    - (1) All contractors on a list of qualified contractors maintained by the district for the category of work being bid, unless the product or service is proprietary, at least 10 calendar days before bids are due
    - (2) All construction trade journals identified pursuant to Public Contract Code 22036

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Uniform Public Construction Cost Accounting Act - continued

- b. The district shall review the informal bids that were submitted and award the contract, except that:
  - (1) If all bids received through the informal process are in excess of \$200,000, the contract may be awarded to the lowest responsible bidder, provided that the Governing Board adopts a resolution with a four-fifths vote to award the contract at \$212,500 or less and the Board determines the district's cost estimate is reasonable.
  - (2) If no bids are received through the informal bid procedure, the project may be performed by district employees by force account or negotiated contract.
3. Public projects of more than \$200,000 shall, except as otherwise provided by law, be subject to formal bidding procedures, as follows: (Public Contract Code 22032, 22037, 22038)
  - a. Notice inviting formal bids shall state the time and place for receiving and opening sealed bids and distinctly describe the project. The notice shall be disseminated in both of the following ways:
    - (1) Through publication in a newspaper of general circulation in the district's jurisdiction or, if there is no such newspaper, then by posting the notice in at least three places designated by the district as places for posting its notices. Such notice shall be published at least 14 calendar days before the date that bids will be opened.
    - (2) By mail and electronically, if available, be either fax or email, to all construction trade journals identified pursuant to Public Contract Code 22036. Such notice shall be sent at least 15 calendars days before the date that bids will be opened.

In addition to the notice required above, the district may give such other notice as it deems proper.

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Uniform Public Construction Cost Accounting Act - continued

b. The district shall award the contract as follows:

- (1) The contract shall be awarded to the lowest responsible bidder. If two or more bids are the same and the lowest, the district may accept the one it chooses.
- (2) At its discretion, the district may reject all bids presented and declare that the project can be more economically performed by district employees, provided that the district notifies an apparent low bidder, in writing, of the district's intention to reject the bid. Such notice shall be mailed at least two business days prior to the hearing at which the district intends to reject the bid.
- (3) If no bids are received through the formal bid procedure, the project may be performed by district employees by force account or negotiated contract.

Bid Awards

1. Bids shall be opened in public at the prescribed time and place, and bidders shall be given an opportunity to make a record of the bids received.
2. After the bids have been opened and tabulated they shall be available for review by interested parties.
3. Awards will be made to the lowest responsible bidder whose bid is responsive to the conditions and specifications.
4. When bids are equal the Board of Education may determine by lot which bid shall be accepted.

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#### Debarment

Any bids and/or contracts funded by Federal monies will be subject to review and acceptance by the District only after verification through the Excluded Parties List System (EPLS). Bidders will also be required to fill out and sign documentation in any bid package in which Federal funds are expected to be used verifying that they have not been debarred from doing business with the Federal Government. Contracts, agreements, and/or any other contractual arrangements (i.e. Purchase Orders) will not be processed until the EPLS has been contacted to verify debarment status. Bidders and/or suppliers and contractors found to be debarred from such activity will be immediately disqualified from any further business activity with the District until such status has been cleared from EPLS.

#### Local Buying

Local vendors must compete on an equal basis with others.

#### A/R (Already Received) Requisitions

No direct purchase of supplies, materials, equipment or services (other than those mentioned in AR 6363 and AR 6363.1) may be made by district personnel other than designated Purchasing Department employees, and those persons specifically authorized by the Board of Education to conduct business on behalf of the District.

Unauthorized district employees shall not correspond with vendors or contractors in writing or shall not complete forms which may be interpreted as agreements authorizing the delivery of merchandise and/or services. Such communication may be considered legally binding and may place the employee in the position of having to personally make payment for the goods or services provided.

Requests for reimbursement of such items as an A/R (Already Received) requisition will be reviewed by Financial Services personnel. Purchases for Already Received requisitions may not exceed \$300. Those requests which do not comply with existing procedures may be held pending additional information and/or returned to the requester as an unauthorized purchase.



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Credit Card

Designated District employees, who have been authorized in writing by the Associate Superintendent, Business Services, may use a District credit card for the purchase of appropriate supplies, materials, equipment or services. The amount per purchase shall be limited to \$5,000. Transactions in excess of this amount must have the prior approval of the Superintendent or designee. All transactions shall be reviewed for payment by the Financial Services Department. Misuse of the credit card may result in cancellation of credit card privileges.

Approved: 7/26/73, 8/28/90, 1/23/96, 9/21/99, 9/16/03, 3/11/08, 1/21/20