

## 4020 - CHARTER SCHOOL PROGRAM (CSP) GRANT PROCUREMENT POLICY

1. **Application.** The Charter School, and its employees, officers and agents, will follow the policies set forth herein (the “CSP Procurement Policy”) with respect only to the procurement of supplies and other expendable property, equipment, real property, and other services purchased by the Charter School with federal funds awarded under the Public Charter Schools Program.

2. **Conflicts of Interest.** No employee, officer, or agent shall participate in the selection, award or administration of a contract supported by the Charter Schools Program grant if a real or apparent conflict of interest would be involved. A conflict 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 the firm selected for an award. The officers, employees, and agents of the Charter School shall neither solicit nor accept gratuities, favors or anything of monetary value from contractors, or parties to sub-agreements. Any Board member with a real or perceived conflict of interest will not vote and will recuse himself/herself from the meeting during discussion. The Charter School’s Conflict of Interest Policy shall be applicable to any selection, award or administration of a contract subject to this CSP Procurement Policy.

3. **Competition.** All procurement transactions subject to this CSP Procurement Policy shall be conducted in a manner to provide, to the maximum extent practical, open and free competition. Each employee, officer and agent of the Charter School responsible for the procurement of goods and services subject to the CSP Procurement Policy (each such employee, officer or agent referred to hereinafter as a “Procurement Officer” of the Charter School) shall be alert to organizational conflicts of interest as well as noncompetitive practices among contractors that may restrict or eliminate competition or otherwise restrain trade. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, invitations for bids, or requests for proposals shall be excluded from competing for procurements for the Charter School. Awards must be made to the bidder or offeror whose bid or offer is responsive to the solicitation and is most advantageous to the Charter School, price, quality and other factors considered. Solicitations shall clearly establish all requirements that the bidder or offeror shall fulfill in order for the bid or offer to be evaluated by the Charter School. Any and all bids or offers may be rejected when it is in the Charter School’s interest to do so.

4. **Procedures Generally.** Procurement Officers shall avoid purchasing unnecessary items, and where appropriate, make an analysis of lease and purchase alternatives to determine which would be the most economical and practical procurement for the Charter School. Positive efforts shall be made by recipients to utilize small businesses, minority-owned firms and women’s business enterprises whenever possible. The Charter School is the responsible for settling and satisfying all contractual and administrative issues arising out of procurements, including but not limited to disputes, claims, protests of award, source evaluation or other matters of a contractual nature. The

Charter School shall document and retain all bids received and conduct a price comparison analysis. The selection of any sole-source providers must be justified and documented. No charter school management company serving as a Procurement Officer shall be authorized to make all purchases subject to this CSP Procurement Policy without board or school leadership involvement and approval. Solicitations for goods and services subject to this CSP Procurement Policy shall include the following:

- a. A clear and accurate description of the technical requirements for the material, product, or service to be procured. In competitive procurements, a description shall not contain features which unduly restrict competition.
- b. Requirements which the bidder/offeror must fulfill and all other factors to be used in evaluating bids or proposals.
- c. A description, whenever practicable, of technical requirements in terms of functions to be performed or performance required, including the range of acceptable characteristics or minimum acceptable standards.
- d. The specific features of brand name or equal descriptions that bidders/offerors are required to meet when these items are included in the solicitation.
- e. The acceptance, to the extent practicable and economically feasible, of products and services dimensioned in the metric system of measurement; and
- f. Preference, to the extent practicable and economically feasible, for products and services that conserve natural resources and protect the environment, and are energy efficient.

5. **Permissible Procurement Instruments.** The type of procuring instruments used (e.g., fixed price contracts, cost reimbursable contracts, purchase orders, and incentive contracts) shall be determined in the discretion of the Charter School but must be appropriate for the particular procurement and for promoting the best interest of the program or project involved. In no event shall the “cost-plus-a-percentage-of-cost” or “percentage of construction cost” methods of contracting be used.

6. **Contractor Qualifications.** Contracts shall be made only with responsible contractors who possess the potential ability to perform successfully under the terms and conditions of the proposed procurement. Consideration shall be given to factors such as contractor integrity, record of past performance, and financial and technical resources or accessibility to other necessary resources.

7. **Cost and Price Analysis.** Some form of cost or price analysis must be made and documented in the procurement files in connection with every procurement action subject to this CSP Procurement Policy. Price analysis may be accomplished in various ways, including the comparison of price quotations submitted, market prices and similar indicia, together with discounts. Cost analysis is the review and evaluation of each element of cost to determine reasonableness, allocability, and allowability.

8. **Contract Administration.** A system for contract administration shall be maintained to ensure contractor conformance with the terms, conditions and specifications of the contract, and to ensure adequate and timely follow up of all purchases. The Charter School shall evaluate contractor performance and document, as appropriate, whether contractors have met the terms, conditions, and specifications of the contract.

9. **Purchases more than \$500.00 but less than \$25,000.00.** For all goods and services, including CSP purchases, whose cost is more than \$500.00 but less than \$25,000.00, the Procurement Officer shall ensure that the Charter School obtains at least three, written/printed quotations, estimates or advertisements for the good or service, if feasible and a written/printed note explaining the reason for the vendor selection. Two (2) or more persons are required for approval of CSP purchases over \$750. If the school does electronic banking and cannot show two authorized check signatures on purchases over \$750, two signatures must be on a written/printed purchase requisition form in the form attached hereto and incorporated herein as Exhibit 2.

10. **Purchases \$25,000.00 or more.** For all goods and services whose cost is \$25,000.00 or greater, the Procurement Officer shall ensure that the Charter School obtains at least three bids and/or proposals. In addition, the following provisions shall apply.

- a. Procurement records and files must include the following at a minimum:
  1. Basis for contractor selection;
  2. Justification for lack of competition when competitive bids or offers are not obtained;
  3. Basis for award cost or price.
- b. Contracts shall contain contractual provisions or conditions that allow for administrative, contractual, or legal remedies in instances in which contract terms, and provide for remedial actions as may be appropriate.
- c. All contracts shall contain suitable provisions for termination by the Charter School, including the manner by which termination shall be affected and the basis for settlement. In addition, contracts must describe conditions under which the contract may be terminated for default, as well as conditions where the contract may be terminated because of circumstances beyond the control of the contractor.
- d. All contracts must include a provision that a duly authorized representative of the Charter School must have access to any records of the contractor, which are directly pertinent to the specific program.
- e. The Charter School shall keep on file all pre-award review and procurement documents, such as request for proposals or invitations for bids and independent cost estimates.