

PURCHASING REGULATION

The following sets forth the procedures for the procurement of goods and services by the district:

I. Definitions

Best Value: optimizing quality, cost and efficiency. The basis for best value shall reflect, whenever possible, objective and quantifiable analysis, and may also take into consideration small businesses or certified minority – or women-owned businesses as defined in State Finance Law §163.

Purchase Contract: a contract involving the acquisition of commodities, materials, supplies or equipment

Public Work Contract: a contract involving labor or materials or both for a project such as construction.

II. General Municipal Law

The General Municipal Law requires that purchase contracts for materials, equipment and supplies involving an estimated annual expenditure exceeding \$20,000 and public work contracts involving an expenditure of more than \$35,000 will be awarded only after responsible bids have been received in response to a public advertisement soliciting formal bids. Similar procurements to be made in a fiscal year will be grouped together for the purpose of determining whether a particular item must be bid.

III. Competitive Bidding Required

A. Method of Determining Whether Procurement is Subject to Competitive Bidding

1. The district will first determine if the proposed procurement is a purchase contract or a contract for public work.
2. If the procurement is either a purchase contract or a contract for public work, the district will then determine whether the amount of the procurement is above the applicable monetary threshold as set forth above.
3. The district will also determine whether any exceptions to the competitive bidding requirements (as set forth below) exist.
4. All advertised bids shall include the following statement required by General Municipal Law 103-g: "By submission of this bid, each bidder and each person signing on behalf of any bidder certifies as to its own organization, under penalty of perjury, that to the best of its knowledge and belief that each bidder is not on the list created pursuant to paragraph (b) of subdivision e of section 165-a of the state finance law."

B. Contract Combining Professional Services and Purchase

In the event that a contract combines the provision of professional services and a purchase, the district, in determining the appropriate monetary threshold criteria to apply to the contract, will determine

whether the professional service or the purchase is the predominant part of the transaction.

C. Opening and Recording Bids: Awarding Contracts

The Purchasing Agent will be authorized to open and record bids. Contracts will be awarded to the lowest responsible bidder or a purchase contract bid of best value (as recommended by the Purchasing Agent), who has furnished the required security after responding to an advertisement for sealed bids.

In order to be considered a responsible bidder, entities must certify that they are not on the list created and maintained by the State Office of General Services cataloging significant investment in the Iranian energy sector. Such statement may be submitted electronically pursuant to General Municipal Law §103(1).

Entities that cannot make this certification may only be awarded the bid if:

1. The entity's investment activities in Iran were made before April 12, 2012; the investment activities in Iran have not been expanded or renewed after that date; and the entity has adopted, publicized, and is implementing a formal plan to cease the investment activities in Iran and to refrain from engaging in any new investments in Iran; or
2. The district makes a determination, in writing, that the goods or services are necessary for the district to perform its functions and that, absent such an exemption, the district would be unable to obtain the goods or services for which the contract is offered.

D. Documentation of Competitive Bids

The district will maintain proper written documentation which will set forth the method in which it determined whether the procurement is a purchase or a public work contract.

E. Purchase of Instructional Materials

In accordance with Education Law the district shall give a preference in the purchase of instructional materials to vendors who agree to provide materials in alternative formats (i.e., any medium or format for the presentation of instructional materials, other than a traditional print textbook, that is needed as an accommodation for a disabled student enrolled in the district, including but not limited to Braille, large print, open and closed captioned, audio or an electronic file in an approved format).

F. Leases of Personal Property

In addition to the above-mentioned competitive bidding requirements, section 1725 of the Education Law requires that the district will be subject to competitive bidding requirements for purchase contracts when it enters into a lease of personal property.

Documentation: The district will maintain written documentation such as quotes, cost-benefit analysis of leasing versus purchasing, etc.

G. Environmentally-Sensitive Cleaning and Maintenance Products

The district will purchase and utilize environmentally sensitive cleaning and maintenance products whenever feasible. The purchasing agent will consult with the Green Guidelines provided by the Office

of General Services.

Any legal issues regarding the applicability of competitive bidding requirements will be presented to the school attorney for review.

IV. Exceptions to Competitive Bidding Requirements

The district will not be subject to competitive bidding requirements when the Board, in its discretion, determines that one of the following situations exists:

1. emergency situations where:

- a. the situation arises out of an accident or unforeseen occurrence or condition;
- b. a district building, property, or the life, health, or safety of an individual on district property is affected; or
- c. the situation requires immediate action which cannot await competitive bidding.

However, when the Board passes a resolution that an emergency situation exists, the district will make purchases at the lowest possible costs, seeking competition by informal solicitation of quotes or otherwise, to the extent practicable under the circumstances.

Documentation: The district will maintain records of verbal (or written) quotes;

2. when the district purchases surplus or second-hand supplies, materials or equipment from the federal or state governments or from any other political subdivision or public benefit corporation within the state.

Documentation: The district will maintain market price comparisons (verbal or written quotes) and the name of the government entity;

3. when the Board separately purchases eggs, livestock, fish and dairy products (other than milk), juice, grains and species of fresh fruits and vegetables directly from producers or growers. The amount expended in any fiscal year by the district may not exceed an amount equal to fifteen cents multiplied by the number of days in the school year multiplied by the total enrollment of the district.

Documentation: The district will maintain documentation consistent with sections 114.3 and 114.4 of the Regulations of the Commissioner of Education;

4. when the district purchases goods, supplies and services from municipal hospitals under joint contracts and arrangements entered into pursuant to section 2803-a of the Public Health Law.

Documentation: The district will maintain the legal authorization, board authorization and market price comparisons; or

5. when there is only one possible source from which to procure goods or services required in the public interest.

Documentation: The district will maintain written documentation of the unique benefits of the item or service purchased as compared to other items or services available in the marketplace; that no other item or service provides substantially equivalent or similar benefits; and that, considering the benefits received, the cost of the item or service is reasonable, when compared to conventional methods. In addition, the documentation will provide that there is no possibility of competition for the procurement of the goods.

6. when the district purchases professional services that require special skill or training, such as but not limited to, audit, medical, legal or insurance services, or property appraisals.

Documentation: The district will keep proper documentation in accordance with policy 6741.

7. when the district purchases through the contracts of (or “piggybacks” onto) other governmental entities, as authorized by law, for certain goods and services permitted by law. Factors relevant to the decision to piggyback may include cost, staff time, delivery arrangements, quality of goods and services, and suitability of such goods and services to the district’s needs.

Documentation: The district will keep documentation indicating why piggybacking is in the best interests of the district, copies of the original contract, and that the originating contract was let in a manner consistent with applicable competitive bidding requirements.

V. Quotes When Competitive Bidding Not Required

Goods and services which are not required by law to be procured by the district through competitive bidding will be procured in a manner so as to ensure the prudent and economical use of public monies in the best interests of the taxpayers. Alternative proposals or quotations will be secured by requests for proposals, written or verbal quotations or any other appropriate method of procurement, as set forth below.

A. Methods of Documentation

1. Verbal Quotations: the telephone log or other record will set forth, at a minimum, the date, item or service desired, price quoted, name of vendor, name of vendor’s representative;
2. Written Quotations: vendors will provide, at a minimum, the date, description of the item or details of service to be provided, price quoted, name of contact. For example, with regard to insurance, the district will maintain documentation that will include bid advertisements, specifications and the awarding resolution. Alternatively, written or verbal quotation forms will serve as documentation if formal bidding is not required. “Requests for Proposals” (RFPs), documented in the same manner as described herein, may also be used;
3. Requests for Proposals: the district will contact a number of professionals (e.g., architects, engineers, accountants, lawyers, underwriters, fiscal consultants, etc.) and request that they submit written proposals. The RFPs may include negotiations on a fair and equal basis. The RFPs and evaluation of such proposals will consider price plus other factors such as:

- a. the special knowledge or expertise of the professional or consultant service;
- b. the quality of the service to be provided;
- c. the staffing of the service; and
- d. the suitability for the district's needs.

The district will first locate prospective qualified firms by:

- a. advertising in trade journals;
- b. checking listings of professionals; or
- c. making inquiries of other districts or other appropriate sources.

The district will then prepare a well-planned RFP which will contain critical details of the engagement, including the methods which it will use in selecting the service.

B. Purchases/Public Work: Methods of Competition to be Used for Non-bid Procurements:
Documentation to be Maintained

The District will require the following methods of competition be used and sources of documentation maintained when soliciting non-bid procurements in the most cost-effective manner possible:

1. Purchase Contracts up to \$20,000

- a. Up to \$4,999: Quotes not required. Purchasing agent retains right to request quotations if it is felt that it is in the best interest of the school district.
- b. Contracts from \$5,000 to \$9,999: Written or verbal quotes. Written or verbal quotations shall be obtained from at least three (3) vendors.
- c. Contracts from \$10,000 - \$19,999 – A minimum of three (3) written quotes – Written quotations shall be obtained from at least three (3) vendors.

2. Public Work Contracts up to \$35,000

- a. Up to \$9,999: Quotes not required. Purchasing agent retains right to request quotations if it is felt that it is in the best interest of the school district.
- b. Contracts from \$10,000 to \$35,000: A minimum of three (3) written quotes – Written quotations shall be obtained from at least three (3) vendors.

3. Emergencies: verbal quotes

Documentation will include notations of verbal quotes

4. Insurance: Written quotes

Documentation will include bid advertisements, specifications and the awarding resolution.

Alternatively, written or verbal quotation forms will serve as documentation if formal bidding is not required. "Requests for Proposals" (RFP's), documented in the same manner as described herein, may also be used.

5. Professional Services (ie. Internal and External Auditors): RFP

Documentation will include written proposals.

6. Leases of Personal Property: Written quotes

Documentation will include written quotes, cost-benefit analysis of leasing versus purchasing, etc. The district will note that the contract is a true lease and not an installment purchase contract.

7. Second Hand Equipment from Other Governments: Written quotes Documentation will include market price comparisons (verbal or written quotes) and the name of the government.

8. Certain Food and Milk Purchases: Written quotes

Documentation will be consistent with sections 114.3 and 114.4 of the Regulations of the Commissioner of Education.

9. Certain Municipal Hospital Purchases: RFP

Documentation will include the legal authorization, Board authorization, and market price comparisons.

10. Sole Source: Written or verbal quotes

Documentation will include, among other things, the unique benefits of the patented item as compared to other items available in the marketplace; that no other item provides substantially equivalent or similar benefits; and that considering the benefits received, the cost of the item is reasonable, when compared to conventional methods. Notations of verbal quotes will be maintained by the district. In addition, the district will document that there is no possibility of competition for the procurement of the goods.

VI. Purchasing when Competitive Bidding Not Required

Goods and services which are not required by law to be procured by the district through competitive bidding will be procured in a manner so as to ensure the prudent and economical use of public monies, in the best interests of the taxpayers, to facilitate the acquisition of goods and services of maximum quality at the lowest possible cost under the circumstances, and to guard against favoritism, improvidence, extravagance, fraud and corruption.

Alternative proposals or quotations will be secured by requests for proposals, written or verbal quotations or any other appropriate method of procurement, except as permitted by state law for procurements:

1. under a county contract;
2. under a state contract;
3. under a federal contract;
4. under a contract of another political subdivision;
5. of articles manufactured in state correctional institutions; or
6. from agencies for the blind and severely disabled.

Piggybacking onto the contract of other governmental agencies is permitted where the original contract is in conformance with the goals of this section.

The district will provide justification and documentation of any contract awarded to an offeror other than the lowest responsible dollar offeror, setting forth the reasons why such award is in the best interests of the district and otherwise furthers the purposes of section 104-b of the General Municipal Law.

Competitive bidding, even if the dollar value of the purchase meets the threshold established above, is not required in the following circumstances:

1. emergencies where time is a crucial factor;
2. procurements for which there is no possibility of competition (sole source items);
3. professional services that require special skill or training
4. when using purchasing cooperatives; or
5. where the district is purchasing through (or is "piggybacking" onto) the contract of another governmental entity, where the original contract complies with the requirements of New York State law for competitive bidding.

The district will not be required to secure alternative proposals or quotations for those procurements:

1. under a county contract;
2. under a state contract;
3. of articles manufactured in state correctional institutions; or
4. from agencies for the blind and severely disabled.
5. under cooperative BOCES contract

In addition, the district will not be required to secure such alternative proposals or quotations for:

1. emergencies where time is a crucial factor,
2. procurements for which there is no possibility of competition (sole source items);
3. procurements of professional services, which, because of the confidential nature of the services, do not lend themselves to procurement through solicitation; or
4. very small procurements when solicitations of competition would not be cost-effective.

VII. Procurements from Other than the "Lowest Responsible Dollar Offeror"

The district will provide justification and documentation of any contract awarded to an offeror other than the lowest responsible dollar offeror, setting forth the reasons why such award is in the best interests of the district and otherwise furthers the purposes of section 104-b of the General Municipal Law.

VIII. Internal Control

The Board authorizes the Superintendent, with the assistance of the Purchasing Agent, to establish and maintain an internal control structure to ensure, to the best of their ability, that the district's assets will be safeguarded against loss from unauthorized use or disposition, that transactions will be executed in accordance with the law and district policies and regulations, and recorded properly in the financial records of the district.

Comments will be solicited from those administrators involved in the procurement process before enactment of the district's regulations regarding purchasing and from time to time thereafter. The regulations must then be adopted by Board resolution. All district regulations regarding the procurement processes will be reviewed by the Board at least annually.

The unintentional failure to fully comply with the provisions of section 104-b of the General Municipal Law or the district's regulations regarding procurement will not be grounds to void action taken or give rise to a cause of action against the district or any officer or employee of the district.

VIV. Best Value Award Procedures

Purpose

This resolution provides for the School Board to exercise its local option from GML Section 103, Subdivision 1 of the New York General Municipal Law, as amended by Chapter 608 of the laws of 2011 and Chapter 2 of the laws of 2012. This amendment authorizes the District to award purchase contracts and contracts for services subject to competitive bidding under General Municipal Law 103 on the basis of either lowest responsible bidder or "best value" as defined in GML 163 of the New York State Finance Law. The "best value" option may be used if it is more cost efficient over time to award the good or service to other than the lowest responsible bidder if factors such as lower cost of maintenance, durability, higher quality and longer product life.

Basis for Award

Goods and services procured and awarded on the basis of best value are those that the School Board determines will be of the highest quality while being the most cost efficient. The determination of quality and cost efficiency shall be based on objectively quantified and clearly described and documented criteria, which may include, but shall not be limited to, any or all of the following: cost of maintenance; proximity to the end user if distance or response time is a significant term; durability; availability of replacement parts or maintenance contractors; longer product life; product performance criteria; and quality of craftsmanship.

Applicable Contracts

These sections apply to District purchase contracts (including contracts for service work, but excluding any purchase contracts necessary for the completion of a public works contract pursuant to article 8 of the labor law as well as excluding any other contracts in accordance with current or future state law. If the dollar thresholds of General Municipal Law 103 are increased or decreased in the future by the State Legislature, the dollar thresholds set for the herein shall be deemed simultaneously amended to match the new GML thresholds.

Award Based on Low Bid or Best Value Documentation

A quote or proposal for a purchase or contract covered by this policy received pursuant to standard bidding procedures, may be awarded on either a best value or lowest responsible bidder standard. All information gathered in the course of the bidding procedures of this section shall be filed with the documentation supporting the subsequent purchase or public works contract. When a contract

is awarded on the basis of best value rather than a lowest responsible bidder, the basis for determining best value shall be thoroughly and accurately documented.

Ref: Education Law §305(14); 1709(9)(14)(22)

General Municipal Law §§102; 103; 104-b; 109-a; 800 et seq. 8 NYCRR §§114.3; 114.4; 170.2

Note: Regulation added

REVISED: 02/13/12

Revised/Adopted: 08/06/2018

PURCHASING EXHIBIT
Methods of Competition To Be Used For Non-Bid Procurements

	Verbal Quotes			Written Quotes		RFP*	Other
	0	3	More Than 3	3	More Than 3		
Purchase Contracts to \$20,000							
Up to \$4,999	x						
\$5,000 to \$9,999		x					
\$10,000 to \$19,999				x			
Public Work Contracts to \$35,000							
Up to \$9,999	x						
\$10,000 to \$35,000				x			
Emergencies							x
Insurance						x	
Professional Services						x	
Leases of Personal Property				x			
Second Hand Equipment from Other Governments				x			
Certain Food and Milk Purchases				x			
Certain Municipal Hospital Purchases						x	
Sole Source (For example, patented or monopoly item)							x

*RFP: Request for Proposal

**Explanations of "Other" Methods of Competition to Be Used
For
Non-Bid Procurements**

Emergencies: Informal solicitation of quotes or otherwise, to the extent practicable under the circumstances.

Leases of Personal Property: Section 1725 of the Education Law requires that a district will be subject to competitive bidding requirements for purchase contracts when it enters into a lease of personal property.

Second-Hand Equipment from Federal and State Governments: Section 103(6) of the General Municipal Law provides a statutory exception to the competitive bidding requirement by permitting the purchase of surplus and second-hand supplies, materials or equipment without competitive bidding from the federal or state governments or from any other political subdivision or public benefit corporation with the state.

Certain Food and Milk Purchases: Section 103(a)(10) of the General Municipal Law provides a statutory exception to the competitive bidding requirement by permitting a Board of Education to separately purchase eggs, livestock, fish and dairy products (other than milk), juice, grains and species of fresh fruits and vegetables directly from producers or growers without bidding.

Certain Municipal Hospital Purchases: Section 103(8) of the General Municipal Law provides a statutory exception to the competitive bidding requirement by permitting the purchase of goods, supplies and services from municipal hospitals under joint contracts and arrangements entered into pursuant to section 2803-a of the Public Health Law.

Sole Source: Section 103 of the General Municipal Law provides a statutory exception to the competitive bidding requirement in limited situations where there is only one possible source from which to procure goods or services required in the public interest (such as in the case of certain patented goods or services or public utility services).

Note: Exhibit added

VERBAL QUOTATION FORM

(Please attach copy of itemized requisition.)

Quotes obtained by _____ Date obtained _____

Vendor contact person _____ Phone # _____

Company/name/address _____

Amount quoted \$ _____ Includes s/h? yes/no If not, how much \$ _____

Payment discounts? _____ Delivery by? _____

Quote good for how long? _____

Vendor contact person _____ Phone # _____

Company/name/address _____

Amount quoted \$ _____ Includes s/h? yes/no If not, how much \$ _____

Payment discounts? _____ Delivery by? _____

Quote good for how long? _____

Vendor contact person _____ Phone # _____

Company/name/address _____

Amount quoted \$ _____ Includes s/h? yes/no If not, how much \$ _____

Payment discounts? _____ Delivery by? _____

Quote good for how long? _____

Hancock Central School 67 Education Lane, Hancock, NY 13783 (607) 637-2511

Request for Quotation

THIS IS NOT AN ORDER.

Date	Quote Not Later Than	Date of Requisition	P.O. Number

Vendor	Item	Summary of Quotations	

Delivery Requirements	Terms	F.O.B.

Item	Quantity	Description	Unit Price	Amount

Buyer:	Approved by:
REASON ORDER PLACED WITH SUCCESSFUL VENDOR: Lowest Price/Quality/Best Delivery/Only Source/Best Design	OTHER REASONS: