

GRANITE SCHOOL DISTRICT PROCUREMENT POLICIES

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These rules and regulations have been promulgated by the Granite School District Board of Education as required by and in concert with the Utah Procurement Code, Title 63, Chapter 56, Utah Code Annotated, 1953. These rules are subject to all applicable state laws. All Utah State Code references are listed in bold type. Changes made to the State Code by the State Legislature each year will be incorporated immediately.

This is an abridged edition for the use of administrators who do not need access to the complete policy adopted by the Granite School District Board of Education.

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PART 1 -- DEFINITIONS

1. Acceptable Bid Security means one of the following:
 - a. a bid bond underwritten by a company licensed to issue bid bonds in this State;
 - b. a United States Postal Money Order; or
 - c. a bank cashier's or certified check.
2. Actual Costs means direct and indirect costs which have been incurred for services rendered, supplies delivered, or construction built, as distinguished from allowable costs.
3. Adequate Price Competition means when competitive sealed proposals are solicited and at least two responsible offerors independently contend for a contract to be awarded to the responsible offeror submitting the lowest evaluated price by submitting priced best and final offers meeting the requirements of the request for proposals. If the foregoing conditions are met, price competition shall be presumed to be "adequate" unless the procurement officer determines that such competition is not adequate.
4. Architect means a Person duly licensed to practice architecture in the State of Utah.
5. Bid Package means all documents, whether attached or incorporated by reference, utilized in connection with Invitation for Bids, Request for Proposals or other bona fide solicitation method.
6. Brand Name or Equal Specification means a specification which uses a brand name specification to describe the standard of quality, performance, and other characteristics being solicited, and which invites the submission of equivalent products.
7. Brand Name Specification means a specification calling for one or more products by manufacturers' names or catalogue numbers.
8. Business means any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture, or any other private legal entity. **63-56-5(2)**
9. Construction means the process of building, renovating or demolishing any public structure or building, major developmental work, or landscaping of public real property. It does not include the routine operation, routine repair, or routine maintenance of existing structures, buildings, or real property. **63-56-5(4)**
10. Consultant Services means work, rendered by either individuals or firms who possess specialized knowledge, experience, and expertise to investigate assigned problems or projects and to provide counsel, review, design, development, analysis, or advise in formulating or implementing programs or services or improvements in programs or services, including but not limited to such areas as management, personnel, finance, accounting, planning, and data processing. **3-201(3)**
11. Contract means any state agreement for the procurement or disposal of supplies, services, or construction. **63-56-5(5)**
12. Contractor means the Person selected pursuant to Prequalification, Invitation for Bids or Request for Proposals, with whom the Board enters into a Contract.
13. Cooperative Purchasing means procurement conducted by, or on behalf of, more than one public

- procurement unit, or by a public procurement unit with an external procurement unit. **63-56-5 (6)**
14. Engineer means a Person duly licensed to practice engineering in the State of Utah.
 15. Equipment means any instrument, machine, apparatus, or set of articles which (a) retains its original shape and appearance with use and (b) is nonexpendable; i.e., if the article is damaged or some of its parts are lost or worn out, it is usually more feasible to repair it than to replace it with an entirely new unit. Equipment may be either fixed or movable.
 16. Established Catalogue Price means the price included in a catalogue, price list, schedule, or other form that is regularly maintained by a manufacturer or supplier, is either published or otherwise available for inspection by customers, and states prices at which sales are currently or were last made to a significant number of any category of buyers or buyers constituting the general buying public for the supplies or services involved. Trade discounts must be recognized in establishing any price. **64-56-5(7)**
 17. Grant means the furnishing by the state or by any other public or private source of assistance, whether financial or otherwise, to any person to support a program authorized by law. It does not include an award whose primary purpose is to procure an end product, whether in the form of supplies, services, or construction; a contract resulting from such an award is not a grant, but a procurement contract. **63-56-5(10)**
 18. Invitation for Bids means all documents, whether attached or incorporated by reference, utilized for soliciting bids. **63-56-5(11)**
 19. Lease means a contract for the use of equipment or real property under which title does not pass to the purchasing agency.
 20. Local School District Unit means any unit within the state where purchasing agents or schools or departments are given procurement authority in writing by the school board. **63-56-5(12)**
 21. Material means tangible resources, including both supplies and equipment.
 22. Person means any business, individual, union, committee, club, other organization, or group of individuals, not including a state agency or a local public procurement unit. **63-56-5 (13)**
 23. Preferred Bidder means a bidder that is entitled to receive a reciprocal preference under the requirements of this chapter. **63-56-20.5 and 63-56-20.6**
 24. Price Data means factual information concerning prices for supplies, services, or construction substantially identical to those being procured. Prices in this definition refer to offered or proposed selling prices. The definition refers to data relevant to both prime and subcontract prices.
 25. Procurement means buying, purchasing, renting, leasing, or otherwise acquiring any supplies, services, or construction. It also includes all functions that pertain to the obtaining of any supply, service, or construction, including description of requirements, selection, and solicitation of sources, preparation, and award of a contract, and all phases of contract administration. **63-56-5(16)**
 26. Procurement Officer means any person or persons duly authorized by a local board of education to enter into and administer contracts and make written determinations with respect thereto. Such agreements and contracts may be subsequently submitted to or ratified by the board. It also includes any authorized representative acting within the limits of authority. **63-56-5(17)**
 27. Procurement Policy means legally adopted standards set forth by the board of education.

28. Professional Services means work rendered by an independent contractor who has a professed knowledge of some department of learning or science used by its practical application to the affairs of others or in the practice of an art founded on it, including but not limited to accounting and auditing, court reporters, X-ray technicians, legal, medical, nursing, education, engineering, actuarial, architecture, veterinarians, and research. The knowledge is founded upon prolonged and specialized intellectual training which enables a particular service to be rendered. The word "professional" implies professed attainments in special knowledge as distinguished from mere skills.
29. Property means all real property and/or personal property owned by a purchasing agency.
30. Proprietary Specification means a specification which uses a brand name to describe the standard of quality, performance, and other characteristics needed to meet the procuring agency's requirements and which also provides for the submission of equivalent products.
31. Regulations means standards set forth by the school district administration as differentiated from board policy.
32. Request for Proposals means all documents, whether attached or incorporated by reference, utilized for soliciting proposals. **63-56-5(21)**
33. Responsible Bidder or Offeror means a person who evidences the capability in all respects to perform fully the contract requirements and who has the integrity and reliability to provide good faith performance. **63-56-5(22)**
34. Responsive Bidder means a person who has submitted a bid which conforms in all material respects to the Invitation for Bids. **63-56-5(23)**
35. State Agency means any department, division, commission, council, board, bureau, committee, institution, government corporation, or other establishment or official of this state. **63-56-5(25)**
36. Suppliers means prospective bidders or offerors, as used in section 63-56-27 of the Utah Procurement Code.
37. Supply means a material item of an expendable nature that is consumed, worn out or deteriorated in use; loses its identity through fabrication or incorporation into a different or more complex unit or substance.
38. Surplus Supplies means any supplies that are no longer needed by the using agency. It includes expendable supplies, scrap materials, and nonexpendable supplies that have completed their useful life cycle.
39. Utah Code or "UCA" means the Utah Code Annotated, 1953, as amended.
40. Utah Procurement Code means the Utah Procurement Code, Chapter 56, Title 63, UCA.

PART 2 -- PROCUREMENT ORGANIZATION

2-101 Delegation of Authority of the Director of Purchasing

The Board of Education may delegate such authority as deemed appropriate per Utah Code **53A-3-405**. *

2-102 Authority to Make Small Purchases **63-56-22** (State Only)

(1) General. The Superintendent may delegate to the head of any school or department the authority to make small purchases less than \$500 for supplies, equipment, materials and services.

(2) The Purchasing unit shall make small purchases pursuant to board policies and administrative regulations.

(3) Exception. Any procurement requirement shall not be artificially divided so as to constitute a small purchase under this section.

2-103 Authority of Procurement Officers

Procurement officers may take any action of a procurement nature to advance economic well-being and efficient operation of the state or agency so long as that action is not in conflict with the Utah Procurement Code or the Utah Procurement Regulations.

***Utah Code 53A-3-405.** Board to authorize expenditures. -- No purchase shall be made and no indebtedness shall be incurred by any officer or employee of any school district without the approval and order of the board of education of such district.

PART 3 -- SOURCE SELECTION AND CONTRACT FORMATION

Subpart 3-1 -- Competitive Sealed Bidding; Multi-Step Sealed Bidding. Contracts shall be awarded by competitive sealed bidding, except contracts made under the small purchase policies. (Ref. 3-302, 3-303, 3-304 and 3-305).

3-101 Content of the Invitation for Bids

- (1) Use. The Invitation for Bids is used to initiate a competitive sealed bid procurement.
- (2) Content. The Invitation for Bids include the following:
 - (a) Instructions and information to bidders concerning the bid submission requirements, including the time and closing date for submission of bids, the address of the office to which bids are to be delivered, and any other special information;
 - (b) The purchase description, evaluation factors, delivery or performance schedule, and inspection and acceptance requirements not included in the purchase description; and
 - (c) The contract terms and conditions, including warranty and bonding or other security requirements, as applicable.

3-102 Bidding Time. **63-56-20**

Bidding time is the period of time between the date of distribution of the Invitation for Bids and the date set for opening of bids. In each case bidding time will be set to provide bidders a reasonable time to prepare their bids. A minimum of 10 calendar days shall be provided unless a shorter time is deemed necessary for a particular procurement as determined in writing by the Director of Purchasing.

3-103 Bidder Submissions.

(1) Bid Form. The Invitation for Bids shall provide a form which shall include space in which the bid price shall be inserted and which the bidder shall sign and submit along with all other necessary submissions.

(2) Telegraphic Bids. The Invitation for Bids may state that telegraphic bids (facsimile) and mailgrams will be considered whenever they are received in hand at the designated office by the time specified for bid opening. Such telegraphic bids or mailgrams shall contain specific reference to the Invitation for Bids, the time and place of delivery, and a statement that the bidder agrees to all the terms, conditions, and provisions of the Invitation for Bids. Bidders submitting telegraphic or mailgram bids shall submit a formal bid on the Invitation for Bids form within three days of the bid opening date or a time designated by the procurement officer.

3-104 Public Notice. **63-56-20**

(1) Distribution. Invitation for Bids or notices of the availability of Invitation for Bids shall be mailed or otherwise furnished to a sufficient number of bidders for the purpose of securing reasonable competition. Notices of availability shall indicate where, when, and for how long Invitation for Bids may be obtained; generally describe the supply, service, or construction desired; and may contain other appropriate information. (See also section 3-105 (Bidder Lists).) Where appropriate, the procurement officer may require payment of a fee or a deposit for the supplying of the Invitation for Bids.

(2) Publication. Every procurement in excess of \$10,000 shall be publicized in any or all of the following:

- (a) in a newspaper of general circulation;
- (b) in a newspaper of local circulation in the area pertinent to the procurement;
- (c) in industry media;
- (d) in a government publication designed for giving public notice; or
- (e) in a public posting area, e.g., in the District Procurement Office.

3-105 Preference for Recycled Paper and Paper Products. **63-56-20.7**

(1) Definitions as used in this section.

- (a) "Paper" means any newspaper, high-grade office paper, fine paper, bond paper, mimeo graphic paper, duplicator paper, and related types of cellulosic material not more than 10% by weight or volume of noncellulosic material such as laminates, binders, coatings, or saturants.
- (b) "Paper product" means any paper items or commodities, including paper napkins, towels, corrugated and other cardboard, toilet tissue, paper and related types of cellulosic products containing not more than 10% by weight or volume of noncellulosic material such as laminates, binders, coatings, or saturants. "Paper product" does not include preprinted cellulosic products such as books, newspapers, calendars, and magazines.
- (c) "Postconsumer waste," "recycled paper," "recycled paper product," and "secondary waste paper material" are defined by rule made by the Utah State Division of Purchasing. The division rules shall be based on current definitions and standards employed by national procurement, product recycling, and other relevant organizations such as the federal Environmental Protection Agency.

(2) Purchase Requirements. Notwithstanding Section 3-112, requiring the school district to purchase products from the lowest responsible bidder, and subject to Subsection (3), the district shall give preference to the purchase of paper and paper products which are manufactured or produced from recycled materials.

(3) Preference Exceptions. The school district shall give preference to purchasing recycled paper and recycled paper products unless:

- (a) the bid or purchase price for recycled paper or paper products exceeds by more than 5% the lowest responsive and responsible bidder whose bid meets the requirements and criteria set forth in the invitation for bids;
- (b) there is no recycled paper or paper product reasonably available that meets the requirements and criteria set forth in the invitation for bids; or
- (c) the school district has purchased at least the minimum percentage purchase requirement of recycled paper products as provided in Subsection (4).

(4) Percentage Requirements. The minimum percentage purchase requirement for fiscal year 1990-91 is 10% of the school district's projected annual paper and paper product purchases. The minimum percentage requirement shall be increased by 5% each fiscal year until the minimum percentage purchase

requirement is 50%.

(5) The school district shall provide the State Procurement Advisory Council with a report at the end of each fiscal year documenting:

- (a) the dollar and volume amount of paper and paper products purchased;
- (b) the dollar and volume amount of recycled paper and recycled paper products purchased; and
- (c) any additional cost resulting from purchasing recycled paper or recycled paper products.

3-106 Use of alkaline paper. **63-56-20.8**

(1) As used in this section, "alkaline paper" means paper that is acid-free, manufactured with calcium carbonate as the principal filler, and meets standards for paper approved by the American National Standards Institute, National Information Standards Organization, and American Society for Testing and Materials.

(2) Notwithstanding Part 3 (Section 63-56-20), which requires the school district to purchase products from the lowest responsible bidder, and except as provided in Subsection (3) below, the school district shall purchase and use alkaline paper.

(3) The school district shall purchase alkaline paper unless:

- (a) the bid or purchase price for alkaline paper or alkaline recycled paper exceeds the lowest responsive and responsible bidder whose bid meets the requirements and criteria set forth in the invitation for bids;
- (b) there is no alkaline or alkaline recycled paper reasonably available that meets the requirements and criteria set forth in the invitation for bids; or
- (c) other paper products have equal or better quality characteristics than alkaline paper and meet standards for paper approved by the American National Standards Institute, National Information Standards Organization, and American Society for Testing and Materials.

PART 3 -- SOURCE SELECTION AND CONTRACT FORMATION (continued)

Subpart 3-2 -- Small Purchases

3-201 Authority to Make Small Purchases. **63-56-22**

(1) Amount. The procurement officer may use these small purchase policies if the procurement is estimated to be less than \$20,000 for supplies, equipment and services and \$80,000 for construction. **63-56-22 and 53A-20-101(1)**

(2) Existing Statewide Contracts. Supplies, equipment, services, or construction items available under statewide contracts or similar agreements shall be procured under such agreements when it is in the best interest of the district.

(3) Available from One Business Only. If the supply, equipment, service, or construction item is available only from one business, the sole source procurement method set forth in subpart 3-4 (Sole Source Procurement) of these regulations shall be used.

(4) Artificially Divided. Procurement requirements shall not be artificially divided to avoid using the other source selection methods set forth in section 63-56-22 (Methods of Source Selection) of the Utah Procurement Code.

3-202 Small Purchases of Supplies, Equipment, or Services up to \$20,000.

(1) Procedure. Insofar as it is practical for small purchases of supplies, equipment, services or construction up to \$20,000, no fewer than three businesses shall be solicited to submit written quotations on amounts more than \$5,000. Award shall be made to the business offering the lowest acceptable quotation.

(2) Records. The names of the businesses offering quotations and the date and amount of each quotation shall be recorded and maintained as a public record.

3-203 Small Purchases of \$500 or Less.

District administration regulations shall adopt operational procedures allowing school authorities to make small purchases of less than \$500. Such operational procedures shall provide for obtaining adequate and reasonable competition, for making records to properly account for funds and to facilitate auditing, and for timely, low cost procurement on low expenditure items.

PART 3 -- SOURCE SELECTION AND CONTRACT FORMATION (continued)

Subpart 3-3 -- Sole Source Procurement

3-301 Conditions For Use of Sole Source Procurement. 63-56-23

Sole source procurement shall be used only if a requirement is reasonably available from a single supplier. A requirement for a particular proprietary item does not justify a sole source procurement if there is more than one potential bidder or offeror for that item or service.

The determination as to whether a procurement shall be made as a sole source shall be made by the procurement officer. Each request shall be submitted in writing by the using agency. Such officer may specify the application of such determination and its duration. In cases of reasonable doubt, competition should be solicited. Any request by a using agency that a procurement be restricted to one potential contractor shall be accompanied by an explanation as to why no other will be suitable or acceptable to meet the need.

3-302 Negotiation in Sole Source Procurement.

The procurement officer shall conduct negotiations, as appropriate, as to price, delivery, and terms.

PART 3 -- SOURCE SELECTION AND CONTRACT FORMATION (continued)

Subpart 3-4 Emergency Procurements (Refer to Utah Code 63-56-24)

3-401 Definition of Emergency Conditions.

An emergency condition is a situation which creates a threat to public health, welfare, or safety such as may arise by reason of floods, epidemics, riots, equipment failures, or such other reason as may be determined by the Director of Purchasing or designee. The existence of such condition creates an immediate and serious need for supplies, services, or construction that cannot be met through normal procurement methods.

3-402 Scope of Emergency Procurements.

Emergency procurement shall be limited to only those supplies, services, or construction items necessary to meet the emergency.

3-403 Authority to make Emergency Procurements.

The school board may delegate in writing to any purchasing agency authority to make emergency procurements of up to an amount set forth in the delegation.

3-404 Source Selection Methods.

(1) General. The source selection method used shall be selected with a view to the end of assuring that the required supplies, services, or construction items are procured in time to meet the emergency. Given this constraint, such competition as is practicable shall be obtained.

(2) After Unsuccessful Competitive Sealed Bidding. Competitive sealed bidding is unsuccessful when bids received pursuant to an Invitation for Bids are unreasonable, noncompetitive, or the low bid exceeds available funds as certified by the appropriate fiscal officer, and time or other circumstances will not permit the delay required to resolicit competitive sealed bids. If emergency conditions exist after or are brought about by an unsuccessful attempt to use competitive sealed bidding, an emergency procurement may be made.

3-405 Determination of Emergency Procurement.

The school district superintendent shall make a written determination stating the basis for an emergency procurement and for the selection of the particular supplier. Such determination shall be sent promptly to the school board.

PART 4 -- PROPERTY MANAGEMENT

4-101 Authority of Director of Purchasing.

No district employee shall transfer, sell, or trade in any property owned by the district without written authorization of the Director of Purchasing.

4-102 Report of Surplus Property. **63-56-35**

Schools and central office units shall notify the procurement officer of all surplus property as per administrative regulations.

4-103 Transfer of Surplus Property.

Insofar as feasible and practical, the procurement officer will transfer surplus property between schools. Transfer may also be made directly to other units of government, provided the property will be exclusively owned and used by one or more such units. The price of the property transferred shall be the fair market price based, where possible, on previous sales of similar products in the open market and shall be one mutually agreed upon between the owning agency and the recipient, and approved by the board of education.

4-104 Sale of Surplus Property. **63-56-35**

(1) General Requirements. Surplus property shall be offered to the general public through competitive sealed bids or public auction. It is recognized, however, that some types and classes of items can be sold more readily and advantageously by other means. In such cases, and also where the nature of the property or unusual circumstances call for its sale to be restricted or controlled, the procurement officer may employ such other means, provided such officer makes a written determination that such procedure is advantageous to the agency.

(2) Competitive Sealed Bidding.

- (a) Solicitation and Opening. When making sales by competitive sealed bidding, notice of the sale should be given at least ten days before the date set for opening bids. Notice shall be given by mailing a Request for Sale bids to prospective bidders, including those bidders on lists maintained for this purpose, and by making the Request for Sale bids publicly available. Newspaper advertisement may also be used. The Request for Sale bids shall list the property offered for sale; designate its location and how it may be inspected; and state the terms and conditions of sale and instructions to bidders including the place, date, and time set for bid opening. Bids shall be opened publicly.
- (b) Award. Award shall be made in accordance with the provisions of the Request for Sale bids to the highest responsive and responsible bidder, provided that the price offered by such bidder is acceptable to the procurement officer. Where such price is not acceptable, the procurement officer may reject the bids in whole or in part and negotiate the sale provided the negotiated sale price is higher than the highest responsive and responsible bidder's price, or such officer may resolicit bids. When no bids are received on an item offered for sale, the procurement officer may determine the method of disposal of the item, provided it is in the best interest of the agency.

(3) Auctions. Property may be sold at auction. When appropriate, an experienced auctioneer should be used to cry the sale and assist in preparation of the sale. The solicitation to bidders should stipulate, at a

minimum, all the terms and conditions of any sale; that registration will be required in order to participate in the bidding; and that the purchaser must remove within a stated time all surplus property purchased.

(4) Trade In. Surplus property may be traded in only when the procurement officer determines the trade in value is expected to exceed the value estimated to be obtained through the sale of such property.

PART 5 -- ILLEGAL ACTIVITIES

5-101 Any person acting as a procurement officer for the State of Utah or any subdivision thereof, or who in any official capacity participates in the procurement of any supplies, services, construction, real property, or insurance for any such political units is guilty of a felony if the person asks, receives, or offers to receive any emolument, gratuity, contribution, loan, or reward, or any promise thereof, either for the person's own use or the use or benefit of any other person or organization from any person interested in the sale of such supplies, services, construction, real property, or insurance. **63-56-72**

5-102 A person who is interested in any way in the sale of any supplies, services, construction, real property, or insurance to the State of Utah or any political subdivision thereof, is guilty of a felony if the person gives or offers to give any emolument, gratuity, contribution, loan or reward, or any promise thereof to any person acting as a procurement officer, or who in any official capacity participates in the procurement of such supplies, services, construction, real property, or insurance, whether it is given for his own use or for the use or benefit of any other person or organization. **63-56-73**

PART 6 -- TIMELY PAYMENT

6-101 Suppliers have a right to expect timely payments for goods and services delivered as per agreed upon delivery dates just as school districts have a right to expect prompt delivery. Interest payments are high for everyone. The school district therefore acknowledges the procedure of vendors using appropriate penalty payments and interest charges for delinquent payments as per district administrative procedures.