



# SCHOOL DISTRICT OF LANCASTER PROCUREMENT PROCEDURES

## Bid Thresholds Effective 1/1/21

In accordance with Uniform Guidance (UG), competitive methods of procurement are the preferred method for all procurement transactions. Under UG, non-Federal entities must comply with the more restrictive of Federal, state, and entity-level requirements. While UG is mandated for the expenditure of Federal funds, SDOL will adopt the following thresholds and procurement practices for all programs regardless of the funding source. The following table outlines the procurement methods to be used by SDOL staff for the acquisition of goods and services. (Federal and state acquisition thresholds are adjusted for inflation periodically).

| Procurement Method §200.320                                   | Goods/Supplies   | Services and Exempt Items  | Requirements   |
|---|--|----------------------------|--|
| Micro-purchase<br>(Informal; No quotes required)              | ≤ \$10,000   | ≤ \$10,000                 | <ul style="list-style-type: none"> <li>consider price to be reasonable</li> <li>distribute equitably among suppliers to the extent practical</li> </ul>  |
| Small Purchase Procedures<br>(Relatively simple and Informal) | > \$10,000 but < \$21,300  | > \$10,000 but < \$150,000 | <ul style="list-style-type: none"> <li>obtain and document price or rate quotations from a reasonable number of qualified sources (goods: at least three per 24 PS 8.807.1; services: at least two)</li> </ul>   |
| Sealed Bids<br>(Formal advertising)                           | \$21,300 or more   | \$150,000 or more          | <ul style="list-style-type: none"> <li>bids are publicly solicited</li> <li>firm fixed price contract awarded to the responsible bidder with the lowest price</li> <li>cost or price analysis for purchases in excess of the Simplified Acquisition Threshold (\$150,000)</li> </ul>   |
| Competitive Proposals<br>(Formal RFPs)                        | \$21,300 or more   | \$150,000 or more          | <ul style="list-style-type: none"> <li>conducted with more than one source submitting an offer</li> <li>price is not used as sole selection factor</li> <li>fixed price or cost-reimbursement type contract is awarded</li> <li>written method for conducting evaluations</li> <li>cost or price analysis for purchases in excess of the Simplified Acquisition Threshold (\$150,000)</li> </ul> |
| Noncompetitive proposals<br>(Sole Source)                     | Appropriate only when these circumstances apply: <ul style="list-style-type: none"> <li>Available only from a single source (sole source)</li> <li>Public exigency or emergency</li> <li>Expressly authorized by awarding or pass-through agency in response to a written request from the non-Federal entity</li> <li>After soliciting a number of sources, competition is deemed inadequate</li> </ul> |                            | <ul style="list-style-type: none"> <li>solicitation from only one source</li> <li>must maintain records sufficient to detail the history of the procurement process used</li> <li>used only when qualifying circumstances apply</li> <li>fixed price or cost-reimbursement type contract is awarded</li> </ul>   |

### Additional Considerations:

- **Procurement method** - the SDOL Purchasing Manager will make the final determination of the appropriate procurement method and required documentation.
- **Procurement of services** - always check with grantor/pass-through entity's program manager about other requirements for the procurement of services that may be specific to the funding source.
- **Procurement of exempt items** - PA School Code exempts maps, music, globes, charts, educational films, filmstrips, prepared transparencies and slides, pre-recorded magnetic tapes and disc recordings, textbooks, games, toys, prepared kits, flannel board materials, flash cards, models, projectuals and teacher demonstration devices necessary for school use from the competitive procurement process outlined under 24 PS 8.807.1
- **Sole Source procurement** - use of noncompetitive proposal must be pre-approved by the Purchasing Manager.
- Small Purchase Procedures cannot be used for purchase of equipment or supplies for construction, repair or maintenance services costing \$20,100 or more since School Code requires formal bidding at this level of cost.

# Procurement Best Practices

## Quick Reference Guide

The School District of Lancaster has adopted Procurement Best practices in accordance to Pennsylvania and Federal purchasing regulations. All procurement activities, including Purchase Orders, Contracts, and Vouchers, must follow these threshold guidelines and provide all supporting documentation.

### Goods/Supplies

#### Micro Purchase Under \$10,000



##### No quotes required

- Consider price to be reasonable
- Distribute equitably among suppliers to the extent practical

#### Small Purchase \$10,000—\$21,299



##### Three Quotes Required

- Must attach 3 quotes to transaction
- Lowest price quote must be used

#### Sealed Bids and Competitive Proposals \$21,300 & Over



##### Formal Bid / RFP

- Must reach out to Purchasing Manager to begin process
- Must reference Bid or RFP on transaction
- Prior to purchases over \$150,000, a Cost-Price analysis must be conducted

#### Cooperative Purchasing Program

- Must reference one of the following:
  - Contract Name and Number
  - Bid Name and number
  - RFP Name and Number
- If purchase is over \$150,000, a Cost/Price analysis must be conducted

OR

Examples include: IU13 Bids and Catalog Discount Bids, COSTARS, etc.

### Services and exempt items\*

#### Micro Purchase Under \$10,000



##### No quotes required

- Consider price to be reasonable
- Distribute equitably among suppliers to the extent practical

#### Small Purchase \$10,000—\$149,999



##### Two Quotes Required

- Must attach 2 quotes to transaction
- Lowest price quote must be used, unless evaluation criteria is completed and attached to the transaction

#### Sealed Bids and Competitive Proposals Over \$150,000



##### Formal Bid / RFP

- Must reach out to Procurement Office to begin process
- Must reference Bid or RFP on transaction
- Prior to purchases over \$150,000, a Cost-Price analysis must be conducted

#### Cooperative Purchasing Program

- Must reference one of the following:
  - Contract Name and Number
  - Bid Name and number
  - RFP Name and Number
- If purchase is over \$150,000, a Cost/

OR

Price analysis must be conducted

Examples include: IU13 Bids and Catalog Discount Bids, COSTARS, etc.

#### Non-Competitive Proposals Sole Source

Must be approved by Procurement Office



#### Must complete the following when applicable:

- SDOL Sole Source Justification Form
- Cost Proposal from Vendor
- Sole Source Letter from Vendor (if applicable)

*attach all applicable documentation to purchase transaction*

\*The following shall be exempt from the above provisions: maps, music, globes, charts, educational films, filmstrips, prepared transparencies and slides, pre-recorded magnetic tapes and disc recordings, textbooks, games, toys, prepared kits, flannel board materials, flash cards, models, projectuals and teacher demonstration devices necessary for school use. Rev. 12/11/20