



Book	Policy
Section	FINANCE
Title	Purchasing/Contracting
Code	F-PRCH/R
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Procurement of all supplies, materials and equipment ("Goods"), procurement of services for the erection, construction, alteration or repair of any buildings ("Construction and Repair"), and the procurement of other services ("Other Services") shall be in accordance with all applicable laws, Board policies and good procurement practices.

The following factors shall be considered in each transaction

1. Each item will be selected on the basis that it most effectively meets the needs of the school system.
2. Each item should represent the best value for each dollar expended.
3. Care should be given to making certain that small, minority-owned and women-[owned businesses as well as other responsible suppliers have an opportunity to participate in accordance with Board Policy [F-PRCH](#)
4. Consideration should be given to purchasing recycled materials.

A. Responsibilities Compliance with these regulations requires a team effort between the Procurement Services Department, the various CMS departments that make purchases ("Submitting Departments"), the Minority, Women, Small Business Enterprise Program ("M/W/SBE Department") and the Budget Department.

### **1. Procurement Services Department**

The Procurement Services Department is ultimately responsible for all purchases of Goods and Other Services. No purchase order shall be issued for the procurement of Goods or Other Services unless a Procurement Services Department staff member confirms compliance with these regulations.

### **2. Building Services Department**

The Building Services Department is ultimately responsible for Construction and Repair. No purchase order shall be issued for the procurement of Construction and Repair Services unless a Building Services Department staff member confirms compliance with these regulations.

### **3. M/W/SBE Department**

The M/W/SBE Department shall review all proposed purchases greater than or equal to \$5,000 and shall work with the Submitting Departments and the Procurement Services Department to ensure compliance with Regulation [O-MWSB/R](#). All requisitions greater than or equal to \$5,000 shall be forwarded to the M/W/SBE Department for consideration of appropriate outreach opportunity. The M/W/SBE Department will notify the Procurement Services Department and the Submitting Department of possible vendors to be included in the applicable procurement process. The M/W/SBE Department shall also be responsible for the outreach efforts described in Section 7 of Regulation [O-MWSB/R](#).

### **4. Submitting Departments**

There may be circumstances where the Submitting Departments share the responsibility for compliance with applicable regulations for purchases initiated from their departments. Submitting Departments, with the advance approval of the Procurement Services Department, may handling the procurement of certain Goods or Other Services with their own staff

after agreeing in advance with the Procurement Services Department and M/W/SBE Department upon a mutually acceptable procurement method, including appropriate M/W/SBE outreach efforts. Most commonly, this would be in circumstances where informal bids (e.g. quotes) are obtained or competition is appropriately waived in accordance with this regulation. If the Submitting Department (with the approval of the Procurement Services Department) handles the applicable procurement procedures for Goods or Other Services in accordance with these regulations, then the Submitting Department shall provide the Procurement Services Department and M/W/SBE Department with written evidence of compliance with these regulations. Alternatively, the Submitting Department may request the Procurement Services Department to handle needed purchases of Goods or Other Services on the Submitting Department's behalf.

## 5. All Departments when Federal Funds are Received

All Departments listed above will work collaboratively to ensure Federal Fund Compliance in accordance to the Uniform Guidance Requirements. The Guidance Requirement Statement is listed below:

"Contracts funded with federal grant or loan funds must be procured in a manner that conforms with all applicable Federal laws, policies, and standards, including those under the Uniform Guidance (2 C.F.R. Part 200)."

Supplemental procurement regulations applicable for purchases funded with federal funds are attached hereto as Appendix 1.

A chart summarizing applicable competitive requirements for the purchases funded with federal funds is attached here to as Appendix 2.

B. Advance Planning Purchases need to be planned in advance in order to provide sufficient time for these regulations and Regulation [O-MWSB/R](#) to be effectively implemented. Thus, it is expected that:

1. Representatives of the Procurement Services Department, Submitting Departments, and M/W/SBE Department should regularly meet to identify planned purchases and a schedule for the planned purchases.
2. Submitting Department shall submit requisitions in a prompt and timely manner such that they are received by the Procurement Services Department sufficiently in advance of the need for the applicable procurement procedures to be implemented. Submitting Departments shall endeavor to have requisitions submitted to the Procurement Services Department at least 30 days in advance of the need for the purchase order to be issued, although it is acknowledged that in some circumstances it will not be reasonably possible to have requisitions submitted this far in advance.
3. The Procurement Services Department shall handle procurements in a prompt and timely manner. The Procurement Services Department shall endeavor to complete all procurements within two weeks of submittal of a requisition to the Procurement Services Department, although it is acknowledged that in some circumstances additional time will be required.
4. The Budget Department shall endeavor to have monies budgeted and available sufficiently in advance to allow compliance with these regulations.

### C. Good Procurement Practices

By way of example, the following procedures for procurements on behalf of CMS shall be followed:

1. Goods
  - a. Formal Bidding Procedures: Formal bidding procedures prescribed in North Carolina General Statute (N.C.G.S.) §143-129 must be followed for the purchase of Goods that require an estimated expenditure of \$90,000 or more (unless one of the exceptions stated in N.C.G.S. §143-129 is applicable).
  - b. Informal Bidding Procedures: Informal bidding procedures are prescribed in N.C.G.S. §143-131 for the purchase of goods that involve an estimated expenditure of \$30,000 or more but less than \$90,000. At a minimum, there should be good faith efforts to obtain at least three written quotes.
2. Construction and Repair
  - a. Formal Bidding Procedures: Formal bidding procedures prescribed in N.C.G.S. §143-129 must be followed for construction or repair work that requires an estimated expenditure of \$500,000 or more (unless one of the exceptions stated in N.C.G.S. §143-129 is applicable).
  - b. Informal bidding procedures: Informal bidding procedures are prescribed in N.C.G.S. §143-131 for construction and repair contracts involving an estimated expenditure of \$30,000 or more but less than \$500,000. At a minimum, there should be good faith efforts to obtain at least three written quotes. Notification of at least one M/W/SBE vendor, when available, using one or more of the databases referenced in Section 4 of Regulation [O-MWSB/R](#).

### 3. Other Services

Procurement of Other Services should generally be obtained through some form of competitive process satisfactory to the Executive Director of Procurement Services, such as obtaining written quotes or negotiation. Notwithstanding the above, procurement of certain professional architectural, engineering and surveying services must be in accordance with North Carolina General Statute §143-64.31-64.34. Generally, these provisions require that firms shall be selected based on demonstrated competence and qualification without regard to a fee other than unit-price information and thereafter that a contract be negotiated. Likewise, when procuring accounting, appraisal, financial, legal, technology support or other professional services for CMS, firms should be selected on the basis of demonstrated competence and qualification and then a contract negotiated with the selected firm or firms.

### 4. Other Requirements:

- a. A chart summarizing applicable competitive procurement procedures is set forth below as Exhibit 1.
- b. There are some circumstances where competitive procurement procedures may be waived by the Executive Director of Procurement Services. Examples of exceptions to competitive procurement methods are set forth below as Exhibit 2.
- c. In addition, the rules established in Policy [O-MWSB](#), Regulation [O-MWSB/R](#), "Minority, Women, Small Business Enterprise Program," and its corresponding regulation, [O-MWSB/R](#), shall be followed.
- d. All purchase orders and contracts shall be pre-audited as required by state law.
- e. Purchase orders and contracts shall not be divided in order to keep them less than the various dollar thresholds referenced below, thereby avoiding the applicable procurement or approval procedure.
- f. The Executive Director of Procurement Services, with the approval of the Chief Financial Officer, may establish additional purchasing and contracting procedures to be published in a Purchasing and Contracting Manual that will be applicable to all CMS departments, such additional procedures to be consistent with this regulation.

### D. Delegation of Approval and Signature Authority

Approval and signature authority for contracts shall be determined by the Superintendent in a manner consistent with Board Policy [F-PRCH](#).

### E. Examples of Contracts and Related Documents that Do and Do Not Require Board of Education Approval

1. Examples of contracts and related documents that do require Board of Education approval include:
  - a. Contracts for acquisition of real estate and leases of real estate;
  - b. Disposition of real property, including easements;
  - c. Construction and repair contracts where the contract amount is greater than \$100,000;
  - d. Change orders to construction and repair contracts where the dollar amount is greater than \$100,000; and
  - e. Contracts/purchase orders for goods in an amount equal to or greater than \$90,000 pursuant to the authority of N.C.G.S. §143-129(e) (6) (e.g., no competitive bidding because performance or price competition are not available, a needed product is available from only one source of supply, standardization is the overriding consideration).
2. Examples of contracts and related documents that do not require Board of Education approval include:
  - a. Contracts/purchase orders for Goods, except as noted in section C.1.e., above;
  - b. Contracts for construction and repair work where the contract amount is less than or equal to \$100,000;
  - c. Change orders to construction and repair contracts where the dollar amount is less than or equal to \$100,000;
  - d. Contracts for services;
  - e. Amendments to land purchase contracts and land purchase closing documents provided that the Board of Education's financial obligations do not exceed that which was contemplated by the contract approved by the Board of Education; and
  - f. Memoranda of understanding, joint use, permissive use or similar agreements that do not require the expenditure of any funds or involve the disposition of property.

Previous CMS Policy Code: [DJ-R](#)

[DJ-R CO 5.4.22.pdf \(17 KB\)](#)

[DJ-R pre 5.4.22 modification.pdf \(398 KB\)](#)

[Supt and Board Chair Memo of Delegation of Contract Approval and Signature Authority \(signed\) REV..pdf \(103 KB\)](#)