

Coffeeville School District
FISCAL POLICIES AND PROCEDURES

XIII. Contracting for Services

CSD contracts for services only if (1) there is a written contract specifying the terms of the vendors' services; (2) the contract providers are appropriately licensed; (3) the fees are determined to be reasonable and customary for the provision of such services in the area; (4) The CSD has determined that the services cannot be provided by district employees; and (5) CSD has internal controls in place to verify the delivery of contracted services as specified in contracts and on submitted invoices.

Other contract terms may need to be included depending on the type of contract. CSD will not contract with parties that have been debarred or suspended under Executive Order 12549. Information on the Excluded Parties List System may be found at <https://www.sam.gov/>. In addition, all contracts must be for a period of no more than one year, and must include a termination clause. CSD has established procedures for ensuring that contractors meet the terms of their agreements, and must maintain documented internal controls to this effect.

The district uses the state purchasing laws as a guideline for procurement procedures. The purchasing laws are maintained at the district office. The District follows state purchasing laws for special education purchases. The district obtains at least two written quotes for purchases between \$5,000 - \$24,999. Purchases greater than \$25,000.00 are made through formal sealed competitive bids. The Special Education Director is responsible for reviewing and approving purchase request for all special education purchases prior to the preparation of the purchase requisition. The purchase order is prepared and is then reviewed and approved by the Superintendent/Purchasing Agent. The Purchasing Agent verifies all necessary quotes/bids were obtained prior to approval of the purchase order.

Purchases greater than \$25,000 are made through formal sealed competitive bids. A competitive proposal is normally conducted with more than one source submitting an offer. The LEA issues a public request for proposals, often called RFP.

- a. Must be publicized and identify evaluation factors and relative importance.
- b. Responses to RFP must be honored to maximum extent practical.
- c. The proposals must be solicited from an adequate number of qualified sources.
- d. LEA must have a method for conducting technical evaluations of the proposals received and for selecting awardees.
- e. Awards must be made with responsible parties whose proposal is most advantageous to the program, with price and factors considered. Note: price is not the only factor in making the determination.

CSD Special Education Department will use careful judgment and adhere to the guidelines established below when determining whether to employ staff to provide related and support services out of IDEA grant funds or to secure services through contracting. According to EDGAR §75.515(b), "the grantee may not use its grant to pay a consultant unless (1) there is a need for the services of that consultant; and (2) the grantee cannot meet that need by using an employee rather than a consultant."

In addition, the cost of contracting for services must be reasonable, and defensible to auditors. According to OMB Circular A-87, Attachment A, "To be allowable under Federal awards, costs must be necessary and reasonable for proper and efficient performance and administration of Federal awards." A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost.