



Policy: Procurement Using Grant Funds	Category: Procurement and Contracting		Number: GP1600
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Policy Statement

The School District of Philadelphia is committed to securing goods and services using grant funds from reputable and responsible suppliers in an equitable and competitive manner and in accordance with applicable federal and state laws, regulations and guidance.

Reason for Policy

2 CFR Part 200.317 requires that grantees and subgrantees will use their own procurement procedures which reflect applicable state (PA School Code Section 807.1) and local laws and regulations, provided that procurements conform to applicable federal law and other standards. In using federal funds for procurements, the District is bound to adhere to all of the procurement standards identified in 2 CFR Part 200.317 et. seq. If the District’s procurement policies and procedures are more restrictive than state or federal laws and regulations, District policies must be followed. 2 CFR Part 200.318 includes but is not limited to the following requirements:

- The District will use its own procurement procedures which reflect applicable state and local laws and regulations, provided that the procurements conform to applicable Federal law and regulations
- The District will have written selection procedures for procurement transactions
- Any lists of prequalified persons, firms or products to be used by the District will be updated regularly and will ensure open and free competition
- Only responsible contractors that have the ability to successfully complete contract terms will be used
- If available and applicable, excess federal property and equipment will be used before purchasing new equipment
- The District will ensure no real or apparent conflicts of interest arise during procurement activities and will adhere to the *District’s Employee Code of Ethics*
- All transactions will be conducted in a manner providing full and open competition (*See 34 CFR 80.36(c) for examples of restrictive procurement situations*)
- Unnecessary or duplicative purchases will be avoided
- The District will perform a cost or price analysis in connection with every procurement action including contract modifications
- Detailed records to substantiate procurement decisions, rationale and history will be maintained
- The District will handle and resolve any contract or procurement disputes
- The District will take all necessary affirmative steps to assure that minority firms, women’s business enterprises, and labor surplus area firms are used when possible as outlined in section X, “Minority/Small Business Development” of *SDP Office of Procurement Services: Policies and Procedures Manual (2008)*

- The District must make available, upon request of the awarding agency, technical specifications on proposed procurements where the awarding agency believes such review is needed to ensure that the item and/or service specified is the one being proposed for purchase
- Any applicable bonding requirements will be followed
- The District's contracts must contain provisions of paragraph 2 CFR 200.326.
- Contracting with faith-based organizations is allowed provided there is no discrimination for or against the organization and provided that the faith-based organization offers any religious worship, instruction or proselytization at a time and in a location separate from any programs or services provided to the District and any participation in such services by beneficiaries of grant programs is voluntary

Policy Requirements

Purchasing procedures using federal and non-federal grant funds will conform to applicable state, local and federal law and any regulations identified in 2 CFR. Procurements may be awarded through noncompetitive means under certain circumstances such as if the goods/services are only available from a single source, public exigency or emergency necessitates noncompetitive procurement, the awarding agency authorizes it, or if competition is deemed inadequate. See 2 CFR Part 200.320 for additional guidance on when noncompetitive procurement may be used.

Federal regulations (See 2 CFR Part 200.320) stipulate that procurements under \$150,000 may be conducted via less formal competitive procedures such as price or rate quotations. However, the School District of Philadelphia informally requires all purchases of \$100,000 or more to be procured through a formal competitive process. Therefore, federal funds will continue to adhere to the more restrictive SDP threshold. See *GP800.2 Resolutions and LCAs* for additional detail on the use of small purchase competitive selection procedures. Any procurement in excess of \$100,000 using non-federal funds and non-competitive methods cannot be Journal Vouchered to federal funds even though such expenditure transfer might otherwise be allowable and eligible.

Procurement of goods and services using federal or non-federal grant funds must also adhere to the following District policies and procedures:

- *SRC policy 610 Purchases Subject to Bid*
- *SRC policy 611 Purchases Budgeted*
- *SRC policy 612 Purchases not Budgeted*
- *SRC policy 613 Cooperative Purchasing*
- *Procedures contained in SDP Office of Procurement Services: Policies and Procedures Manual*
- *GP8002. Resolutions and LCAs*
- *GP1700 Contracted Services for Grant Funded Programs*
- *GP1800 Suspended, Disqualified or Debarred Vendors to be Paid with Grant Funds.*

Documentation of procurement processes should be maintained according to the District's Policy *GP1400 Documentation and Record Retention*.

Responsibilities

Grant Program Manager (GPM) and Principals will communicate the needs of the program to District Procurement Services staff and assist in the evaluation of competitive bidders and vendors responding to Request for Proposals (RFPs). GPMs are encouraged to contact OGDC prior to the issuance of any RFPs to ensure compliance with grant requirements and to consult the *Procurement Requirements Matrix* for guidance on when to use a specific type of procurement method. As indicated on the Matrix, the GPM is responsible for obtaining price quotations and for completing the *Grant Quotation Form* for procurements of goods with a potential value of up to \$25,000 and for procurements of services with a value of up to \$100,000. The GPM will attach completed Grant Quotation Forms to all procurement requisitions documents – contract forms for services or purchase requisitions for goods. The GPM will also ensure that the goods and services they seek to purchase meet the District’s Policy *GP0800 Allowable Uses of Funds and Adherence to Cost Circulars*. The GPM will be responsible for capturing and maintaining any procurement documentation according to the District’s Policy *GP1400 Documentation and Record Retention* policy.

Office of Procurement Services is responsible for ensuring that procurement procedures are followed and that procurement staff are properly trained in state, local and federal law and regulations as well as District policies. The Office of Procurement Services conducts formal bid solicitation processes for procurements of goods with a potential value of more than \$25,000 and for procurements of services of \$100,000 or more.

Forms

- *SDP Procurement Requirements Matrix for Grant Funds*
- *SDP Grant Quotation Form*

Definitions

RFPs are “Request for Proposals” and include all documents used for soliciting proposals.

Contacts

- *Office of Grant Development and Compliance*
- *Office of Procurement Services*

Frequently Asked Questions

Related Information

- *SRC Policy 610 Purchases Subject to Bid*
- *SRC Policy 611 Purchases Budgeted*
- *SRC Policy 612 Purchases not Budgeted*
- *SRC Policy 613 Cooperative Purchasing*
- *SDP Office of Procurement Services: Policies and Procedures Manual (2008)*
- *GP1700 Contracted Services for Grant Funded Programs*
- *GP1800 Suspended, Disqualified or Debarred Vendors to be Paid with Grant Funds*
- *2 CFR Part 200.319:*

History

Amended:

- Amended on 7/8/14 to update minimum thresholds for grant-funded procurements pursuant to changes in the SDP LCA threshold.
- Amended on 5/8/2015 to make reference updates for the Uniform Grant Guidance and to make technical adjustments.

Issue Date: 7/1/2012	Effective Date: 7/1/2015	Approved by: Chief Grant Development and Compliance Officer
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