

LEGAL: 2 C.F.R. 200.318 REQUIRES THAT SCHOOL DISTRICTS HAVE A CODE OF CONDUCT FOR PROCUREMENT USING FEDERAL FUNDS. THIS CONFLICT OF INTEREST LANGUAGE SPEAKS TO THAT REQUIREMENT.

FINANCIAL IMPLICATIONS: NONE ANTICIPATED

FISCAL MANAGEMENT

04.32

Purchasing

AUTHORITY

The Kentucky Model Procurement Code contains specific provisions in KRS 45A.345 to 45A.460 that may be adopted by local public agencies, including local boards of education. The Board has adopted the local public agency provisions of the Code. KRS 45A.343 provides that no other statutes governing purchasing shall apply to the local public agency upon adoption of these provisions. The Board has adopted procurement regulations, not inconsistent with the local public agency provisions, as permitted by KRS 45A.360. The Superintendent shall develop procedures for the implementation of the local public agency provisions of the Code and the Board's procurement regulations.

GENERAL PURCHASING REQUIREMENT

All contracts and purchases shall comply with the local public agency provisions of the Code and the Board's procurement regulations. All contracts and purchases shall be made through competitive sealed bidding¹ or competitive negotiation, both of which may include the use of a reverse auction, unless the purchase or contract satisfies the requirements for noncompetitive negotiation or small purchases.

ETHICAL STANDARDS

To avoid conflicts that may arise during the decision-making process for procurement of services and products for the District, employees shall adhere to the ethical standards set out in KRS 45A.455 and the Board's procurement regulations.

FEDERAL AWARDS/CONFLICT OF INTEREST

No employee, officer, or agent of the District may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.³

The officers, employees, and agents of the District may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. In determining whether an activity constitutes an impermissible acceptance of a gratuity or item of monetary value, the definition of "gratuity" means a payment, loan, subscription, advance, deposit of money, services, or anything of more than twenty-five dollars (\$25.00) in value, present or promised, unless consideration of substantially equal or greater value is received (covering anything of more than fifty dollars [\$50] value) set forth in KRS 45A.445 shall apply. Violation of these standards may result in disciplinary action including, but not limited to, suspension, dismissal, or removal.

PREFERENCE FOR RESIDENT BIDDERS

For all contracts funded in whole or in part by the District, the Board shall apply the reciprocal preference for resident bidders required by law. Geographical preferences relating to school nutrition service purchases may be utilized only as permitted by applicable federal law.²

EXEMPTIONS

Purchasing

Federal regulatory requirements do not provide a bidding exception for purchase of perishables using school nutrition service funds. Such purchase must follow applicable federal regulations.³

REFERENCES:

¹Includes the State Bid List

²KRS 160.303; 200 KAR 5:400; KRS 45A.494

³2 C.F.R. 200.3187 C.F.R. 210.21 and 7 C.F.R. 3016.36

KRS 156.076; KRS 160.290

KRS 45A.070; KRS 45A.343; KRS 45A.345; KRS 45A.360; KRS 45A.370

KRS 45A.380; KRS 45A.385; KRS 45A.420; KRS 45A.445; KRS 45A.455

KRS 45A.460; KRS 45A.620

OAG 79-501; OAG 82-170; OAG 82-407

Kentucky Educational Technology Systems (KETS)

RELATED POLICIES:

05.1; 06.4; 07.13