

**Arlington Public Schools**  
"Providing the means to accomplish dreams"

<b>Supportive Information Sheet</b>
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**Subject: SECOND READING AND ADOPTION OF POLICIES:**

- *Policy 6801 ~ Management Support ~ Fixed Assets ~ Amended*
- *Policy 6299 ~ Management Support ~ Procurement of Federally Funded Services ~ New*

Action

**Page(s):** \_\_\_\_\_ Five (5), including cover \_\_\_\_\_ (2 Policies) \_\_\_\_\_

**Submitted by:** \_\_\_\_\_ Dr. E. Kristine McDuffy, Superintendent \_\_\_\_\_

**Date:** \_\_\_\_\_ November 10, 2008 \_\_\_\_\_

**Background Information:**

These policies have been reviewed by the Board, recommended by legal counsel, and presented in two (2) public meetings; a study session on October 13, 2008, and for first reading on October 27, 2008.

**Administrative Consideration:**

The Board had no questions or concerns on these policies at first reading. They are therefore, being presented at this time for second reading and adoption.

**Superintendent's Recommendation:**

That the Board approves for second and final reading policies 6801 and 6299.

## PROCUREMENT OF FEDERALLY FUNDED SERVICES

The Board of Directors of Arlington Public Schools No. 16 recognizes:

- A. Federal funding requirements permit grantees and sub-grantees to use their established procurement procedures providing they conform to a) applicable State and local statutes and regulations, and b) applicable Federal law and standards.
- B. The State of Washington has not provided State laws or regulations governing the procurement of services.
- C. Washington State public school districts, educational service districts (ESDs), and the Office of Superintendent of Public Instruction (OSPI) are considered partners in the Washington K-12 Education System (System). Washington State and Federal law both a) encourage and authorize the use of intergovernmental transactions as an economically responsible alternative to competitive procurements from private providers, and b) reflect a presumption that intergovernmental agreements result in the most efficient and effective use of public funds (RCW 39.34.010 and 34 CFR 80.36(b)(5)).
- D. Federal 34 CFR Part 80.36(d)(1) permits “small purchase procedures” for purchases less than one hundred thousand dollars (\$100,000). Specifically, it notes, the “simplified acquisition threshold fixed at 41 U.S.C. 403(11) (currently set at \$100,000) require sealed bids.”
- E. In the absence of any State law over the procurement of professional services and books, the State Auditor’s Office has agreed to instruct its auditors to select Federally funded transactions above three thousand dollars (\$3,000) when testing for competitive solicitation.

Therefore, the Board establishes the following procurement of services expectations:

- A. The efficiency and effectiveness of and between the component members of the Washington K-12 Education System (System) is recognized. This System, individually and collectively, provides for the benefit of public education and is of paramount importance. Therefore, the use of competitive procurement procedures between the component members of the System is not a good use of resources and shall not be required.
- B. Every Federally funded purchase of services or books (note- RCW 28A.335.190 provides lower limits relative to furniture and equipment), other than those between component members of the System, shall be on a competitive basis dependent on the following procurement limits:
- C. Competitive procurement is in effect for any Federally funded services or books with a cost estimated to be in excess of three thousand dollars (\$3,000).
- D. Whenever the estimated cost is from three thousand dollars (\$3,000) up to one hundred thousand dollars (\$100,000), the procedure shall require solicitation of competitive quotes from responsible vendors.

- E. Whenever the estimated cost is in excess of one hundred thousand dollars (\$100,000), a public bidding process established by the Superintendent shall be followed.
- F. Competitive procurement procedures for services may be waived in the following instances. When such waivers are implemented a) the Superintendent shall be notified, and b) the factual basis for the exception must be recorded and filed with the District's business office.
  - 1. Purchases that are clearly and legitimately limited to a single source of supply.
  - 2. Purchases involving special facilities or market conditions.
  - 3. Purchases, including public works, in the event of an emergency.
  - 4. Purchases of insurance or bonds.
  - 5. Other events so determined by the Superintendent.
- G. If an emergency exists, the Superintendent, or his/her designee, may declare an emergency situation exists, waive competitive bidding requirements, and award all necessary contracts on behalf of the District to address the emergency situation. For purposes of this section "emergency" means unforeseen circumstances beyond the control of the District that either a) present a real, immediate threat to the proper performance of essential functions, or b) will likely result in material loss or damage to property, bodily injury, or loss of life if immediate action is not taken.

Legal References:

RCW 28A.155.060	District Authority to Contract with Approved Agencies - Approval Standards
RCW 28A.155.160	Assistive Devices and Services - Interagency Cooperative Agreements - Definitions
RCW 28A.160.120	Agreements With Other Governmental Entities for Transportation of Public or Other Non-Common School Purposes - Limitations
RCW 28A.225.250	Cooperative Programs Among School Districts - Rules
RCW 28A.310.200	ESD Board - Powers and Duties - Rules
RCW 28A.320.035	Contracting Out - Board's Powers and Duties – Goods and Services
RCW 28A.335.190	Advertising for Bids - Competitive Bid Procedures – Purchases From Inmate Work Programs – Telephone or Written Quotation Solicitation, Limitations - Emergencies
RCW 39.34.030	Joint Powers - Agreements for Joint or Cooperative Action, Requisites, Effect on Responsibilities of Component Agencies - Financing of Joint Projects
RCW 39.34.080	Contracts to Perform Governmental Activities Which Each Contracting Agency is Authorized to Perform
34 CFR 80.36	Procurement

Adopted: (APS)

## **FIXED CAPITAL ASSETS/THEFT-SENSITIVE ASSETS**

### ***Capital Assets***

The District shall maintain a comprehensive ~~fixed capital assets program requiring periodic inventory of District assets~~ **record-keeping system**. The goal of the **fixed capital assets** program is to protect the District against losses that would significantly affect the District's students, staff, property, budget or the ability of the District to continue to fulfill its stewardship responsibilities.

For purpose of this policy, "~~fixed capital assets~~" shall mean ~~a unit of furniture or furnishings, an instrument, a machine, an apparatus or a set of articles~~ **land, improvements to land, easements, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure and all other tangible and intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period** which:

- A. Retains its shape and appearance with use; and
- B. Is nonexpendable ~~and does not lose its identity when incorporated into a more complex unit~~ **meaning if the item is damaged or some of its parts are lost or worn out, it may be more feasible to repair it than to replace it with an entirely new item;** and
- C. ~~It does not lose its identity when incorporated into a more complex unit;~~
- D. Is valued ~~above~~ **no less than \$5,000, unless a lesser amount is set by the District; ~~or~~ and**
- E. ~~Is defined as theft sensitive.~~ **Has a life expectancy of at least one year.**

~~For purposes of this policy, "theft sensitive" are those items identified by the District which have a value of \$300.00 or more.~~

~~Annual audit~~ **Federal law requires a physical inventory of federally-funded assets at least once every two years. Reconciled inventory reports shall be provided to the Board. ~~that identifies~~ Such reports shall identify** lost, damaged, or stolen **fixed capital** assets. Missing **fixed capital** assets will be removed from District property records by a vote of the Board.

No equipment shall be removed ~~from the premises~~ for personal or non-school **district** use.

### ***Theft-Sensitive Assets***

For purposes of this policy, "~~theft-sensitive~~" are those items identified by the District as most subject to loss (e.g., audio-visual equipment, laptop computers, digital cameras). The District should establish procedures for internal controls and conduct an annual inventory of ~~theft-sensitive~~ assets.

The Board will be provided a report identifying equipment not accounted for in the annual inventory. This equipment will be removed from the District property records through School Board action annually.

The Superintendent shall develop procedures to implement this policy, including maintenance requirements and sales procedures to ensure the highest possible return.

### Cross References:

Board Policy 6570  
Board Policy 6881

Property, Data and Records Management  
Disposal Of Surplus Equipment and/or Materials

Legal References:

RCW 28A.335.090  
34 CFR § 80.32

7 CFR § 3015, 3016  
45 CFR § 92.32

Conveyance and Acquisition of Property - Management - Appraisal  
Uniform Administrative Requirements for Grants and Cooperative  
Agreements to State and Local Governments – Equipment  
*Agriculture*  
*Health and Human Services*

Management Resources:

*Policy News, June 2008*  
*Policy News, April 2006*

*Capital Assets/Theft-Sensitive Assets*  
*Fixed Assets*