

# PROCUREMENT POLICY

## ARTICLE I - PURPOSE

Section 1. This policy outlines the guidelines for purchasing goods and services by Loveland Choral Society. Its goal is to ensure purchasing is consistent, transparent, compliant with federal and state regulations, and aligned with our organization's goals.

## ARTICLE II - SCOPE

Section 1. This policy applies to all members involved in procurement activities. It covers all purchases related to goods, services, subscriptions, consulting, and software. Persons authorized to make purchases, select acceptable alternates if a desired product is unavailable, and receive and sign for deliveries on behalf of the organization must be a member of the Board of Directors or their designee. A list of authorized purchasers will be maintained by the Board of Directors.

## ARTICLE III - CORE PRINCIPLES

Section 1. Loveland Choral Society will make every effort to ensure procurement decisions are made based on the following principles:

- a. *Transparency:* Decisions must be traceable and justified.
- b. *Fairness:* All suppliers are treated equally.
- c. *Value for money:* Purchases aim for the optimal balance of cost and quality.
- d. *Ethics:* Members of the Board of Directors may not benefit personally from procurement decisions pursuant to the Conflict of Interest Policy.
- e. *Sustainability:* Environmental and social impact is considered where feasible.

Section 2. Loveland Choral Society recognizes the importance of:

- a. maximizing the use of resources;
- b. the need for sound business practices in spending public and donor money;
- c. the requirement of complying with state and federal laws governing purchasing;
- d. the importance of standardized purchasing regulations; and
- e. the need for clear documentation.

- f. the importance of avoiding acquisition of unnecessary or duplicative items.

Section 3. Loveland Choral Society will award contracts only to responsive, responsible suppliers who demonstrate the legal, financial, and professional ability to complete their work responsibly.

#### **ARTICLE IV - ROLES AND RESPONSIBILITIES**

Section 1. Purchase requests of \$1,000.00 or more outside of insurance policy renewals should be made to the Board of Directors with complete item details and documentation.

Section 2. Procurements over \$1,000.00 must be approved by a majority vote of the Board of Directors prior to the purchase being made.

Section 3. Delivery and quality should be confirmed prior to invoice approval and payment when possible.

Section 4. All purchase receipts with complete details must be provided to the Treasurer within 30 days of the purchase. The Treasurer will ensure purchases are conducted in compliance with applicable Federal and State regulations. The Treasurer will document and maintain records of all procurement activities.

#### **ARTICLE V - PROCUREMENT USING FEDERAL FUNDS**

Section 1. Goods and Services

- a. When federal funds are used for the procurement of **goods** (furniture, supplies, equipment), or **services**:

- i. Informal Procurement - Micro Purchases of \$1,000.00 or less do not require quotes. However, the Loveland Choral Society must consider price to be reasonable, and, to the extent practical, distribute purchases equitably among suppliers. Documentation will be maintained on how price is considered reasonable. [2 CFR 200.320(a)(1)]

- ii. Informal Procurement - Small Purchases between \$1,000.00 and \$4,999.00 must be procured using price or rate quotations from three or more qualified sources. [2 CFR 200.320(a)(2)]

- iii. Formal Procurement – Formal Purchases of \$5,000.00 or more must be publicly solicited using sealed bids or requests for proposals. [2 CFR 200.320(b)]. For formal purchases over \$5,000, the Board of Directors will evaluate quotes submitted and select the successful supplier or vendor by a majority vote.
- b. Steps will be taken to assure that minority businesses, women’s business enterprises and labor surplus firms are used when possible. [2 CFR 200.321]
- c. Geographic preference may be used.
- d. Perform a cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold including contract modifications. This includes making independent estimates before receiving bids or proposals. [2 CFR 200.324(a)]

## Section 2. Noncompetitive Procurement

- a. Noncompetitive procurement may only be used when one of the following five circumstances applies [2 CFR 200.320(c)]:
  - i. The item is only available from a single source;
  - ii. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
  - iii. The awarding agency authorizes a noncompetitive proposal in response to a written request from Loveland Choral Society;
  - iv. after solicitation of a number of sources, competition is determined inadequate; or
  - v. when acquiring property or services that do not exceed the micro purchase threshold.

## Section 3. Suspension And Debarment

- a. Before entering into federally funded vendor contracts for goods and services that equal or exceed \$25,000 and any subcontract award, the sponsor

will ensure the vendor is not suspended or debarred from participating in federal assistance programs. [2 CFR 200.214]

#### Section 4. Code Of Conduct or Conflict Of Interest

a. No member of the Board of Directors may participate in the selection, award, or administration of a contract supported by federal funds if he or she has a real or apparent conflict of interest. Such a conflict would arise when the member, any member of their immediate family, their 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.

b. No member or the Board of Directors may solicit or accept gratuities, favors or anything of monetary value from contractors or parties to subcontracts. Violation of these standards may result in disciplinary action including, but not limited to, suspension, dismissal, or removal. [2 CFR 200.318(c)(1)]

#### Section 5. Formal Sealed Bids

a. Loveland Choral Society will establish bidding and contract awarding procedures consistent with state and federal law.

b. The following procedures will be in effect for purchasing through the bidding process:

i. Formal bids will be opened and read in public on the date and in the place named in the notice and after being opened shall be filed for public inspection, and any interested member of the public may attend the bid opening. It will be the bidder's sole responsibility to see that his or her bid is delivered to the sponsor prior to the time set for opening of bids. Any bid received after the time set for opening the bids will be returned to the bidder unopened and will receive no consideration by the sponsor;

ii. Formal bid tabulations may be presented to the sponsor for study purposes;

iii. Formal bid awards will be made by the sponsor;

iv. Brand names and manufacturers' catalog numbers used in specifications are for the purpose of identification and to establish a standard of quality. Bids on equal items may be considered providing the bidder specifies brand and model and furnishes descriptive literature. The acceptance of alternative "equal" items will be conditioned on the sponsor's inspection and testing after receipt. If not found to be equal, the items will be returned at the seller's expense and the contract canceled;

v. The sponsor will reserve the right to reject any or all bids, waive any formalities and/or irregularities and cancel the solicitation, if a reason exists;

vi. Contracts will be awarded to the responsive and responsible vendors who possess the ability to perform successfully under the terms and conditions of the proposed procurement.

#### Section 6. Procedures – Formal Request For Proposals

a. The following procedures will be in effect for purchasing through the proposal process:

i. Requests for proposals will be evaluated based on price and other factors considered. Evaluation factors will be included in the solicitation, with price being the primary factor.

ii. Proposal tabulations may be presented to the sponsor for study purposes.

iii. Formal proposal awards will be made by the sponsor.

iv. Brand names and manufacturers' catalog numbers used in specifications are for the purpose of identification and to establish a standard of quality. Proposals on equal items may be considered providing the proposer specifies brand and model and furnishes descriptive literature. The acceptance of alternative "equal" items will be conditioned on the sponsor's inspection and testing after receipt. If not found to be equal, the items will be returned at the seller's expense and the contract canceled.

v. The sponsor will reserve the right to reject any or all proposals, waive any formalities and irregularities to cancel the solicitation, if a reason exists.

vi. Contracts will be awarded to the responsive and responsible vendors who possess the ability to perform successfully under the terms and conditions of the proposed procurement.

## **ARTICLE VI - COMPLIANCE**

Section 1. Any violation or suspected violation of this policy shall be immediately reported to a member of the Board of Directors.

a. The Board of Directors shall review the involved procurement and take necessary steps to substantiate or disprove the claim.

b. All steps taken by the Board of Directors, their findings, and any corrective actions shall be thoroughly documented and maintained by the Secretary.

Section 2. Failure to follow this policy can result in revocation of membership, removal from the Board of Directors, and possible civil and criminal sanctions.

Section 3. The Board of Directors will review the policy annually to ensure that they are in compliance with new or revised regulations.

Policy approved by the Board of Directors on 4/29/26.