FILE: DJD

MEDFORD AREA PUBLIC SCHOOL DISTRICT

DATE ADOPTED: November 19, 1998
DATE REVISED: January 19, 2004
DATE REVISED: June 22, 2017

FILE SECTOR: FISCAL MANAGEMENT
POLICY TITLE: PERFORMANCE BOND AND ASSURANCE REQUIREMENTS

Medford Area Public School District (MAPSD) may make direct purchases of materials for improvements or construction using MAPSD purchase orders. The cost of excludable services such as architects and design fees and materials purchased by the district shall be independent of any contract amount and shall not count against the project cost in determining compliance with MAPSD policies regarding payment and performance assurance requirements on projects.

For public improvements or public works projects for which the district accepts a bid, excluding direct purchase of materials costs and excludable services:

- Exceeding $10,000 - the district may make direct payments to subcontractors or suppliers providing services and/or materials exceeding $1,000 in value. (If direct payment is not made by MAPSD, a performance assurance may be required by the district).

- Exceeding $30,000 - the district shall require the prime contractor to provide the district with a list of all subcontractors and suppliers providing services and/or materials for the project exceeding $1,000 in value.

- Exceeding $10,000 but not exceeding $50,000 - the district may require all prime contractors who have not successfully fulfilled a contract with MAPSD within the past four years to obtain a payment and performance bond. If the prime contractor has successfully fulfilled a contract in the last four years, MAPSD may, at its discretion, require or waive payment or performance assurances from prime contractors.

- Exceeding $50,000 but not exceeding $100,000 - the district reserves the right to accept an irrevocable letter of credit or an escrow account acceptable to MAPSD in lieu of the prime contractor obtaining a payment or performance bond whenever the prime contractor has successfully fulfilled a contract with MAPSD within the past four years.

- Exceeding $100,000 - the district shall require the prime contractor to obtain a payment and performance bond.

CROSS REFERENCE:
LEGAL REFERENCE: §779.14(1m), Wis. Stats.