

Book	Policy Manual
Section	6000 Finances
Title	PURCHASING
Code	po6320
Status	Active
Adopted	February 23, 1996
Last Revised	December 2, 2015

#### 6320 - **PURCHASING**

Procurement of all supplies, materials, equipment, and services paid for from District funds shall be made in accordance with all applicable Federal and State statutes, Board policies, and administrative procedures. Standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award, and administration of contracts are established in Policy 1130, Policy 3110, and Policy 4110 – Conflict of Interest.

All procurement transactions shall be conducted in a manner that encourages full and open competition and in accordance with good administrative practice and sound business judgment.

Each year the State of Michigan informs the District of the legal amount for purchases which require a formal bidding process of a single item.

Purchases in a single transaction that are in excess of the dollar amount permitted by State statute shall require competitive bids and, whenever possible, have at least three (3) such bids for substantiation of purchase and shall require approval of the Board prior to purchase.

#### Competitive Bids

Competitive bids are not required for items purchased through the cooperative bulk purchasing program operated by the Michigan Department of Management and Budget pursuant to M.C.L. 18.1263.

Competitive bids are not required for food purchases, unless food purchased in a single transaction costs \$100,000 or more.

Bids shall be sealed and shall be opened by the Superintendent or designee in the presence of at least one (1) witness. All orders or contracts shall be awarded with consideration given to:

- A. bid price;
- B. the quality of the item(s) to be supplied;
- C. its conformity with specifications;
- D. suitability to the requirements of the District;
- E. delivery terms;
- F. past performance of the vendor.

In addition to the factors above, the Board may consider and provide a preference to bidders which use a Michigan-based business as the primary contractor and/or which use one (1) or more Michigan-based business as subcontractors.

This preference shall not apply to any procurement or project using Federal funds, nor shall it be used if it would violate any Federal law or requirements.

The Board reserves the right to reject any and all bids.

Contracts can be awarded by the Superintendent without Board approval for any single item or group of identical items costing less than the limits established under R.C. 1267 and R.C. 1274. All other contracts require Board approval.

The Board shall be informed of the terms and conditions of all competitive bids and shall award contracts as a consequence of such bids.

#### Bid Protest

A bidder who wishes to file a bid protest must file such notice and follow procedures prescribed by the Request for Proposals (RFP) or the individual bid specifications package, for resolution. Bid protests must be filed in writing with the Office of the Superintendent within seventy-two (72) hours of the opening of the bids in protest.

Within five (5) days of receipt of a protest, the Superintendent shall review the protest as submitted and render a decision regarding the merits of the protest and any impact on the acceptance and rejection of bids submitted. Notice of the filing of a bid protest shall be communicated to the Board and shall

be so noted in any subsequent recommendation for the acceptance of bids and awarding of contracts.

Failure to file a notice of intent to protest, or failure to file a formal written protest within the time prescribed, shall constitute a waiver of proceedings.

The Superintendent is authorized to purchase all items within budget allocations.

The Superintendent is authorized to make emergency purchases, without prior approval, of those goods and/or services needed to keep the schools in operation. Such purchases shall be brought to the Board's attention at the next regular meeting.

In order to promote efficiency and economy in the operation of the District, the Board requires that the Director of Operations/Finance periodically estimate requirements for standard items or classes of items and make quantity purchases on a bid basis to procure the lowest cost consistent with good quality.

Whenever storage facilities or other conditions make it impractical to receive total delivery at any one time, the total quantity to be shipped but with staggered delivery dates, shall be made a part of the bid specifications.

Before the Director of Operations/Finance approves a purchase order, s/he shall check as to whether the proposed purchase is subject to bid, whether sufficient funds exist in the budget, and whether the material might be available elsewhere in the District. All purchase orders shall be numbered consecutively, by program.

In the interests of the economy, fairness, and efficiency in its business dealings, the Board requires that:

- A. opportunity be provided to as many responsible suppliers as possible to do business with the School District;
- B. a prompt and courteous reception, insofar as conditions permit, be given to all who call on legitimate business matters;
- C. where the requisitioner has recommended a supplier, the Director of Operations/Finance may make alternate suggestions to the requisitioner if, in his/her judgment, better service, delivery, economy, or utility can be achieved by changing the proposed order;
- D. upon the placement of a purchase order, the Director of Operations/Finance shall commit the expenditure against a specific line item to guard against the creation of liabilities in excess of appropriations.

The Superintendent shall determine the amount of purchase and type of purchase which shall be allowed without a properly signed purchase order. Employees may be held personally responsible for anything purchased without a properly signed purchase order or authorization.

The Board may acquire equipment as defined in law by lease, by installment payments, by entering into lease-purchase agreements, or by lease with an option to purchase, provided the contract sets forth the terms of such a purchase.

#### Procurement – Federal Grants

The Superintendent shall maintain a procurement and contract administration system in accordance with the USDOE requirements (34 C.F.R. 80.36) for the administration and management of Federal grants and federally-funded programs. The District shall maintain a compliance system that requires contractors to perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders. Except as otherwise noted, procurement transactions shall conform to the provisions of this policy and administrative guidelines (AG 6320).

Revised 10/1/03

Revised 5/5/10

Revised 1/7/13

© Neola 2015

Legal

M.C.L. 380.623a, 380.1267, 380.1274 et seq.