

Purchasing

6000

POLICY FOR PURCHASES OF MATERIALS AND SERVICE AS GOVERNED  
UNDER SECTIONS 1267 AND 1274 THE STATE SCHOOL CODE

It is the policy of the Board that the administration obtain at least three (3) bids or proposals on purchases of merchandise or services totaling more than the Competitive Bid Thresholds \* for a single item or a group of LIKE items in a single transaction, except A) in case of emergency, B) where there are less than three (3) bidders after requesting bids, or C) when the materials purchased are of such a nature that bids would not result in a savings to the District.

Bids for merchandise and proposals for services shall be publicly opened by the Superintendent or designee in the presence of at least one (1) witness. All orders or contracts for merchandise should be awarded to the lowest responsible bidder. Proposals for services shall be awarded based on fees and qualifications. The Board reserves the right to reject any and all bids, quotations or proposals. Recommendations for awards will be taken to the Board of Education for approval at a regular or special meeting of the Board when the purchase exceeds the minimum amount of \$20,488 (Section 1274) and \$ 20,959 (Section 1267) as adjusted annually by the State of Michigan, or as established by the Board. The Board shall be informed of the terms and conditions of all competitive bids/proposals and may award contracts as a consequence of such bids/proposals.

Bid/Proposal awards made by other units of government, public agencies or associations whose membership includes local units of government or public agencies may be used and/or recommended for award to the Board, provided the original awardee honors the original prices and terms.

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

Each employee of the District shall take all appropriate steps to ensure that a commitment will not result in a conflict of interest.

Each employee shall be held personally responsible for purchases without a properly signed purchase order of authorization.

The Board may also acquire equipment by lease, installment payment, lease-purchased agreements, by lease with an option to purchase, provided the contract sets forth the terms of such a purchase, or by any other method permitted by statute.

The Board of Education reserves its right to contract for services in the manner most beneficial to the district, which by way of illustration and not limitation may include bidding, proposals or a negotiated rate. For contracted services above the Competitive Bid Thresholds

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\*, recommendations from the administration that do not include bidding of services will include rationale for this approach with the recommendation.

### **FOR PURCHASES OF \$5,000 OR LESS**

If the cost, including shipping and handling, of a single item of required supplies, materials, services or equipment does not exceed Five Thousand Dollars (\$5,000.00), the acquisition may be made on the open market in a manner consistent with sound purchasing procedures including, but not limited to, obtaining written or verbal quotes, comparison catalogue shopping, etc. In such cases, informal quotes should be used to determine competitiveness, quality, and availability.

### **FOR PURCHASES OF BETWEEN \$5,001 UP TO the Competitive Bid Thresholds \***

If the cost, including shipping and handling, of a single item of required supplies, materials, services or equipment can reasonably be expected to exceed Five Thousand Dollars (\$5,000), but be less than a base of the Competitive Bid Thresholds \*, then, whenever possible, three (3) or more written quotes must be solicited from a list of qualified and interested firms known to deal in the particular class of materials. Purchases within this range must be approved by the Assistant Superintendent of Business Services.

### **FOR PURCHASES OVER the Competitive Bid Thresholds \***

- A. If the cost, including shipping and handling, of required supplies, materials, services or equipment can reasonably be expected to exceed a base of the Competitive Bid Thresholds \*, specifications or requests for proposals shall be prepared and sealed bids/proposals shall be solicited from three (3) or more qualified interested firms known to deal in the particular class of materials or services described in the specifications. Notice of time and place of receiving bids/proposals shall be advertised once each week for two (2) successive weeks in a newspaper of general circulation in the area.
- B. The Board of Education will review the recommendations for purchases exceeding the base in (A) above, and awards of contract shall be approved at a public meeting by the Board of Education and so indicated in the official minutes of the Board.
- C. All instances whereby real estate is purchased or sold shall be submitted to the Board of Education for approval and shall be recorded in the official minutes of the Board.

### **DEVIATIONS FOR EMERGENCIES**

Emergency is defined as an unforeseen combination of circumstances or the resulting state that calls for immediate action. Emergency purchases which contravene these guidelines, and which exceed the Competitive Bid Thresholds \*, must be approved by the Superintendent of Schools or his/her designee. As soon as practical, notification to the Board of Education is to be made regarding all such emergencies where the cost of supplies, materials, equipment or

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services exceeds the Competitive Bid Thresholds \* in accordance with the above mentioned guidelines.

### **SOLE SOURCE EXCEPTION PRE-APPROVALS**

Purchases up to the Competitive Bid Thresholds \* may be made through approved sole source vendors without bidding. All sole source bids must be documented and rationale included with the recommendation. Sole source exceptions must be approved by the Assistant Superintendent of Business Services

**\*The base for board approval shall be the Competitive Bid Thresholds. This amount shall increase annually by the c.p.i. as directed by the school code.**

Adopted: 03/12/79

Revised: 10/01/84, 09/12/94, 2/24/03, 10/10/05, 12/11/06, 4/20/09