

Billings School District 2

FINANCIAL MANAGEMENT

Purchasing Procedure

Purpose

To provide procedures concerning the purchasing process.

Scope

Any procurement of goods or services may be awarded in a manner that meets the established budgetary and internal controls of the District.

Bid Security

Based on the specified criteria, a bid security may be needed in awarding and evaluating a Request for Proposal.

Responsibilities & Processes

- The Director of Business Services has the responsibility for maintaining a uniform set of procedures and forms to serve the bid processes.
- The Director of Business Services is responsible for obtaining proposals on all materials and/or services awarded under this procedure.

A. Request for Proposal (for purchases exceeding \$80,000).

1. Determine needs.
2. Estimate costs.
3. Must have proper amount budgeted for procurement or ability to obtain funding from Board of Trustees.
4. Write the RFP.
5. Invitation for RFP includes a purchase description, instructions to bidders, and conditions applicable to the procurement.
6. Establish evaluation criteria.
7. Write a schedule of events.
8. Advertise in local newspaper once each week for two consecutive weeks with the second publication not less than five days or more than twelve days before the consideration of bids.
9. Mail or otherwise notify vendors of the invitation for bids.
10. Respond to questions regarding the invitation for bids via written addendum to all bidders, if applicable. All communication regarding bids must be directed to the Director of Business Services.
11. After all bids have been received examine all RFPs.
12. Committee minimum of three members.

13. Utilize evaluation criteria previously established.
 14. Evaluation of committee notes.
 15. Proposal clarifications and candidate interviews, if needed.
 16. If contract meets all specifications negotiations may be allowed in accordance with State Law and District Policy.
 17. Written notification of award. Order placed after 72 hour protest period and Board Approval.
 18. Board approval required over \$80,000.
- B. Formal Quote/ Written Quote (\$25,001-\$79,999): At least three vendors, advertising in newspaper not required (only on district website and by mail), award to the lowest bidder, quotes processed as a Business Office function.
- C. Informal Quote (\$2,501-\$25,000): Three quotes are required. Schools can obtain their own quotes, but they must be documented in writing and available upon request.
- D. Quote (\$0-\$2,500): Three quotes are encouraged. Schools can obtain their own quotes and should keep them on file.
- E. Vehicles – All District vehicles must be requested through the Business Office. The Director of Business Services will determine procurement process.
- F. Copiers – Copiers will be purchased from the State WSCA Contract whenever possible.
- G. Office Supplies – All office supplies and office furniture is to be purchased under the District's preferred annual contract.

General

- A. Acceptance - The District reserves the right to accept or reject any bid quotations on any items or items separately or as a whole, and to purchase greater amounts at the bid price for at least 45 days unless vendor has negotiated another time line. The District reserves the right to reject any and all bids in the best interest of the District.
- B. Addendum - The District reserves the right to correct mistakes or omissions to bids. The District will notify all bidders if there is a change to RFP or formal quote.
- C. Bid Security- On bids greater than \$80,000 a bid security shall be submitted for 10 percent of the total bid in the form of: Cash, Cashier's Check, Certified Check, Bank Money Order, Money Market Certificate, or Bank Draft drawn and issued by a National Banking Association. The security must be a Bid Bond, Performance Bond and/or bonds executed by a Surety Corporation authorized to do business in the State of Montana
- D. Montana Contractor Licensure – All Independent contractors must provide an individual Montana Contractor License to do work in Montana at time of Bid Opening.
- E. Discrimination- No favoritism shall be extended to any vendor
- F. Failure to Perform – In the event the successful respondent fails to perform and is not covered by a performance bond; the District will purchase the articles or services from other sources and the respondent shall be liable for any excess costs incurred.
- G. Inappropriate to Bid - When circumstances warrant the solicitation of competitive bids to be inappropriate, the Business Office will document the facts.

- H. Investigation – the District reserves the right to check all references and check with other sources regarding performance or compliances.
- I. Late Bids – received after the scheduled closing date and time for filing will be returned to the vendor unopened.
- J. Laws of the State of Montana – All bids and proposals must follow all Montana Statuary laws affecting schools.
- K. Low Bid – The District accepts low bid based on specifications. In some cases, a higher price is in the best interest of the District. For example: longer life span or dilution rate is higher or lower.
- L. Proposal Calculation Errors – In the event there is a discrepancy between the total quoted amount or the extended amounts or the unit price quote, the unit prices will prevail and the corrected sum will be considered the quoted price.
- M. Purchase Request - A Purchase Request form will be used for RFPs. Complete information will be provided including, but not limited to, quantity, description, delivery requirements, special conditions, specifications, date information required etc.
- N. Proprietary Items – In the case of proprietary items, for example, repair parts for equipment or products where there is only one vendor, the District may forgo the need to seek additional bids or quotes.
- O. Protest Procedures – All questions, inquiries and protests must be submitted to the Business Office in writing within 72 hours after award. Upon receipt of the protest, the Director of Business Services shall suspend award of the bid until the protest is resolved. The Business Office will gather all necessary information regarding bid documentation. The Superintendent or designee will evaluate the protest. If such resolution does not occur to the mutual satisfaction of all parties involved, the Board will decide final action in awarding the dispute.
- P. References – Each bidder under an RFP shall submit a list of at least three references. They must include the name and address with contact information.
- Q. Rejection of Bids – The District reserves the right to reject any and all responses to bids or bid proposals.
- R. Renewal of Bid – The District may bid out for renewal for one year with a renewal period of up to 4 years upon mutual agreement of both parties. All terms and conditions of the original contract period must remain the same, unless both parties agree to any changes.
- S. Schedule of Events – The schedule of events will be clearly stated in the bid packet.
- T. Sole Source Purchasing - In the case of sole source items Board approval is required.
- U. Special Conditions – Where special conditions are written in the bid, the special conditions shall take precedence over any condition listed in past instructions and conditions.
- V. Substitutes – Whenever possible the District has used a specific brand and model as a benchmark spec. If bidding a non-spec item, vendor must note it on the bid form and submit a separate listing of such items available for comparison upon request. It is incumbent upon the vendor to provide acceptability of their product to the satisfaction of the District.

Cross References: Policy 7320 Purchasing
7320-P3 Guideline For Independent Contractor Agreement
7320-P6 Sole Source Purchasing

Legal References: §18-2-302 MCA Bid Security
§18-4-126 MCA Public Access to Procurement Information
§18-4-141 MCA Contract Transfers and Collusion Prohibited
§18-4-242 MCA Exclusive Remedies for Unlawful Solicitation or Award

§18-4-303 MCA Competitive Sealed Bidding
§18-4-304 MCA Competitive Sealed Proposals
§18-4-306 MCA Sole Source Procurement Records
§18-4-307 MCA Cancellation of invitations for bids or requests for proposal

§18-4-308 MCA Non-responsibility of Bidders and Offerors
§18-4-312 MCA Bid and Contract Performance Security
§18-4-313 MCA Contracts

Procedure History:

Presented to Board on: November 15, 2010
Revised on: January 20, 2014