

## Novi Community School District Bylaws & Policies

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### 6320 - PURCHASING

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

The Assistant Superintendent of Business and operations shall regulate the expenditure and accounting for the purchase of supplies and equipment. Administrative action requires complete control in order to accomplish the objectives of purchasing and distribution; A well – planned procurement system requires:

- A. security
- B. economy
- C. quality
- D. equity to the User
- E. program Efficiency

The basic elements of the procedure are:

- A. requisition
- B. purchase Order
- C. invoice
- D. payment

All objectives of procurement cannot always be met. In such cases, the Superintendent shall determine whether economy or program efficiency is the most important and in the best interest of the school system.

Formal of bids are not always necessary. A reasonable procurement procedure would be as follows:

- |    |                      |   |
|----|----------------------|---|
| A. | Direct Purchase      | Up to \$5,000.00                                |
| B. | Informal Quotation   | \$5,000.00 – (amount required by State Statute) |
| C. | Formal Bid Procedure | over amount by State Statute                    |
| D. | Running Contract     | gasoline, fuel oil, milk, insurance             |

- E. County Bid Procedure all items which are bid on county-wide Basis

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

Bids shall be sealed and shall be opened by the Assistant Superintendent for Business in the presence of at least one (1) witness. All orders or contracts should be awarded to the lowest responsible bidder that is in the best interest of the District; however, consideration can be given to:

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

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

Contracts may be awarded by the Assistant Superintendent for Business without Board approval for any single item or group of identical items costing less than the amount fixed by State statute. All other contracts require Board approval prior to purchase.

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 school 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 school, the Board requires that the Superintendent 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 placing a purchase order, the Superintendent shall check as to whether the proposed purchase is subject to bid and whether sufficient funds exist in the budget. All purchase orders shall be numbered consecutively.

In the interests of 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,
- B. where the requisitioner has recommended a supplier, the Superintendent 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,
- C. upon the placement of a purchase order, the Superintendent 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 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 office 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.

M.C.L.A. 380.1267, 380.1274 et seq.