

Capital Outlay

The Capital Outlay Fund shall be used to purchase such equipment as shall be needed to maintain and further the progress of the school program in accordance with funds available and procedures established in policy. When items costing more than \$25,000 is purchased, it shall be on a bid basis with determination of successful bidders made by the School Board on the basis of quality, price, and reliability of service. Items or groups of items costing less than \$25,000 may be purchased through action of the Superintendent, in accordance with procedures established in policy, with or without receipt of bids according to his/her best judgment and within the approved budgetary limits.

Bidding Requirements

In accordance with State Bidding Laws, bidding is required when a purchase or contract for non-public improvement equal to or exceeding \$25,000 is anticipated, or if the contract is for the construction of a public improvement in excess of \$50,000 except in the following cases:

1. For the purchase of utility services such as electric power, lights, water, or gas.
2. Purchases of materials, supplies, or equipment from the United States or its agencies including Federal Surplus Property.
3. Equipment repair contracts.
4. Purchasing textbooks and text-related workbooks.
5. When purchasing facilities, equipment, and supplies from another public corporation or at public auctions if in compliance with South Dakota Law.
6. Purchases from the lowest bidder of an item contained on the state price list or from any vendor for the exact same item if less than the state price list.
7. Purchases from the lowest responsible bidder of an item competitively bid by any local Government within the previous twelve months unless trade in allowances are involved.
8. Purchases of raw materials used in construction or manufacture of products for resale, and contracts for asbestos removal in emergency response actions, real estate services, and auction services.
9. For services provided by individuals or firms for consultants, audits, legal services, architectural, and engineering services, insurance, and transportation of students.
10. Purchases of computer programs and software, communication technologies, computers, peripheral equipment, and related connectivity.
11. Change orders to an existing contract for construction, reconstruction, or remodeling that are in compliance with South Dakota Law.
12. Purchases of real property having a particular use or benefit.
13. Guaranteed energy savings contracts.
14. Purchases of perishable or unprepared foodstuffs.
15. Upon the purchase of copyrighted materials that are copyrighted by only one company.
16. If there is only one source for the required service or item of tangible personal property other than construction services or equipment.
17. An emergency due to a casualty loss, natural disaster, or sudden deterioration resulting in destruction to a vital piece of equipment which would require closing of school, or which will endanger the usefulness of remaining school property.

Bids for materials, supplies, or equipment will be advertised and printed in the official newspaper of the district at least twice, the first publication at least ten days prior to the opening of bids. The advertisement will state the time and place the bids will be opened and passed upon by the Board. In the notice the Board will reserve the right to reject any and all bids.

When the contract is for the construction of a public improvement the advertisement must state where the plans and specifications may be examined. In specifying or purchasing goods, merchandise, supplies, or equipment, the Board will not specify any trade-mark or copyrighted brand on any product or any patented product, apparatus, device, or equipment where proper competition will be prevented unless bidders also are asked for bids or offers upon other articles of like nature, utility, and merit and

naming the make or brand to indicate the type or quality specified.

The sealed bids will be publicly opened and read at the time and place stated in the advertisement. Any bid may be withdrawn or modified before the time of opening as specified in the advertisement. Unless all bids presented are rejected, the lowest responsible bid, in all cases must be accepted.

If after advertising for bids no bids are received the Board may negotiate a contract for the purchase of the materials, supplies, or equipment at the most advantageous price. However, such materials, supplies, or equipment will meet the specifications of the original advertisement for bids.

The Board will contact and attempt to obtain competitive quotations from at least three suppliers. A record of the names of the suppliers, the quotations received, and the procurement procedures used in purchasing will be documented, noted in the minutes, and retained on file by the Board. The Board may reject all bids and negotiate a contract if after advertising no firm competitive bids are received.

When supplies or equipment, or construction or remodeling services are to be purchased the Board may require a reasonable deposit or bid bond by the bidders. The deposit or bonds must be returned to unsuccessful bidders immediately. No more than 30 days will elapse between opening of bids and acceptance of the lowest responsible bidder or rejection of all bids.

When supplies and equipment are received they will be opened and inspected by the purchasing agent, and compared with the written order to see that they were received as ordered and in acceptable condition for payment. If someone other than the purchasing agent receives such supplies or equipment for the school district, this person will be required to sign the voucher for payment to the effect that they were received as ordered. The purchasing agent of the school district will sign all vouchers before the Board authorizes their payment.

Legal References: SDCL 1-33B-9; 5-18-1; 5-18-1.1; 5-18-3; 5-18-9.4; 5-18-18; 5-18-18.1; 5-18-18.2; 5-18-18.3; 5-19-2; 13-16-6.1; 13-20-3; 13-20-4; 13-20-5; 13-20-6; 13-20-7; 13-20-7.1;
A.G. Opinion 77-65, 77-76, 77-87, 85-24, 86-01 and 86-2

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