

3610* Purchasing Goods and Services

General

A. The Superintendent and/or designee shall be authorized to purchase and supervise the procurement of all supplies, materials, and equipment for the School District subject to the following requirements:

1. It shall be the responsibility of the Superintendent and/or the Board, as specified herein, to procure, at the lowest prices, the best quality supplies, materials, and equipment which serve the interests of the students, employees, and taxpayers of the District. Purchases shall be accomplished in accordance with good business practices and within the framework of applicable laws, this policy, and district regulations.

2. Before the Superintendent or designee places a purchase order, s/he shall determine whether the proposed purchase is subject to competitive bid and whether sufficient funds exist in the budget. All purchase orders shall be numbered consecutively.

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

a. Items commonly used in the various schools or units thereof, be standardized whenever consistency with educational goals can be maintained;

b. Opportunity be provided to as many responsible suppliers as practical to do business with the School District;

c. A prompt and courteous reception, insofar as conditions permit, be given to all who call on legitimate business matters;

d. 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.

Bidding Procedures

It is the policy of the Board that the Superintendent adhere to the following:

1) Contracts may be awarded by the Superintendent without Board approval for any single item or group of identical items whose aggregate cost is less than the statutory bid threshold or for which no statutory bidding requirement exists. All other contracts require Board approval before purchase.

2) Competitive Bids Required. No purchase of an item or group of items in a single transaction, with a cost in excess of the amount indexed and promulgated annually by the State of Michigan shall be made unless competitive bids are obtained for the items and the purchase is approved by the Board. (As of August 12, 2010, the annually indexed amount was \$20,998.)

3) Before purchasing a single item of supplies, materials, or equipment that exceeds \$10,000 but is less than the amount allowed by the State statute, the Superintendent or designee shall whenever possible, obtain three (3) price quotations without formal bidding.

4) Purchases may not be divided into subunits or separate contracts for the sole purpose of avoiding the competitive bidding requirements.

5) Advertisements for bids shall include all of the following:

a. The date and time by which all bids must be received by the Board, and

b. A statement that the Board will not consider or accept a bid which it receives after the date and time specified for bid submission.

6) Bid Opening – At a public bid meeting, the Superintendent or designee shall open and read aloud, in the presence of at least one other employee, each bid that the District received by the specified deadline for bid submission.

7) Late Bids

a. The Board shall not open or consider a bid that the Board receives after the date and time specified for bid submission.

8) Bid Award

a. All orders or contracts should be awarded to the lowest responsible bidder; however consideration can also be given to:

- 1) The quality of the item(s) to be supplied;
- 2) Conformity with bid specifications;
- 3) Suitability to the requirements of the school;
- 4) Delivery terms; and

5) Past performance of the vendor.

b. The Board reserves the right to reject any or all bids. Such reservation shall be so specified in the publication or notification of bid letting. The Board reserves the right to waive any informality in, or reject any part of, a bid.

9) Withdrawal of Bids

a. Any bid submitted to the District may be withdrawn prior to the scheduled time for opening of bids.

Emergency Purchases

In the event of an emergency such as a power failure, severe cold weather, natural disasters, or other emergencies that could affect the life, health, welfare, or safety of the District's students or employees, the Superintendent shall have the authority to purchase capital equipment and/or supplies needed to keep the schools of the District open or to reopen the schools. A recommendation to approve the purchase shall be presented to the Board by or at the next regular meeting.

Such purchases shall not be made to circumvent the purposes of the competitive bid law.

Leases

The Board may acquire office equipment as defined in laws 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.

Personal Purchases Through the District

Board members and employees shall not make any purchase through the District for personal use. The name of the District or school, or an employee's position, shall not be used in such manner that discounts or cost preferences are given to such person. Purchasing equipment and supplies by the District for resale to employees is prohibited.

Purchasing from District Employees

The Board shall not purchase equipment, supplies, or services from any employee who is employed by the District for more than an average of 25 hours per week, nor from a member of a household of that employee, nor from any firm in which that employee or member of his/her household holds a 10 percent or greater financial interest.⁹

Purchases Using Other Public Entities' Bids

The Board of Education authorizes, as permitted by law, the purchase of supplies, materials, and equipment above the indexed bid threshold using the bid prices of other public school districts or other units of government without re-publishing and without re-bidding.

Responsible Bidder

All awarded bids shall be awarded to the lowest responsible bidder. The Board remains the sole judge of whether or not a bidder is "responsible." Criteria that may be used to judge "responsible," by way of illustration and not limitation, are financial standing, reputation, experience, resources, facilities, judgment, and efficiency.

The Board may investigate the business reputation of any bidder by using information at hand to form an intelligent judgment, such as the District's architect, previous clients of the bidder, their own investigation, or an outside investigation agency.

Sole Source Purchases

Custom software, textbooks, sole source instructional supplies, and other sole source purchases are exempt from bidding requirements provided the purchase is approved by the Board of Education before the purchase. This sole source exclusion shall not apply to building construction, renovation, or repairs.

Approved: November 22, 2010

LEGAL REF: MCL [15.321-330](#); [380.1216](#); [380.1267](#); [380.1274](#), [380.1274a](#)