

policy

**BOARD OF EDUCATION
PORTAGE PUBLIC SCHOOLS**

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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.

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

- A. Seek informal price quotations on purchases that are under \$1,500 for a single item, except in cases of emergency or when the materials purchased are of such a nature that price negotiations would not result in a savings to the School, a phone quote is obtained. If the item exceeds \$1,500 a written quote is required.
- B. When the purchase of, and contract for, single items of supplies, materials, or equipment is in excess of \$15,000 but less than the amount allowed by State statute the Superintendent shall whenever possible, require three (3) written competitive price quotations.

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

Competitive bids are not required for items purchased through the cooperative bulk purchasing program operated by the Michigan Department of Management and Budget pursuant to M.C.L. 18.1263.

Bids shall be sealed and shall be opened by the Director of Finance or designee in the presence of at least one (1) witness. All orders or contracts should be awarded to the lowest responsible bidder; 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;

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- 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 Director of Finance or designee without Board approval for any single item or group of identical items costing less than the State statutory limit. All other contracts require Board approval prior to purchase.

The Board shall be informed of the terms and conditions of all competitive bids and shall award contracts as a result of such bids.

The Superintendent is authorized to purchase all items within budget allocations.

The Board should be advised, for prior approval, purchases that exceed the State threshold of equipment and materials when the purchase was not contemplated during the budgeting process.

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.

Before placing a purchase order, the Superintendent shall check as to whether the proposed purchase is subject to bid, whether sufficient funds exist in the budget, and whether the material might be available elsewhere in the school. All purchase orders shall be numbered consecutively.

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

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 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.

Procurement - Federal Grants

The Superintendent shall maintain a procurement and contract administration system in accordance with the USDOE requirements (34 CFR 80.36) for the administration and management of Federal grants and federally-funded programs. The District shall maintain a compliance system that requires contractors to perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders. Except as otherwise noted, procurement transactions shall conform to the provisions of this policy and administrative guidelines (AG 6320).

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All purchase orders must comply with conditions of Operational Policy 8120 - Iran Economic Sanctions Act Compliance.

All written bids require statements on familial relationships and debarred vendor status.

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

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