

PURCHASING

Reference: MCL 380.1267, 380.1274 et seq.

It is the policy of the Board of Directors that the Chief Administrative Officer/Superintendent seek at least three (3) price quotations on purchases of more than the amount as defined by Sections 623a, 1267, and 1274 of the revised State of Michigan School Code (herein known as the "State Competitive Bid Threshold") 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.

Single purchases and contracts exceeding the State Competitive Bid Threshold must have authorization from the Board. Single contracts between \$3,000 and the State Competitive Bid Threshold may be authorized by the Chief Administrative Officer/Superintendent. Single purchases and contracts between \$1,000 and \$3,000 may be authorized by the Director of Building and Business Services. All other purchases and contracts must follow the regular approved Business Office approval process. Purchases or contracts whose amounts are not in the existing budget must be submitted to the Board with a budget revision request.

When the purchase of, and contract for, single items of supplies, materials, or equipment exceeds the State Competitive Bid Threshold, the Principal shall obtain competitive bids.

Bids shall be sealed and shall be opened by the Principal in the presence of at least one (1) witness. All orders or contracts shall be awarded to the lowest responsible bidder; however, consideration may be given to the following:

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

The Board reserves the right to reject any and all bids. Contracts may be awarded by the Principal with the approval of the Chief Administrative Officer/Superintendent, without Board approval, for any single item, or group of identical items, costing less than the State Competitive Bid Threshold. 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 consequence of such bids.

The Chief Administrative Officer/Superintendent is authorized to purchase all items within budget allocations.

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

The Chief Administrative Officer/Superintendent is authorized to make emergency purchases, without prior approval, of 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 the Superintendent to periodically estimate requirements for standard items or classes of items and to 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 shall be divided and each portion shipped on staggered delivery dates. This arrangement shall be made part of the bid specifications.

Before placing a purchase order, the Chief Administrative Officer/Superintendent shall check to see if the proposed purchase is subject to bid, whether sufficient funds exist in the budget, and whether the material is already on hand elsewhere in the School. All purchase orders shall be numbered consecutively.

In the interests of economy, fairness, and efficiency in its business dealings, the Board requires that opportunity be provided to as many responsible suppliers as possible to do business with the School; and a prompt and courteous reception. Insofar as conditions permit, be given to all who call on legitimate business matters.

Upon the placement of a purchase order, the Chief Administrative Officer/Superintendent shall commit the expenditure against a specific line item to guard against the creation of liabilities in excess of appropriations.

The Chief Administrative Officer/Superintendent shall determine the amount of purchase to be allowed without a properly signed purchase order. 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, if 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 School 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).

Revised: 2/17/09; 1/15/13