

Section 3000 – Fiscal Management

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Purchasing Policy and Procedures

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General Purchasing Procedures

The Superintendent and/or his/her 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 his/her designee, 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, regulations and this policy.
2. Participation in purchasing cooperatives, either through the state of Michigan, Intermediate School District, Oakland County or local school districts shall be permitted provided that the cooperative purchasing arrangement has met the District's competitive bidding requirements and any and all applicable laws.
3. For the sole purpose of comparing all bids, the Board shall reduce bids submitted by District-based firms by two and one-half percent (2.5%).
Equalization Percentage Credit for Local Participation
 - (a) A contract awarded by reason of an Equalization Percentage Credit may not be sublet in whole or in part to any subcontractor that is not a District-based firm.
 - (b) District-based is defined as "any entity having its principal place of business within the geographical boundaries of the District."
 - (c) Any bidder that claims to be eligible as a District-based firm must agree to make available to the District appropriate documentation to establish such eligibility.
4. All bids shall be awarded by the Board of Education. The Board of Education reserves the right to accept or reject any or all bids, in whole or in part, waive any irregularities therein, and to award the contract to other than the low bidder.

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Purchasing Supplies, Materials, Equipment

- A. Purchases Under \$10,000. The Superintendent and/or his/her designee is authorized to purchase any item or group of items, costing less than \$10,000, on the open market in a manner consistent with sound purchasing practices.
- B. Purchases Costing Between \$10,000 and \$12,500 – Informal Price Quotations. The Superintendent and/or his/her designee is authorized to purchase any item or group of items, with a cost greater than \$10,000 but less than \$12,500, as indexed annually (as of September 18, 2002, the indexed amount is \$17,532), upon the request of at least three (3) written quotations or competitive bids. The Superintendent and/or his/her designee shall have the discretion to determine whether such purchases will be made on the basis of written quotations or through advertising for bids. The superintendent shall inform the Board of Education at least once a month of all purchases made under third Paragraph B.
- C. Purchases Costing \$12,500 or More – Competitive Bids Required. No Purchase of an item or group of items in a single transaction, with a cost of \$12,500 or more, as indexed annually (as of September 18, 2002), the indexed amount is \$17,532), shall be made unless competitive bids are obtained for the items and the purchase of those items are approved by the Board. Purchases may not be divided into subunits or separate contracts for the sole purpose of avoiding the competitive bidding requirements of the Paragraph.
- D. Bidding Procedure. Each bid that the District receives on or before the time and date specified for bid submission shall be opened by the Superintendent and/or his/her designee in the presence of at least one (1) witness.

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Purchase of Material and Labor for the Construction of New School Buildings and Additions, Repairs and Renovations to Existing School Buildings.

A. General. Except for repair work normally performed by District employees, construction, additions, repairs or renovations costing less than \$12,500, as indexed annually (as of September 18, 2002 the indexed amount is \$17,532) and repairs in emergency situations as set forth in Paragraph C below, the Board of Education, prior to commencing construction of a new building or an addition, repair or renovation of an existing school building which will cost more than \$12,500, as indexed annually (as of September 18, 2002 the indexed amount is \$17,532), shall obtain competitive bids, in accordance with the procedures set forth in Paragraph B below, on all the material and labor required for the complete construction of a proposed new building or addition, repair or renovation of an existing school building.

B. Bidding Procedure

1. Advertisements. The Board shall advertise for bids once each week for two successive weeks in a newspaper of general circulation in the area where the building addition is to be constructed or where the repair or renovation of an existing building is to take place. The advertisement for bids shall contain

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of the following:

- (a) The date and time by which all bids must be received by the Board.
 - (b) A statement that the Board will not consider or accept a bid which it received after the date and time specified for bid submission.
 - (c) The time, date and place of a public meeting at which the Board or its designee will open and read aloud each bid received by the Board by the date and time specified in subsection (a) above.
2. Untimely Bids. The Board shall not open, consider or accept a bid that the Board receives after the date and time specified for bid submission in the advertisement for bids described in Paragraph B, subparagraph 1 above.

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3. Opening. Each bid that the Board receives at or before the time and date for bid submission specified in the advertisement for bids, shall be opened

and read aloud by the Board or its designee at the public meeting identified

in the advertisement for bids described in Paragraph B, subparagraph 1, subsection © above. The Board may reject any or all bids, and if all bids are rejected, the Board shall re-advertise in the manner set forth in Paragraph B, subparagraph 1 above.

4. Security. Each bidder shall be required to file with the Board security in an amount not less than 1/20 of the amount of the bid conditioned to secure the School District from loss or damage by reason of the withdrawal

of the bid or by the failure of the bidder to enter into a contract for performance, if the bid is accepted by the Board.

C. Emergency Purchase Exception. Emergency purchases of materials or labor for building construction, addition, renovation or repair may be made without using the bidding process set forth in Paragraph B above. Such emergencies shall

be limited to accidents or other unforeseen occurrences which may affect the life, health, welfare or safety of the District's students or employees. Such emergency purchases may be approved by the Superintendent and/or his/her designee. The Superintendent and/or his/her designee shall submit a full report to the Board at its next regular meeting.

Approved: 11-04-02

LEGAL REF: MCL 380.1267; MCL 30.1274; MCL 380.127a

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Approved: 9-18-00

LEGAL REF: MCL 15.321-330

3610-R Purchasing Goods and Services

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The Board reserves the right to establish the quality of any goods or services purchased by the District.

Quantity Purchasing

Quantity purchasing is encouraged whenever possible.

Cost Control

The Board reserves the right to maintain cost control authority over any goods or services purchased by the District.