

6320 - 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 \$7,500.00 of the amount allowed by State statute 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.

- B. When the purchase of, and contract for, single items of supplies, materials, or equipment is in excess of \$7,500.00 but less than the amount allowed by State statute the Superintendent shall whenever possible, require three (3) competitive price quotations.

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

Bids shall be sealed and shall be opened by the Superintendent 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;

- 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 Superintendent without Board approval for any single item or group of identical items costing less than the 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 consequence of such bids.

The 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 exceeds the function by five percent (5%).

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.

Whenever storage facilities or other conditions make it impractical to receive total delivery at any one time, the total quantity to be shipped but with staggered delivery dates, shall be made a part of the bid specifications.

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.

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 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, 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).

6421 - PURCHASES BUDGETED

It is the policy of the Board of Education that when funds are available, all purchases contemplated within the current budget and not subject to bid be made in a manner that ensures maximum value for the District. All purchases that are within line-item limits and were originally contemplated within the account may be made upon authorization of the Superintendent.

Before the bookkeeper places a purchase order, approval must be obtained from the Superintendent, who 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 District. All purchase orders shall be numbered consecutively.

The Superintendent shall solicit quotations from independent sources for the supplies, equipment, or services desired in all cases except of emergency or when quotes cannot be obtained. Should quotes not be obtained, the Superintendent shall attach a statement explaining why this is so. All quotations received shall be attended to and retained with a copy of the resulting purchase order.

In the interests 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 possible to do business with the School District. To this end, the Superintendent shall develop and maintain lists of potential suppliers for various types of supplies, equipment, and services;
- C. a prompt and courteous reception, insofar as conditions permit, be given to all who call on legitimate business matters;
- D. 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;

- E. upon the placement of a purchase order, the bookkeeper shall commit the expenditure against a specific line item to guard against the creation of liabilities in excess of appropriations;

- F. no purchase of supplies shall be allowed without a properly signed purchase order. Employees shall be held personally responsible for anything purchased 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, provided the contract setting forth the terms of such a purchase shall not extend for a period of more than five (5) years.

6422 - PURCHASES NOT BUDGETED

In order to maintain fiscal responsibility, the Board of Education hereby adopts additional fiscal controls to ensure that public monies are not disbursed in amounts in excess of the appropriations provided this District or for purposes for which the Board is not familiar.

To this end, the Board shall approve, in advance, all non line-item expenditures exceeding \$1,500.

Any such emergency expenditures will be brought to the Board's attention at the next regular meeting.

6423 - USE OF CREDIT/DEBIT CARDS

The Board of Education recognizes the value of an efficient method of payment and recordkeeping for certain expenses.

The Board, therefore, authorizes the use of District credit cards/debit cards. The authorization, handling and use of credit/debit cards have been established to provide a convenient and efficient means to purchase goods and services from vendors. Credit/Debit cards, however, shall not be used in order to circumvent the general purchasing procedures established by State law and Board policy. The Board affirms that credit/debit cards shall only be used in connection with Board-approved or school-related activities and that only those types of expenses that are for the benefit of the District and serve a valid and proper public purpose shall be paid for by credit/debit card. However, under no circumstances shall credit/debit cards be used for personal purchases or the purchase of alcoholic beverages regardless of whether the purchase of such beverages is made in connection with a meal.

The Superintendent shall develop administrative guidelines that specify those authorized to use credit/debit cards, the types of expenses which can be paid by credit/debit card, and their proper supervision and use. Inappropriate or illegal use of the credit/debit card and/or failure to strictly comply with the limitations and requirements set forth in the administrative guidelines may result

in a loss of credit/debit card privileges, disciplinary action, up to and including termination, personal responsibility for any and all inappropriate charges, including finance charges and interest assessed in connection with the purchase, and/or possible referral to law enforcement authorities for prosecution.

The Superintendent shall be responsible for giving direction to and supervising employees' use of District credit/debit card(s).