

Purchasing and Competitive Bid Policy

The School and its School Administrator and/or ESP shall comply with state and federal law regarding the procurement of supplies, materials and equipment. The School adopts the following procedures for the procurement of supplies, materials and equipment:

Purchasing Agent. The Board hereby designates the School Administrator, and if the School has contracted with an Educational Service Provider (ESP) to provide services to the School, the ESP, jointly and severally, and their designees (collectively the "Purchasing Agents"), to serve and act as purchasing agents for the School.

Competitive Bidding. It is the Board's desire to obtain vendor competition whenever practical. Competitive bids are not required: (a) for the acquisition of textbooks (however, Board approval is required prior to purchase if the purchase price equals or exceeds the dollar amount set by the State of Michigan, Department of Education, each year); (b) if the amount of the transaction does not exceed the statutory limit established by MCLA 380.1274; or (c) if the Purchasing Agents reasonably determine that there is only one practical supply source.

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 the purchases and shall require the approval of the Board of Directors prior to approval to purchase. All suppliers doing business with the School must comply with State and Federal Laws regarding equal opportunity employment. The Board reserves the right to reject any and all bids. The Board shall be advised of and grant prior approval of all purchases of equipment, materials, and services when the purchase was not contemplated during the budgeting process.

All purchase orders or contracts should be awarded to the lowest responsible bidder; however, consideration may be given to:

1. The quality of the item(s) to be supplied
2. Its conformity with specifications, suitability to grant requirements
3. Local vendors
4. Delivery terms and/or
5. Past performance of the vendor.

Competitive bids are not required for food purchases, unless food purchased in a single transaction costs \$100,000 or more.

Documentation. The Purchasing Agent shall obtain documentation with respect to the criteria set forth above prior to purchasing materials on behalf of the School, unless the purchase is of a minor or emergency nature.

Emergency Purchases. The Purchasing Agents are authorized to make emergency purchases without using the quotation or bidding process. Such emergencies may arise as a result of an accident or unforeseen occurrence which could affect the life, health, welfare or safety of the School's students, staff or property.

Purchasing Rules and Regulations. The Board authorizes and directs its Purchasing Agent to develop and implement a purchasing order system as a means of budgetary control. The Purchasing Agent shall develop any rules or regulations necessary to implement this policy, including requisition and approval procedures, verifications of purchases, and verification that goods have been received in an acceptable condition.

Lease Agreements. The School 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. However, Federal grant funds cannot be utilized for lease agreements of any type, nor can Federal funds be used for maintenance contracts.

Cooperative Purchasing

Governmental purchasing cooperatives and joint governmental purchasing may be used if deemed in the best interest of the School, and the agency adheres to the requirements of this policy.

Purchases through the School

Board members, staff members and the School Administrator and/or ESP shall not make any purchase through the School for personal use. Purchasing equipment and supplies by the School for resale to employees is prohibited. Unauthorized purchases by staff members is the responsibility of the ESP and not of the School. Staff members that commit to unauthorized purchases shall be held individually responsible for payment of such obligations.

Competitive Bids

When competitive bids are necessary, the Purchasing Agent shall obtain competitive bids before purchasing materials for the School. The Purchasing Agent shall have discretion in deciding whether the purchases are made on the basis of requested term quotations (which can be obtained in writing or orally) or advertising for bids. If bid quotations are received orally, they shall be documented in writing by the Purchasing Agent.

Process. Competitive bids shall be opened by the Purchasing Agent as stated in the bid advertisement or in the invitation to bid quote. If no time and place is specified, the Purchasing Agent may open the bids at a time and place determined by the Purchasing Agent, in his/her discretion.

Low Bid; Exceptions. Subject to the factors set forth above, the lowest responsible bidder (as determined by the sole discretion of the Purchasing Agent) submitting a competitive price quotation or bid shall ordinarily be awarded the contract. However, the Board hereby delegates to the Purchasing Agents the right to accept or reject any bid when the Purchasing Agent feels it is in the best interest of the School to do so. In the case of construction, if all bids are rejected, the Purchasing Agent shall re-advertise in the manner provided by law.

Construction Bids. Construction bidders shall be required to file security with the Board in the amount of five percent (5%) of the amount of the bid, to secure the School from loss or damage by reason of the withdrawal of the bid or by failure of the bidder to enter a contract for the performance if the bid is accepted by the Board.

Retention of Bids. The Purchasing Agent shall make available to the Board upon request the price quotations or competitive bids obtained from vendors for materials. This information shall be retained by the Purchasing Agents until the audit for the fiscal year has been formally accepted by the Board.

References:

The Revised School Code, MCL 380.1267; 380.1274

Effective Date: