

Book	Policy Manual
Section	6000 Finances
Title	PURCHASING
Code	po6320
Status	Active
Legal	M.C.L. 380.623a, 380.1267, 380.1274 et seq.
Cross References	po6350 - PREVAILING WAGE
Adopted	May 18, 2021
Last Revised	May 21, 2024

6320 - **PURCHASING**

Procurement of all supplies, materials, equipment, and services paid for from District funds shall be made in accordance with all applicable Federal and State statutes, Board policies, and administrative procedures. Standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award, and administration of contracts are established in Policy 1130, Policy 3110, and Policy 4110 – Conflict of Interest.

All procurement transactions shall be conducted in a manner that encourages full and open competition and in accordance with good administrative practice and sound business judgment.

Each year the State of Michigan informs the District of the legal amount for purchases which require a bidding process of a single item.

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

- A. When the purchase of, and contract for, single items of supplies, materials, or equipment is less than the amount allowed by State statute, but exceeds \$10,000, the Superintendent shall whenever possible, require a minimum of two (2) informal price quotes.
- B. Purchases of supplies, materials and equipment for a single item or a single transaction that are in excess of the dollar amount established by State statute shall require bidding procedures and, whenever possible, have at least two (2) such bids for substantiation of purchase and shall require approval of the Board prior to purchase.
 1. The district is not required to conduct a sealed Invitation to Bid (ITB) process unless such a method for competitively bidding a purchase is required by law see e.g. policy 6321 and 6325.
 2. The district may competitively bid a purchase using one or more of the following methods:
 - a. Requesting written price quotes from at least two (preferably three) known and practical vendors of an item;
 - b. Distributing a request for proposals to at least two (preferably three) known and practical vendors of an item;
 - c. Conducting a sealed bid process by posting an invitation to bid (ITB) on the district's website or any other website that regularly informs vendors of bid opportunities; ITB shall be sealed and shall be opened by the Assistant Superintendent of Finance or a designee in the presence of at least one witness

- d. Selecting a contract awarded to a winning bidder under a bid process operated by a reputable purchasing cooperative if the District determines, after reasonable due diligence, that the bid procedure used by the purchasing cooperative was fair and open, resulted in a bid award to the lowest responsible bidder, and the contract price is comparable to current market rates for the purchased item; or
 - e. Any other process, in the Superintendent's or designee's discretion, that is likely to result in at least two (preferably three) known vendors providing bids for the item sought, regardless of whether at least two bids are actually received.
3. The district will not artificially segregate purchases into smaller orders to avoid the bid threshold.
 4. Each bidder responding to a request for proposals must certify that it is not an Iran-Linked business as defined by MCL 129.312
 5. Food Purchases. Competitive bids are not required for food purchases, unless food purchased in a single transaction costs \$100,000 or more.

Awarding Bids

- A. If a bidding procedure is required by law, any contract must be awarded by the Board to the lowest responsible bidder.
- B. In determining bidder responsibility, the District may take one or more of the following into account:
 1. The District's experience with the bidder;
 2. Others' experience with the bidder;
 3. The bidder's history of satisfactory performance or questionable litigation, protests, or disputes;
 4. The length of time the bidder has been engaged in its business;
 5. The recommendation of the District's professional consultants;
 6. The quality of the item(s) to be supplied;
 7. The bidder's conformity with specifications;
 8. Delivery terms
 9. Any other factor consistently and lawfully applied.
- C. In addition to the factors above, the Board may consider and provide a preference to bidders who either use a Michigan-based business as a primary contractor or a subcontractor.

For purposes of this preference a Michigan-based business means a business that would qualify for a Michigan preference for procurement contracts under M.C.L. 18.1268, which requires that the businesses certify that since inception or during the last twelve (12) months it has done one of the following:

1. have filed a Michigan business tax return showing an allocation of income tax base to Michigan
2. have filed a Michigan income tax return showing income generated in or attributed to Michigan
3. withheld Michigan income tax from compensation paid to the bidder's owners and remitted the tax to the Michigan Department of Treasury

This preference shall not apply to any procurement or project using Federal funds, nor shall it be used if it would violate any Federal law or requirements.

- D. The Board reserves the right to reject any and all bids.

Bid Protest

If applicable, a bidder who wishes to file a bid protest must file such notice and follow procedures prescribed by the sealed Invitation to Bid (ITB) for resolution. Bid protests must be filed in writing with the Office of the Superintendent within seventy-two (72) hours of the opening of the bids in protest.

Within ten (10) days of receipt of a protest, the Superintendent shall review the protest as submitted and render a decision regarding the merits of the protest and any impact on the acceptance and rejection of bids submitted. Notice of the filing of a bid protest shall be communicated to the Board and shall be so noted in any subsequent recommendation for the acceptance of bids and awarding of contracts.

Failure to file a notice of intent to protest, or failure to file a formal written protest within the time prescribed, shall constitute a waiver of proceedings.

General Provisions

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

Contracts can be awarded by the Superintendent without Board approval for any single item or group of identical items costing less than what is allowed by state or federal statute as applicable. All other contracts require Board approval prior to purchase.

The Superintendent is authorized to make emergency purchases, without prior approval, of those goods and/or services needed to keep the schools in operation. Such purchases shall be brought to the Board's attention at the next regular meeting.

Before the Assistant Superintendent of Finance places a purchase order, s/he 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 determine the amount of purchase and type 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 6320A).

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