

## Gladstone Area Schools Bylaws & Policies

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### **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 judgement.

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:

- A. Seek price quotations on purchases of more than \$5,000.00 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 District.
- B. When the purchase of, and contract for, single items of supplies, materials, or equipment exceeds the amount allowed by State statute, the Superintendent shall obtain competitive bids.

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 amount required by statute. 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.

### **Bid Protest**

A bidder who wishes to file a bid protest must file such notice and follow procedures prescribed by the Request For Proposals (RFP) or the individual bid specifications package, 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 five (5) 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.

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 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 6320A).

M.C.L. 380.1267, 380.1274 et seq.

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## Gladstone Area Schools Administrative Guidelines

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### 6320A - PURCHASING

#### ***Purchasing - General Provisions***

- A. All purchases shall be by purchase order processed through the Business Office.
- B. The Superintendent shall be the contracting agent for all financial obligations.
- C. The Business Manager shall be responsible for encumbering the funds as soon as the purchase order has been issued.
- D. A verbal financial commitment may be made only for emergencies or when it is impossible or impractical to precede the purchase with a purchase order. Before such a commitment is made, the Superintendent shall be contacted for prior approval and for a purchase order number. In all such cases, a purchase order shall be issued as soon as possible after the commitment is made.
- E. Confirming purchase orders will be honored only in cases cited in the above paragraph.
- F. Ongoing commitments such as service contracts and leases should be renewed annually, in writing, at the beginning of each fiscal year.
- G. Open purchase orders for goods or services are valid only for the time period and amount indicated on the purchase order. Extension of the commitment beyond that time and/or amount shall be confirmed by a new purchase order. Open purchase orders must be approved by the Superintendent before they are issued.
- H. Purchases of contracted services shall be negotiated either verbally, by a Request for Proposal, or through the bid process, as determined by the Superintendent. Such services that cost more than stipulated by statute require the approval of the Board.
- I. Purchases of supplies, materials, and equipment items costing more than the amount stipulated in Board policy must be obtained through competitive, sealed bids and be approved by the Board.
- J. Capital-outlay purchases must have prior approval of the Superintendent.

- K. Capital-outlay purchases shall conform to the bidding procedure stated further in these guidelines.
- L. Process purchase orders as follows:
  - 1. The requestor completes the requisition-purchase order in accordance with AG 6320B1 and submits it to the principal/supervisor for review and approval;
  - 2. If approved, the principal/supervisor sends it to the Superintendent for approval;
  - 3. The requisition-purchase order is entered into the computer for verification.
  - 4. The original copy of the requisition-purchase order is sent to the vendor unless there are specific instructions to the contrary;
  - 5. The pink copy is filed by the Business Manager and the goldenrod copy is sent to the principal/supervisor;
- M. Annual purchase order cut-off dates shall be as follows:
  - 1. Purchase orders must be received in the Business Manager on or before April 1st unless the services or supplies are essential to continue the daily operation of the department or building for the remainder of the current year, or unless an emergency exists.
  - 2. Requests for purchases of equipment, materials, improvements, or remodeling that will be subject to a bidding procedure must be sent to the Business Office on or before April 1st.

### ***Payment of Claims Procedure***

- A. When delivery is made, the principal/supervisor checks the goldenrod copy of the requisition-purchase order to ensure the order has been received correctly and in proper condition;
- B. If so, the packing or delivery slip is initialed, attached to the goldenrod copy of the requisition-purchase order, and the goldenrod copy is sent, within five (5) working days, to the Business Manager for payment;
- C. The Business Manager checks the pink copy against the invoice, and if everything is in order, a warrant is drawn;
- D. If the Business Manager finds discrepancies or has questions, s/he shall contact the principal/supervisor;

- E. The vendor's invoice is filed with the goldenrod copy of the requisition-purchase order and a copy of the warrant;