Stephenson Area Public Schools

PURCHASING

po6320 **ADOPTED** July 8, 1991 **REVISED** August 19, 2024

Highlighting **PROCUREMENT POLICY**

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 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 seek informal price quotations on purchases in excess of $10,000.

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

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.

For purposes of this preference, a Michigan-based business means a business that would qualify for Michigan preference for **procurement** contracts under M.C.L. 18.1268, which requires that the business certifies that, since inception or during the last twelve (12) months, it has done one (1) of the following:

A. filed a Michigan business tax return showing an allocation of income tax base to Michigan

B. filed a Michigan income tax return showing income generated in or attributed to Michigan

C. 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.

The Board reserves the right to reject any and all 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.

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 the Superintendent's 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 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 C.F.R. 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).

Revised 6/23/03
Revised 8/19/13
T.C. 8/19/24

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