

## Mason Consolidated Schools Bylaws & Policies

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### 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 a minimum of two (2) informal price quotations on purchases in excess of \$1,000 up to \$4,999.

An informal quotation is generally verbal information of price on equal products or services. It can be secured in person, by fax, email or telephone and is typically used in obtaining the many small purchases for routine supplies used by the School District. The informal price quotes should be documented and attached to the pertinent requisition.

- B. 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 \$5,000 the Superintendent requires three (3) competitive price quotations.
  - 1. **Competitive price quotations** are to be written price quotes from suppliers of equal products or services. Quotes from REMC (Regional Educational Media Center) are considered one (1) price quote. The competitive price quotations are to be attached to the pertinent requisition.
  - 2. Items exceeding \$5,000 must be submitted to the Finance Committee for review. Items exceeding \$10,000 will require Board of Education approval and will be submitted to the Board of Education upon recommendation by the Finance Committee.
    - a. One (1) week prior to the Finance Committee meeting, the requisitioner should submit a

memo to the Superintendent containing the following:

- 1) detailed information regarding what is to be purchased
  - 2) detailed information regarding all price quotes obtained
  - 3) recommendation for purchase
- b. If all information listed above is not submitted, the item will not be placed on the Finance Committee agenda until such time as all the information is available.

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 approval to purchase.

Bids shall be sealed and shall be opened by the Finance Director or designee 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 after Finance Committee review, and without Board approval, for any single item or group of identical items costing less than \$5,000. All other contracts require Finance Committee review and 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 Board should be advised, for prior approval, of all purchases of equipment, materials, and services when the purchase exceeds \$10,000.

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.

All District purchases require a District issued purchase order; the only exceptions would be for items such as utilities, employee mileage reimbursements and similar type expenditures. No one is to obligate the District for any expenditures relating to the purchase or supplies, materials, services, etc. without first obtaining a District issued purchase order. Employees may 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 sets forth the terms of such a purchase.

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

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