

PURCHASING

Reference: MCL 380.1267, 380.1274 et seq.

It is the policy of the Board of Directors that the Chief School Administrator seek at least three (3) price quotations on purchases of more than \$12,500 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 School.

When the purchase of, and contract for, single items of supplies, materials, or equipment exceeds the amount designated by statute, the Chief School Administrator shall obtain competitive bids.

Bids shall be sealed and shall be opened by the Chief School Administrator 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 the vendor.

The Board reserves the right to reject any and all bids. Contracts can be awarded by the Chief School Administrator without Board approval for any single item or group of identical items costing less than \$12,500. 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. The Chief School Administrator is authorized to purchase all items within budget allocations.

- A. The Board should be advised, for prior approval, of all purchases of equipment, materials, and services when the purchase
- B. was not contemplated during the budgeting process.
- C. exceeds the
- D. line item

The Chief School Administrator 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.

In order to promote efficiency and economy in the operation of the School, the Board requires that the Chief School Administrator 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 the Chief School Administrator 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 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 vendor may make alternate suggestions to the requisitioner if, 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 Chief School Administrator shall commit the expenditure against a specific line item to guard against the creation of liabilities in excess of appropriations.

The Chief School Administrator 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 Chief School Administrator 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 School 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 6320).

Revised 5/7/13

NEW CONSTRUCTION, RENOVATION BIDS

Reference: MCL 380.1267

Before beginning construction of a new school building, or addition to or repair or renovation of an existing school building, except repair in emergency situations, the Board, shall obtain competitive bids on all the material and labor required for the complete construction of a proposed new building or addition to or repair or renovation of an existing school building.

The Board shall advertise for the bids required under subsection

- A. by placing an advertisement for bids at least once in a newspaper of general circulation in the area where the building or addition is to be constructed or where the repair or renovation of an existing building is to take place and by posting an advertisement for bids for at least two (2) weeks on the department of management and budget website on a page on the website maintained for this purpose or on a website maintained by a school organization and designated by the department of management and budget for this purpose.
- B. If the department of management and budget designates a school organization website for this purpose, the department of management and budget shall indicate this fact on its website and include a link on its website to the school organization website.
- C. The advertisement for bids shall do all of the following:
 1. Specify the date and time by which all bids must be received by the Board at a designated location.
 2. State that the Board will not consider or accept a bid received after the date and time specified for bid submission.
 3. Identify the time, date, and place of a public meeting at which the Board or its designee will open and read aloud each bid received by the Board by the date and time specified in advertisement.
 4. State that the bid shall be accompanied by a sworn and notarized statement disclosing any familial relationship that exists between the owner or any employee of the bidder and any member of the Board or the School Leader of the Academy. A Board shall not accept a bid that does not include this sworn and notarized disclosure statement.
- D. The Board shall require each bidder for a contract under this policy, to file with the Board security in an amount not less than 1/20 of the amount of the bid conditioned to secure the Academy from loss or damage by reason of the withdrawal of the bid or by the failure of the bidder to enter a contract for performance, if the bid is accepted by the Board.

- E. The Board shall not open, consider, or accept a bid that the Board receives after the date and time specified for bid submission in the advertisement for bids as described in subsection three (3) of this policy
- F. At a public meeting identified in the advertisement for bids described in subsection three (3) of this policy, the Board or its designee shall open and read aloud each bid that the Board received at or before the time and date for bid submission specified in the advertisement for bids. The Board may reject any or all bids, and if all bids are rejected, shall readvertise in the manner required by this policy.
- (7) This policy does not apply to buildings, renovations, or repairs costing less than \$17,932.00 or to repair work normally performed by Academy employees. The maximum amount specified above (\$17,932.00) shall be adjusted each year by multiplying the amount for the immediately preceding year by the percentage by which the average consumer price index for all items for the 12 months ending August 31 of the year in which the adjustment is made differs from that index's average for the 12 months ending on August 31 of the immediately preceding year and adding that product to the maximum amount that applied in the immediately preceding year, rounding to the nearest whole dollar.

Adopted 2/7/06