

Section 3000 – Fiscal Management

3605 District Credit/Procurement Cards (Cf. 1162, 1168, 3600)

3605

The Superintendent shall be responsible for the issuance, accounting, monitoring, retrieval, internal controls and generally overseeing the use of District credit or procurement cards for Board members and employees.

Issuance

A Board member may be issued a District credit or procurement card for actual and necessary expenses incurred because of attendance at Board-approved workshops, seminars, conferences, or conventions.

District employees may be issued a District credit or procurement card that shall be used solely for the purchase of goods and/or services needed for official business of the District.

Documentation

When a Board member or employee uses a District credit or procurement card, documentation shall be provided the Superintendent or designee within 10 calendar days detailing the goods or services purchased, the cost of such goods or services, the date of purchase, and the purpose for which such goods or services were purchased.

Lost Credit/Procurement Cards

Each Board member or employee issued a credit/procurement card is responsible for the protection and custody of District credit/procurement card. If a District credit/procurement card is lost or stolen, the Superintendent shall be notified immediately.

Return of Credit/Procurement Cards

A Board member who leaves the Board or a District employee who is no longer employed by the District shall return the credit/procurement card upon termination to the Superintendent, but no later than five calendar days after termination.

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Payment

The Board shall approve all District credit/procurement card invoices prior to payment. Such payments shall be made no later than 60 days after receipt of the initial statement date.

Misuse and Unauthorized Use

A Board member who violates a provision of this policy shall have his/her use of that card revoked by the Board. An employee who violates a provision of this policy shall be subject to disciplinary action as determined by the Superintendent.

If the Superintendent violates a provision of this policy, he/she shall be subject to disciplinary action as determined by the Board.

Other Provisions

The total combined authorized credit limit of all credit/procurement cards issued by the District shall not exceed 5% of the total budget of the District for the current fiscal year.

Approved: July 16, 2007

LEGAL REF: MCL 15.321-330; 129.221 et. seq.; 129.241 et. seq.; 380.1254

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3605-R District Credit/Procurement Cards (Cf. 1162, 1168, 3600)

3605-R

The District may include in its budget and pay the balance due on any credit/procurement cards, including the annual fees and interest.

There shall be a system of internal accounting controls to monitor the use of credit/procurement cards.

The Superintendent or administrator in charge of business/finance is authorized and encouraged to develop categories of the type of credit/procurement card purchases that may be made by District employees.

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3610 Purchasing Goods and Services

3610

The Superintendent shall be the sole purchasing agent for the District.

Purchasing from District Employees

The Board shall not purchase equipment, supplies, or services from an employee of the District, nor from a member of a household of an employee, nor from any firm in which an employee or member of his/her household holds a 10 percent or greater financial interest without full disclosure as required by law for Board of Education members.

Purchases through the District

Board members and employees shall not make any purchase through the District for personal use. The name of the District or school, or an employee's position, shall not be used in such manner that discounts or cost preferences are given to such person. Purchasing equipment and supplies by the District for resale to employees is prohibited.

Emergency Purchases

Emergency purchases may be made without using the quotation or bidding process. Such emergencies may arise because of an accident or other unforeseen occurrence that could affect the life, health, welfare, or safety of the District's students or employees.

Approved: July 16, 2007

LEGAL REF: MCL 15.321-330; 380.1216; 380.1274

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3610-R Purchasing Goods and Services

3610-R

In order to properly oversee the purchasing function and protect the resources of the District, the following administrative rules shall apply to policy 3610. These rules shall apply equally to all employees of the District regardless of assignment.

1. No employee has authority to sign any contract for the purchase of any goods or services, nor encumber the District with any debts or obligations beyond the amount of \$500.00 without the specific, written permission of the Superintendent of Schools. Should he/she so desire, the Superintendent might issue written authorizations annually to certain District employees that authorizes expenditures of more than \$500.00 on a limited basis and for specific reasons.
2. Any expenditure for goods or services of \$500.00 or less is authorized only if such expenditures are chargeable, specifically, to an appropriate budget line item in the budget adopted by the Board of Education.
3. The Superintendent, or a person designated specifically by the Superintendent, shall be empowered to sign lease agreements on behalf of the District regardless of duration of the lease or the amount of the expenditure. It shall be the general practice of the District that, with the exception of technology equipment, such as computers, printers, scanners, copying machines, and the like, and certain transportation equipment, no lease shall be entered into that encumbers the District and the Board for more than a two-year period.

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3610-R Purchasing Goods and Services

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4. Any employee violating or attempting to circumvent these rules will be subject to disciplinary action, up to and including discharge. In addition, the Superintendent has authority to pursue any legal remedy necessary to seek restitution from the offending employee for any outstanding debts or obligations incurred by the District because of the employee's violation of these rules, subject to applicable collective bargaining agreements and law.
5. All vendors doing business with the District, or seeking to do business with the District, will be informed of these rules. Any vendor who seeks to circumvent or violate these rules might be barred, permanently, from doing business with the District.

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3620 Administrative Leeway (Cf. 2750, 3660)

3620

In the event of an emergency such as a power failure, severe cold weather or other such natural disasters, the Superintendent shall have the authority to purchase capital equipment needed to keep the schools of the District open or to reopen the schools. The Board, at a special or regular meeting as soon as possible after the purchase is made, shall approve any such purchases.

Such purchases shall not be made to circumvent the purposes of the competitive bid law.

Approved: July 16, 2007

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3650 Cooperative Purchasing (Cf. 3660)

3650

The Superintendent is authorized to consider, and recommend for Board approval, membership in cooperative purchasing organizations that would be of benefit to the District.

Cooperative purchasing also pertains to what is commonly referred to as “third party bids.” Third party bidding shall constitute a competitive bid for purposes of policy 3660 - Competitive Bids.

Approved: July 16, 2007

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3660 Bids and Quotation Requirements (Cf. 4760)

3660

The Superintendent and/or designee (the "Superintendent") shall be authorized to purchase and supervise the procurement of all supplies, materials, and equipment for the School District. Using best reasonable efforts, the Superintendent shall procure the lowest-priced and best quality supplies, materials, and equipment that serve the interests of the students, employees, and taxpayers of the District. All purchases shall be in accordance with good business practices, applicable laws and regulations, and this Policy. Participation in purchasing cooperatives shall be permitted, provided that the cooperative purchasing arrangement satisfies the competitive bidding requirements of any and all applicable laws and this Policy. In the event the District participates in a cooperative bulk purchasing program operated by the Department of Management and Budget pursuant to 1984 PA 431, as amended, competitive bidding shall be excused so long as such an excuse is provided under Michigan law.

Except as otherwise provided in this Policy, the award of any bids pursuant to the competitive bidding process shall be awarded by the Board of Education. The Board of Education reserves the right to accept or reject any or all bids, in whole or in part, and to waive any irregularities therein. The contract shall be awarded to the lowest responsible bidder.

When evaluating whether a bidder is the "lowest responsible bidder," the Board of Education shall be entitled to consider:

1. The past performance of the bidder;
2. The conformity of the supplies, materials, or equipment to be purchased with the existing supplies, materials, and equipment owned by the District;
3. The warranty and service provisions; and
4. The quality of the items to be supplied.

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3660 Bids and Quotations

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The Superintendent is authorized to purchase items within Board approved budget allocations without specific Board approval for any single item or group of items costing less than the statutory threshold as referenced herein for competitive bidding.

The purchase of any item or groups of items in a single transaction costing equal to or more than the statutory threshold established in MCL 380.1274, as annually indexed (the "Statutory Threshold"), shall be made only if competitive bids are obtained for those items and the purchase of those items is approved by the Board of Education. Purchases may not be divided into sub-units or separate contracts for the sole purpose of avoiding the competitive bidding requirements of this Policy. On behalf of the Board of Education and in order to fulfill the obligation of this policy, the Superintendent shall attempt to seek at least three (3) bids or price quotations on any purchases of supplies, materials, and equipment for which the cost of a single item or a group of items in a single transaction is equal to or in excess of the Statutory Threshold for competitive bidding. In the event the Superintendent, after due diligence, cannot identify three (3) bidders, the Superintendent shall obtain as many bids as reasonably practical from prospective bidders. Sealed bids shall be submitted by interested bidders and opened by the Superintendent in the presence of at least one witness. A facsimile or electronically transmitted bid may be submitted by a bidder in lieu of a sealed bid. When seeking bids, the Superintendent shall notify prospective bidders of the established place, date, and time for submission of bids. Upon completion of the bid opening, the Superintendent shall compile a summary of the bids received and present the summary of bids to the Board of Education. If Board approval is required for the bids, the Superintendent also shall provide a recommendation of award to the Board of Education for consideration.

Before the Superintendent places a purchase order, for supplies, materials, or equipment, he Superintendent shall verify whether the proposed purchase is subject to competitive bidding

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obligations, whether sufficient funds exist in the budget for such purchase, and whether the material might be available elsewhere in the District. All purchase orders shall be numbered consecutively.

Competitive Bids on Building Construction, Renovation, and Repairs

Prior to commencing construction of a new building, or additions to or repair or renovation of an existing building costing more than allowed under current law, the Board shall obtain competitive bids on all material and labor to be required to complete the proposed construction, addition, repair or renovation. Repair work normally done by District employees is exempted from this bidding requirement.

The Board shall advertise 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 the building is to take place. The Board shall also post an advertisement for bids on the Department of Management and Budget's website for at least two weeks if the department has designated a website for this purpose.

If the Department of Management and Budget designates a school organization website for advertisement purposes, the Department shall include a link on its website to the school organization website.

Such advertisements shall include:

- The date and time that the bids must be received by the Board,
- A statement specifying that the Board will not accept late submissions,
- The date, time, and place the bids will be opened and read by the Board, and
- A statement specifying that each bid shall be accompanied by a sworn and notarized statement disclosing any familial relationship between the owner or employee of the bidder and any member of the Board or the Superintendent of the school district. The Board shall not accept any bids that do not contain this sworn and notarized statement.

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3660-R Bids and Quotations

3660-R

Procedure

All bids must be submitted to the Superintendent in sealed envelopes with the name of the bidder and the date of the bid opening plainly marked in the lower left-hand corner of the envelope. All timely received bids shall be opened, read aloud, and examined by the Board at the public meeting specified in the advertisement for bids. No bid shall be opened, considered, or accepted before the date and time specified for bid submission in the advertisement. All bidders and other interested persons are invited to be present when the bids are opened.

Bids involving building construction, renovation and repairs below the Michigan Statutory threshold may be opened by the purchasing agent or other person designated by the Board and one other District employee shall witness such opening. The bids shall then be arranged in order from low to high before they are presented to the Board for action.

Responsible Bidder

All bids shall be awarded to the lowest responsible bidder. The Board remains the sole judge of whether or not a bidder is “responsible.” Criteria that may be used to judge “responsible,” by way of illustration and not limitation, are financial standing, reputation, experience, resources, facilities, judgment, and efficiency.

The Board may investigate the business reputation of any bidder by using information at hand to form an intelligent judgment, such as the District's architect, previous clients of the bidder, their own investigation, or an outside investigation agency.

Bid Specifications

The Board shall avoid negotiation of bid specifications after bids have been accepted and shall correct and request new bids if specifications are inadequately written.

If an error is discovered in the bid specifications, all bids shall be returned unopened and the project shall be re-bid using corrected and/or amended specifications.

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3660 R-2

Any bid submitted to the District may be withdrawn prior to the scheduled time for opening of bids.

Any bid received after the Board publicized date and time shall not be considered.

Rejection of Bids

The Board reserves the right to reject all bids and to ask for new bids. Such reservation shall be so specified in the publication or notification of bid letting.

The Board reserves the right to waive any informality in, or reject any part of, a bid.

Revised and Approved: June 16, 2014

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3690 Local Purchasing (Cf. 3660)

3690

The Board shall purchase school equipment and supplies from local vendors whenever possible, providing that price, quality, and service of the local vendor compare favorably with those from non-local vendors. Bids shall be solicited from non-local vendors in order to establish a fair market price for equipment and supplies.

Local vendors shall be given preference if their bid or quoted price is within five percent of the low bid or quoted price, if all other matters are comparable. Local purchases shall be divided among several local vendors when appropriate. The Superintendent shall make all authorized purchases, as he/she deems best after carefully weighing all matters.

Approved: July 16, 2007

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3730 Vendor Relations

3730

Vendors shall make contacts through the Superintendent. Vendors shall not contact other administrators or school employees directly unless such contact is approved or authorized by the Superintendent.

Approved: July 16, 2007

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3730-R Vendor Relations

3730-R

The Superintendent shall authorize demonstrations of equipment by vendors.

No Board member or District employee shall accept gifts from any persons, group, or entity desiring to do business with the District; and all business-related gratuities are specifically prohibited except nominal value advertising items widely distributed with a market value of \$100 or less.

The Superintendent shall alert vendors of the Board's policy concerning gifts.

Employees shall not endorse products or services in a manner that will identify them with the District. The Board, the purchasing department, or employees of the school shall not solicit funds from vendors however worthy the purpose.

The Board or Superintendent may give written approval in advance for inspection trips or other informational trips at a vendor's expense.

Samples for evaluation, supplied free of charge by a vendor, may be accepted if:

1. The business office is notified of the acceptance and given a copy of the evaluation report,
2. No pressure, either direct or indirect, is brought on a supplier to provide such samples unless required of all suppliers as a specific provision of a bid or quotation request, and
3. All suppliers are given the opportunity to provide samples for evaluation.