



Book	Policy Manual
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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 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 seeks at least three (3) price quotations on purchases of more than \$1,000 for a single item, except in cases of emergency or when the materials purchased are of such nature that price negotiations would not result in a saving to the District.

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

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

Michigan's Revised School Code (M.C.L. 380.623a, 380.1267, and 380.1274) establishes a base above which competitive bids must be obtained for school construction projects (including renovation, repair, or remodeling) and procurement of supplies, materials, and equipment. This requirement does not apply to buildings, renovations, or repairs costing less than the amount specified in Michigan's Revised School Code. **[DRAFTING NOTE: The maximum amount specified in this subsection 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 twelve (12) months ending August 31 of the year in which the adjustment is made differs from that index's average for the twelve (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. The state laws also provide for an increase in the base amount corresponding to increases in the Consumer Price Index ("CPI"). For fiscal year 2026, which began on Wednesday, October 1, the base amount for Section 1267 (pertaining to construction, renovation, repair, or remodeling) and the new base for Sections 623a and 1274 (pertaining to procurement of supplies, materials, and equipment) are each \$31,321.]**

[x] In order for sealed bidding to be feasible, the following conditions shall be present:

- A. a complete, adequate, and realistic specification or purchase description is available;
- B. two (2) or more responsible bidders have been identified as willing and able to compete effectively for the business; and
- C. the procurement lends itself to a firm, fixed-price contract and the selection of the successful bidder can be made principally based on price.

When sealed bids are used, the following requirements apply:

- A. Bids shall be solicited in accordance with the provisions of State law and this policy. Bids shall be solicited from **(x)** an adequate number of **[END OF OPTION]** qualified suppliers, providing sufficient response time prior to the date set for the opening of bids. The invitation to bid shall be publicly advertised.
- B. The invitation for bids must define the items or services with specific information, including any required specifications, for the bidder to properly respond.
- C. All bids will be opened at the time and place prescribed in the invitation for bids; bids will be opened publicly.
- D. A firm, fixed-price contract is awarded in writing to the lowest responsive bid and responsible bidder. When specified in the invitation for bids, factors such as discounts, transportation costs, and life cycle costs shall be considered in determining which bid is lowest. Payment discounts must only be used to determine the low bid when the District determines they are a valid factor based on prior experience.
- E. The Board reserves the right to reject any or all bids, but must document and provide a justification for all bids it rejects for sound documented reason.

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;
- F. consideration given to local vendors.

The Board reserves the right to reject any and all bids.

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 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 schools in operation. Such purchases shall be brought to the Board's attention.

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.

In order to promote efficiency and economy in the operation of the District, the Board requires that the Business Office Manager periodically estimate requirements for stand 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 Business Office Manager 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 District. All purchase orders shall be numbered consecutively.

In the interests of economy, fairness, and efficiency in its business dealings, the Board requires that:

- A. Items commonly used in the various schools or units thereof, be standardized whenever consistency with education goals can be maintained;
- B. Opportunity be provided to as many responsible suppliers as possible to do business with the School District;
- C. A prompt and courteous reception, insofar as conditions permit, be given to all who call on legitimate business matters;
- D. Where the requisitioner has recommended a supplier, the supervisor 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.
- E. Upon placement of a purchase order, the Business Office Manager 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.

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.

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 6320).

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