

Battle Creek Area Learning Center

Each year, the State of Michigan informs the School of legal amount for purchases which require a formal bidding process of a single item.

The Superintendent or Chief Financial Officer may determine the most appropriate method of obtaining prices for items or groups of items which are not subject to competitive bid requirements.

Purchases in a single transaction that are in excess of the dollar amount permitted by State statute shall require competitive bids and shall require approval of the Board prior to purchase.

Purchase of contracted services that exceed that State bid threshold require the approval of the Board.

Competitive bids are not required for items purchased through the cooperative bulk purchasing program operated by the Michigan Department of Management and Budget pursuant to M.C.L.18.1263.

Competitive bids are not required for food purchases, unless food purchased in a single transaction costs \$100,000 or more.

Bids shall be received by the Chief Financial Officer or designee. Bids shall be awarded on the following criteria:

- The quality of the item(s) to be supplied;
- Conformity with specifications;
- Suitability to the requirements of the District
- Delivery terms;
- Past performance of vendor;
- Price.

In addition to the factors above, the Board may consider and provide a preference to bidders which use Michigan-based business as the primary contractor and which use one (1) or more Michigan-based businesses as subcontractors.

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

- A. Have filed a Michigan business tax return showing an allocation of income tax base to Michigan;
- B. Have 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 owner's and remitted the tax to the Michigan Department of treasury.

This preference shall not apply to any procurement of 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.

Contracts may be awarded by the Superintendent or Chief Financial Officer without Board approval for any single item or group of identical items costing less than the State bid threshold. All other contracts require Board approval prior to purchase.

The Superintendent is authorized to purchase all items within budget allocations.

Before placing a purchase order, the principals or department heads 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 interest of economy, fairness, and efficiency in its business dealings, the Board requires that:

- Opportunity be provided to as many responsible suppliers as appropriate to do business with the school;
- Where the requisitioner has recommended a supplier, the Chief Financial Officer may take alternate suggestions to the requisitioner if, in his/her judgement, better service, delivery, economy or utility can be achieved by changing the proposed order;
- Upon placement of a purchase order, the Chief Financial Officer shall commit the expenditure against a specific line item to guard against the creation of liabilities in excess of appropriations.

The Chief Financial Officer 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 by 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 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 (AG6320).

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

(NOTE: The intent of the purchasing policy is to establish several levels at which purchasing can occur and to determine at what level Board involvement is required, when it is necessary to get a simple “quote” and when the “competitive bid” procedure is required.)