

MENOMINEE INDIAN SCHOOL DISTRICT

672-Rule

PURCHASING PROCEDURES

District purchasing shall be carried out in accordance with the following guidelines.

1. Purchase of Goods and Services

All purchases will be made on the basis of the lowest price and the highest quality goods or service specified by the Board, except that the Board may reject the lowest price or bid if in the opinion of the Board:

- a. there is a question or doubt if the vendor or agent can meet the commitment;
- b. the vendor or agent has failed to meet purchase agreements in the past;
- c. the goods or services were found not satisfactory in quality on the basis of previous experience or knowledge of the Board.

2. Quality

The Board expects the administration to make every effort to receive full value for the dollars spent through sound purchasing procedures. The purchasing functions shall be to buy the product required for the intended purpose which will be the most economical and efficient product in the course of its use in time.

3. Timing

Purchases shall be timed to provide the necessary goods and services without undue delay in delivery, and at reasonable cost. Purchasing shall be done on a calendar basis, taking into consideration when the product is needed and current market conditions. The prime importance in timing is to have the product available when needed.

4. Quantity of Purchases

The quantity of items purchased shall depend on the need, storage facilities available, and the effect of unit prices for volume purchases. The quantities of each item purchased shall be determined by the above factors, which will yield the most economical price per item. Whenever possible, standardized lists shall be used, if not a detriment to the educational program, since they usually result in lower unit prices.

5. Vendors and Contractors

No favoritism shall be extended to any vendor. Each order shall be placed on the basis of quality, price, and delivery, with past service a factor if all other considerations are equal.

6. Specifications

Specification shall be designed to ensure the quality of the product desired and free competition, so as to permit the lowest possible purchase price. Therefore, specifications generally shall not be written around one product only.

7. Bidding Procedures

a. The following items purchased by the District are to be bid.

- 1) Building projects/renovation over \$10,000 - purchases with individual vendors for different entities/projects do not compound but are considered as a single project.
- 2) Major equipment items - tractors, trucks, any item over \$10,000
- 3) Classroom equipment - single product over \$10,000
- 4) Purchases of \$10,000 or more for which specifications can be reliably written, and for which there is more than one supplier.

- b. School instructional supplies are purchased from vendors known to the District.
- c. The internal affairs of the prospective supplier's organization (e.g., size of firm, methods of manufacture, source of materials, and so on) will be of importance to the administration and business office only as they relate to the criteria for determining the lowest best bid.
- d. Bids shall be opened in public when feasible. In the event public opening is not feasible, two administrative signatures are attached to each bid to verify compliance.
- e. Final bid tabulations will be available for inspection by bidders.
- f. Bids as submitted are final and not subject to change.
- g. Original bid lists are compiled from names of suppliers who have previously served the District and for whom there are records in the accounting department.

8. Exceptions to Bidding

- a. If an emergency exists, or if the Board has properly declared that standardization of equipment methods requires a particular brand of equipment supply, the District may purchase goods and services without bidding.
- b. Textbooks are purchased based on committee selection of vendor and not subject to bid.
- c. When bidding is not appropriate due to time constraints, two quotes are to be obtained.

9. Requirements for Performance and Bid Bonds

- a. Projects Under \$10,000: No requirements for performance or bid bond, unless specifically demanded by the Menominee Indian School District.

- b. Projects Between \$10,000 and \$50,000: The district will decide if a Performance bond or Bid Bond is required, base don the type of project, risk or default and what is in the best interest of the district. Prime contracts will contain a provision allowing the district to make direct payment to sub-contractor who are entitled to payment for services completed in accordance with the contract.
- c. Projects Between \$50,000 and \$100,000: Performance and payment assurance will be required through the use of a Performance Bond. Prime contracts will contain a provision allowing the district to make direct payments to sub-contractors who are entitled to payment for services completed in accordance with the contract. The bi document will require that all bidders include the cost of the bond in their bid price. The district may consider the use of alternate forms of security (i.e. Irrevocable Letter of Credit, Escrow Account), after the low bidder has been determined. The district has the option of requiring a bid bond, if it is deemed in the best interest of the district.
- d. Projects Over \$100,000: Performance and bid bond required.

10. Purchasing Procedures

- a. Quotes need to be obtained for purchases over \$3,000 and under \$10,000.
- b. Requisitions for equipment, supplies and services are to be made on the properly authorized forms. Budget administrators will approve the purchase requisition and be sure that the purchase requisition has:
 - 1) an assigned and appropriate number;
 - 2) a complete address;
 - 3) an actual or estimated cost for each item;
 - 4) a grand total of cost, actual or estimate;
 - 5) signature of appropriate budget administrator.
- c. The procurement of all supplies, equipment, and services shall be initiated by the issuance of an official purchase order signed by the District

Administrator or his/her designee and by the authorized administrator. Only those supplies, equipment, and services procured by formal contract shall be exempt.

- d. Each budget administrator shall keep a purchase requisition or copy of purchase order submitted on file.
- e. Purchase orders shall be checked by the accounting department for authorization, funding and coding.
- f. Purchase orders are processed in the business office within three days after receipt.
- g. All approved purchase requisition orders shall be prepared on the proper forms supplied by the accounting department.
- h. All purchase orders shall be signed by the District Administrator/head bookkeeper in charge, regardless of who prepared the requisition. Signature without comment shall signify approval of the requisition by the administrator.
- i. No purchase over \$10.00 is to be made without a purchase order number from the accounting department.

11. Receiving Supplies and Equipment

The District Administrator's office shall be notified by the principal when equipment, supplies, and services have been delivered. The receiving employee shall certify the receipt of equipment, supplies, and services by date and signature.

12. Returns

If any material is received in a damaged condition, if it is incorrect, not suited for District use, or if there is shortage in the shipment, the accounting department must be notified in writing within one business day. This notification should be over the signature of the person who received the merchandise.

13. Payment for Goods and Services

- a. No payment for goods or services shall be made unless supported by the following documentation:
 - 1) An itemized invoice with approval of the building administrator or District Administrator showing the name of the person or firm to whom payment is due. All invoices must be recalculated for accuracy and match to the purchase order for price and quantity.
 - 2) A receiving document bearing the signature of an authorized school employee.
 - 3) An approved purchase order, contract or Board action to originate the invoice.
- b. After payment, invoices need to be stamped showing the check number and the date paid.

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