

PURCHASING

The following are established as purchasing guidelines:

1. In the interest of obtaining the best possible product and/or service for the District at reasonable and affordable costs, the District will make its needs known to as extensive a market as is practical.

All orders or contracts shall be awarded to responsible, qualified vendors with consideration given to:

- a. Prices bid or quoted
- b. Quality and conformity to specifications
- c. Delivery and payment terms
- d. Past service to the District

VENDOR PREFERENCE

All conditions deemed equal, favorable consideration shall be given to vendors located within the District.

COOPERATIVE PURCHASING

The District may participate in group and cooperative bid procedures when advantageous for the District to do so.

2. The lowest responsible bidder submitting a competitive price quotation or bid shall usually be awarded the contract. However, the District reserves the right to accept or reject any bid as it deems appropriate considering its best interest and delegates this authority to those responsible for purchases not coming before the Board. The District reserves the right to establish the quality of any goods purchased.

In its determination of responsible bidder, the District may consider references, prior work history with the District, suitability of performance and labor and materials bond, delivery and/or completion timelines and product and materials suitability.

3. Construction, additions, renovations, equipment, supplies or services shall not be purchased from an employee or Board member of the District, nor from a member of a household of an employee or Board member, nor from any firm or vendor in which an employee or Board member or member of his/her household holds a 10 percent or greater financial interest.

Sole-Source Purchases

Negotiated purchases can be made when there is only one supply source provided the amount does not exceed bidding requirement limitations. If the amount exceeds the state threshold for bids, Board approval will be required.

Informal Quotations

Informal quotations secured in person, by telephone or in writing, may be used in obtaining the many small routine purchases used by the District for supplies, materials or equipment less than the amount required for competitive bids.

Emergency repairs, contracted services, blanket orders, State/County contract pricing and sole-source providers are *exempt* from these conditions. In special circumstances, the Assistant Superintendent, Business Services *may* waive these requirements upon review.

The combination of price, quality, availability and shipping costs will determine the selected vendor. The following criterion has been established to determine the type of quotation required. The Purchasing Manager *may* request copies of the quotations prior to the approval of a purchase.

Item(s) up to \$1000 Non-capital - Requires no competitive quotation; funds to come from building per-capita budgets.

Items(s) ranging from \$1001-\$3000 -

Verbal quotations from two (2) sources are required. Quotations should be recorded for tracking purposes. Orders at this level *may* require the approval of the Assistant Superintendent, Business Services. Effective July 2016 federal grant purchases will follow the micro-purchase guidelines as required by federal uniform guidance.

Item(s) ranging from \$3001–State Bid Base* -

Written quotations from three (3) sources are required and must be kept on record for one (1) year. Order at this level *may* require the approval of the Assistant Superintendent, Business Services.

Item(s) exceeding State Bid Base* Capital -

Requires formal bidding procedures and Board approval (one item or in aggregate).

* The State of Michigan annually establishes the bid base in October.

Competitive Bids (Supplies, Materials and Equipment)

All purchases and contracts for supplies, materials or equipment shall comply with State law (MCL 380.1274) and shall be made only after competitive bids have been received and awarded by the Board if the amount exceeds the State threshold for bids. This applies to all items or group of items costing more than the amount specified by law and annually adjusted.

Bid Procedures

Invitations to bid will be sent to applicable vendors.

The notices will provide:

- a. The item sought.
- b. Specifications or the availability of specifications.
- c. The day, date, time and place bids will be received and opened.
- d. That bids must be sealed and identified.

- e. That the Board of Education reserves the right to reject any or all items or bids and to waive any irregularities in the bid procedure.
- f. Any other pertinent information.

Bids shall be opened at a specific time and place as stated in the bid advertisement or in the invitation to bid by the Superintendent or designee and analyzed and brought to the Board at a regular or special meeting with recommendations as to which bids should be accepted.

The Board shall have discretion in determining the responsibility of the bidders and generally shall award the contract to the lowest responsible bidder, provided specifications are fully met. The Board may also consider available services and delivery in determining the successful bidder. The Board may reject any or all items or bids.

All bids received after the date and time specified shall be returned to the bidder unopened. Changes in the amount or condition of the bid will not be allowed once the bid has been received (no post negotiations).

All bids shall contain a signed statement disclosing any familial relationship(s) with any member(s) of the Board of Education or Superintendent (See Attached Familial Relationship Disclosure (Supplies, Materials & Equipment)).

Competitive Bids (Construction, Additions and Renovations)

All contracts for construction, additions and renovations (excluding repairs in emergency situations) shall comply with State law (MCL 380.1267) and shall be made only after competitive bids have been received on all material and labor required to complete construction or repairs and subsequently, awarded by the Board, if the amount exceeds the State threshold for bids.

Bid Procedure

Invitations to bid will be sent to applicable vendors.

The notices will provide:

- a. The project and items sought.
- b. Specifications or the availability of specifications.
- c. The day, date, time and place of any pre-bid meeting(s).
- d. The day, date, time and place bids will be received and opened.
- e. That bids must be sealed and identified.
- f. That the Board of Education reserves the right to reject any or all items or bids and to waive any irregularities in the bid procedure.
- g. That a 5% security bond/check is required with bid.
- h. Any other pertinent information.

Prior to commencing construction of a new building, or additions to or repair or renovation of an existing building exceeding the State threshold for bids, 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 exempt from this bidding requirement. In future years, the threshold dollar amount will comply with escalating clauses in the State law.

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 and by posting an advertisement for bids for at least two weeks on the Department of Management and Budget web site maintained for this purpose.

All bids required under this section shall be opened and read aloud in a public bid meeting at the time and place advertised for the receipt of the bids. The Board may reject any or all items or bids and shall re-advertise in the event all bids are rejected, in the manner provided by law and this policy.

Each bidder shall be required to file security with the Board, in the amount of 5% of the amount of the bid, conditioned to secure the District 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.

All bids shall be accompanied by a *sworn and notarized statement* disclosing any familial relationship(s) with any member(s) of the Board of Education or Superintendent (See Attached Familial Relationship Disclosure (Construction, Additions and Renovations)). The Board shall not accept a bid that does not include this sworn and notarized disclosure statement.

FAMILIAL RELATIONSHIP DISCLOSURE (SUPPLIES, MATERIALS & EQUIPMENT)

Any vendor participating in this competitive bid is required to sign a sworn statement disclosing any familial relationship(s) that exists between the owner or any employee of the bidder and any member(s) of the Board of Education or the Superintendent. *Failure to provide signature will result in bid disqualification.*

SWORN STATEMENT:

The undersigned, the owner or authorized officer of _____ (vendor/bidder), pursuant to the familial disclosure requirement stated above and provided in the Farmington Public School District's bid, hereby represent and warrant, *except as provided below*, that no familial relationship(s) exist between the owner(s) or any employee of the firm and any member(s) of the Board of Education or the Superintendent.

Bidder/Vendor: _____

By (officer): _____ (signature)

Name: _____ (print)

Title: _____ (print)

Date: _____

If a familial relationship exists, please list and explain:

FAMILIAL RELATIONSHIP DISCLOSURE (CONSTRUCTION, ADDITIONS AND RENOVATIONS)

Contractors and/or vendors participating in competitive bids are required to sign a sworn statement disclosing any familial relationship(s) that exists between the owner or any employee of the bidder and any member(s) of the Board of Education or the Superintendent. *Failure to provide notarized statement/signature will result in bid disqualification.*

SWORN STATEMENT:

The undersigned, the owner or authorized officer of _____ (vendor/bidder), pursuant to the familial disclosure requirement stated above and provided in the Farmington Public School District's advertisement for construction bids, hereby represent and warrant, *except as provided below*, that no familial relationship(s) exist between the owner(s) or any employee of the firm and any member(s) of the Board of Education or the Superintendent.

If a familial relationship exists, please list and explain:

Bidder/Vendor: _____

By (officer): _____ (signature)

Name: _____ (print)

Title: _____ (print)

Date: _____

NOTARIZED STATEMENT:

Notary Public: _____ (print name)

County of: _____ State: _____

Notary signature: _____ Date: _____

My commission expires: _____

Acting in _____ County, Michigan.

Guideline for Policy #5003
04/25/06
Reviewed 03/17/09
Revised 03/21/17
Revised 11/6/19