

PURCHASING PROCEDURES AND CAPITAL ASSETS

It is the policy of the Board that the Superintendent shall act as the purchasing agent for the Board. All definitions in this policy, including "purchase," "services," and "supplies," are contained in I.C. 5-22-2 et. seq.

Purchases of Supplies

A. Purchases of \$50,000 and Less

The purchasing agent may make open market purchases of supplies totaling no more than \$50,000 maximum for a single item or a group of similar items.

B. Purchases between \$50,000 - \$150,000

The purchasing agent must seek price quotations from at least three (3) persons known to deal in the lines or classes of supplies to be purchased on purchases of supplies that are more than \$50,000 but less than \$150,000 except in cases of emergency or where materials are of such nature that price quotations would not result in a savings to the School Corporation.

The purchasing agent shall mail an invitation to quote at least seven (7) days before the time fixed for receiving quotes.

If the purchasing agent receives a satisfactory quote, s/he shall award a contract to the lowest responsible and responsive quoter for each line or class of supplies required. S/He may reject all quotes.

If the purchasing agent does not receive a quote from a responsible and responsive quoter s/he may purchase the items by following procedures for items costing under \$50,000.

C. Purchases of \$150,000 and more

When the purchase of, and contract for, single items of supplies, amounts to \$150,000 or more, the Superintendent or his or her designee shall obtain competitive bids.

Bids shall be sealed and shall be opened and tabulated by a committee designated by the Board publicly in the presence of one (1) or more witnesses at the time and place fixed by the advertisement for bids. The committee must include at least two (2) Board members or at least two (2) Corporation employees. Bids must be read aloud and tabulated publicly and must be available for inspection. All orders or contracts shall be awarded to the lowest responsive and responsible bidder.

When determining whether a bidder is responsive, the Board may consider whether the bid conforms to the specifications in all material respects and whether the bidder has submitted a bid that complies specifically with the invitation to bid and instructions to bidders. The purchasing agent or committee also may consider whether the bidder has complied with all applicable statutes, ordinances, resolutions, or rules pertaining to the award of a public contract.

When determining whether a bidder is responsible, the Board may consider the ability and character of

the bidder to perform the work, the integrity, character and reputation of the bidder and the competency and experience of the bidder.

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

Contracts can be awarded by the Superintendent without Board approval for any single item or group of identical items costing less than \$50,000. All other contracts require Board approval prior to purchase.

The Board shall be informed of the terms and conditions of all competitive bids. All bids must be entered upon the records of the Board at its next meeting following the bid opening. The Board shall accept or reject bids in a Board meeting open to the public and award contracts as a consequence of such bids.

The president and secretary of the Board are entitled, on behalf of the Board, to sign any contract. These contracts may include, but are not limited to, employment contracts and contracts for goods and services. However, each contract must be approved by a majority of the full Board. In the absence of the president or secretary, the vice president may sign the contract with the officer who is present.

Exceptions to the foregoing requirements may be permitted when purchasing from vendors who have been awarded State contracts or when purchasing from authorized State institutions.

All specifically identified purchases that are within a program, a function, and/or a line item and were originally contemplated in the budgeting process may be made upon authorization.

The purchasing agent is authorized to make emergency purchases, without prior approval, of supplies needed to keep the schools in operation.

Such purchases shall be brought to the Board for approval at the next regular meeting.

In order to promote efficiency and economy in the operation of the Corporation, the Board requires that the Superintendent periodically estimate requirements for standard 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 Superintendent places a purchase order, s/he shall have the Corporation Treasurer check 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 Corporation. All purchase orders shall be numbered consecutively.

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

A. an opportunity be provided to as many responsible suppliers as possible to do business with the Corporation;

B. a prompt and courteous reception, insofar as conditions permit, be given to all who call on legitimate business matters;

C. where the requisitioner has recommended a supplier, the Superintendent 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;

D. upon the placement of a purchase order, the Superintendent shall commit the expenditure against a specific line item to guard against the creation of liabilities in excess of appropriations;

E. unless otherwise permitted by the purchasing agent, no purchase of supplies shall be allowed without a properly-signed purchase order. Employees shall be held personally responsible for anything purchased without a properly signed purchase order.

The Board may acquire by lease, by installment payments, by lease-purchase agreements, or by lease with an option to purchase provided the contract setting forth the terms of such a purchase shall not extend for a period of more than five (5) years.

During the current year provisions may be made in these agreements for renewal for the succeeding year, subject to appropriations being available.

Procurement – Federal Grants

The Superintendent shall maintain a procurement and contract administration system in accordance with the United States Department of Education (USDOE) requirements (34 CFR 80.36) for the administration and management of Federal grants and Federally-funded programs. The Corporation 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) and comply with 34 C.F.R. 80.36.

Purchase of Services

The purchasing agent may purchase as follows:

For purchases of services anticipated to exceed \$50,000 in a single school year:

- A. If the purchasing agent has purchased services previously from a vendor, the purchasing agent may continue to purchase services from that vendor as long as the Board is satisfied with the services delivered by the vendor.
- B. If a new vendor is sought to provide services, the purchasing agent will issue a request for proposal (RFP) asking that interested vendors submit proposals to serve as vendors for those specific services. Notice of the RFP may be sent directly to potential vendors and/or posted on the Corporation's website. The purchasing agent will interview those vendors who respond to the RFP that the purchasing agent believes are able to provide the services sought and will select the vendor from those interviewed. The purchasing agent may seek input from other administrators or Board members in making the selection.

The purchasing agent is authorized to make emergency purchases, without prior approval, of those

services needed to keep the schools in operation.

Such purchases shall be brought to the Board for approval at the next regular meeting.

In accordance with this policy and statute, if all other considerations are equal, the Board prefers to purchase within the District from established local merchants.

In accordance with statute, the Board authorizes the Superintendent to negotiate joint agreements for the purchase of supplies, equipment, or services with other governing bodies.

Under no circumstances is the Corporation permitted to use Corporation funds for purchases of alcohol.

Materiality & Capital Assets

Each asset with a value of \$5,000 or over, with (1) a life of more than one year; or (2) improvement expenditures that extend the life of the asset, are capital assets and should be reflected in a complete detailed listing of all capital assets owned which reflects their acquisition value. State Board of Accounts Capital Asset Ledger (Form 369) should be used for this purpose. A complete physical inventory must be taken at least every two years. The list of capital assets should include: land, infrastructure, buildings, improvements other than buildings, equipment and construction work in progress.

SBOA Uniform Compliance Guidelines Manual for Schools, Chapter 1

I.C. 5-22-2-21, 5-22-2-30, 5-22-2-38

I.C. 5-22-6-1 and 5-22-6-2

I.C. 5-22-7-1 et seq.

I.C. 5-22-8-2, 5-22-8-3

I.C. 5-22-10-1 et seq.

I.C. 5-22-16-1, 5-22-16-2

I.C. 20-26-4-6, 20-26-4-8

I.C. 20-26-5-4

I.C. 20-26-10-9; 20-26-10-10

Education Department General Administrative Regulations (EDGAR)

34 C.F.R. 80.36

Adopted