

PURCHASING GUIDELINES

The purchasing objective of the board shall be to provide services, materials and supplies which offer district personnel the most effective and efficient means to perform their tasks. The policy of the Board will be to acquire these at a minimum possible cost, taking into consideration the best interests of the school district. The superintendent, and his/her designee, the CFO/Director of Business Services, shall serve as the purchasing agent for the school system. This responsibility may be further delegated to site principals or department administrators within administrative directives that follow this policy.

It is recognized that the board does rely upon the CFO/Director of Business Services and his/her staff to administer the business operations of the district. Because the board cannot relinquish its responsibility and accountability as an agent of the state and to the citizenry of the district, the following guidelines are established with regard to purchasing:

A. General Guidelines

1. In awarding purchases or contracts for services, the district administrator, or his/her designee, shall consider the following: (a) price; (b) quality of product; (c) service, delivery and maintenance of product; (d) suitability of product; (e) conformance to needs and specifications; (f) past performance to the school district; (g) vendor reliability; and (h) vendor credibility.
2. The board directs that all purchases from all funds under its control and responsibility be made after proper written documentation is secured to support such purchases, excluding purchases of a minor or emergency nature.
3. Any contract for goods and services entered into by the district or any school or program shall be in compliance with all other district policies (i.e., School Wellness Policy, Alcohol and Other Drug Use, School Safety, etc.).
4. The board will have a fully operative purchase order system as a means of budgetary control.
5. Vendor competition in purchasing shall be practiced whenever possible.
6. All major capital improvement projects shall be presented to the board for approval before a commitment is made, except for emergency situations, in which case the district administrator may approve the expenditure and report it to the board at the first practicable opportunity.
7. Sufficient amounts must have been budgeted in respective accounts and sufficient funds must be available in appropriate accounts, funds and functions. Any transfers of budgeted dollars between funds must be board or administratively approved according to state law.
8. For those items requiring board approval the CFO/Director of Business Services shall make available to the board, the price quotations or competitive bids obtained from vendors for goods or services. These copies are to be retained by the district administrator, or his/her designee, until the audit for a fiscal year has been formally accepted by the board.

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9. The CFO/Director of Business Services is authorized to enter into cooperative agreements with other school districts or municipalities for the purchase of any product or service used by the school district, when such arrangements will be for the benefit of the district.
10. Under no circumstances are employees of the district authorized to seek bids or quotations without the approval of the CFO/Director of Business Services, or designee unless that responsibility is specifically delegated to site principals or department administrators.
11. Purchases over \$25,000 that are reimbursed to the district from federal grant funds must be reviewed by the Business Office. The Business Office will check the government website, Excluded Parties List System, to verify if vendors have been suspended or disbarred.

B. Bids and Quotations

For purposes of this policy and guideline bids and quotations have the following meaning:

“Bid” means a formal purchasing procedure with a set of predetermined specifications of the product or service to be purchased. Components of the bid process generally include advertisement or notice, time period for return of bids, confidentiality, formal review and approval or awarding process, and a possible prequalification process.

“Quotation” means an offer to provide a service or commodity that is obtained in verbal or written form. A quotation includes price, agreed upon terms of delivery, generally a minimum of three are obtained either in writing or by phone, and are normally not confidential.

1. Bids are not required for:

- a. Instructional textbooks, books, tapes, films, workbooks, educational kits, periodicals, computer software and equipment (unless large volume purchases - see Article B, 4 for guidelines on “large volume purchases”), and audio visual materials.
- b. Replacement parts for existing equipment where the value of the replacement parts is estimated to be less than 50% of the total value of the equipment.
- c. Cooperative Educational Service Agency (CESA) and other intergovernmental contracts.
- d. Maintenance contracts of at least one year's duration where the maintenance is to be performed on a routine or as needed basis on specific equipment. Such contracts shall include the additional cost of all repairs or replacement parts when appropriate.
- e. Consultants and personal or professional service contracts under \$10,000 per occurrence. Contracts that are anticipated to annually exceed \$50,000 will be reviewed by the board prior to the contract being let unless specifically or otherwise directed by the Board of Education.
- f. Used equipment (including demonstrators) where a definite cost advantage can be demonstrated.
- g. Items or services that are covered by negotiated contracts/agreements or others as specified by state or federal laws.

2. The CFO/Director of Business Services, or designee, may authorize a direct or negotiated purchase of goods or services whenever, in his/her judgment, the added cost and effort required of a competitive purchase will not benefit the district.

3. Absent of any state statute requirements, a bid or quotation shall be requested from several vendors for single item purchases that exceed \$10,000 and multiple item purchases that exceed \$15,000 for which specifications can be reliably written and the quality and quantity measured, gauged or counted within a budget year. For purchases under the above monetary parameters, several bids or quotations should be obtained whenever appropriate.
4. A bid or quotation shall be requested for single item purchases exceeding \$2,000 and multiple item purchases exceeding \$10,000 for purchases of instructional and administrative computing technology. District technical specifications for such equipment will be provided to those vendors selected by the district and will be based upon input from appropriate sources and staff. Where practical, several bids/quotations shall be solicited for consideration. State of Wisconsin bids will also be an approved source to be used to comply with this provision.
5. Bids so specified shall be opened publicly at a specific time and place as stated in the bid advertisement or in the invitation to bid. Other bids may be opened by the district administrator and/or his/her designee, analyzed and brought to the board for consideration in accordance with established procedures.
6. The CFO/Director of Business Services, or designee, may limit the number or pre-qualify of vendors invited to submit proposals for any purchase.
7. Competitive bids on building construction, major renovation and repairs
 - a. Prior to commencing construction of a new building, or additions to or major repairs or renovation of an existing building costing \$25,000 or more, the board shall obtain competitive bids on all material and labor to be required to complete the proposed construction, addition, repair or renovation. Bids will be advertised in appropriate publications/news media. When appropriate, bid specifications shall include penalty clauses. Repair work normally done by school district employees is exempt from this bidding requirement.
 - b. Bids as specified shall be opened publicly at a specific time and place as stated in the bid advertisement or in the invitation to bid. Bids may be opened by the district administrator and/or his/her designee, analyzed and brought to the board for consideration in accordance with established procedures.
 - c. Voluntary alternates submitted by bidders may be considered in determining low bids. However, such alternates may be negotiated after the successful bidder has been determined.
 - d. Each bidder shall be required to file a surety bond with the board in the amount of 5% of the amount of the bid, conditioned to secure the school 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.
 - e. Performance bonds shall be required from the prime contractor in accordance with state law.

C. Right to Reject Bids

The board or designee reserves the right to reject any or all bids or quotations and approve the bid or quotation which is in the best interest of the district. In event all bids are rejected they must be rejected and/or re-advertised in the manner provided by the board policy and state law.

D. Emergency Purchases

Emergency purchases may be made without using the quotation or bidding process. Such emergencies may arise as a result of an accident or other unforeseen occurrence which could affect the life, health, welfare or safety of the school district's children or employees. Such purchases shall be reported to the board at the first practicable opportunity.

E. Purchasing Rules and Regulations

The district administrator shall develop the necessary rules and regulations to implement this policy, including requisition and approval procedures, verification of purchases, and verification that goods have been received in an acceptable condition and services performed in an acceptable manner.

F. Financial Code of Ethics and Conflict of Interest

1. No Board member or employee of the school district shall use his/her position to derive any profit or gain, directly or indirectly, by reason of his/her position with the school district.
2. No Board member or employee of the school district shall become involved in any business interest or transaction without disclosing such interest, and shall refrain from participation where a conflict of interest is found to exist.

References: Wis. Stats. 118.12, 120.13 (5)(9)(9m)(33), 946.13.

Cross Reference: Policy #3275 – Disposal of School Equipment, Materials and Supplies
 Policy #3542.3 – Food Distribution and Purchase from District Food Service Vendor
 Policy #5141.7 – School Wellness Policy
 Policy #5131.6 – Student Alcohol and/or Other Drug Use
 Policy #5142 – School Safety

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