

672 PURCHASING PROCEDURES/COMPETITIVE PRICING

The following requirements and associated procedures and guidelines are established to help all employees through the procurement process. It is the intent that a sense of ownership within our schools will bring about fiscally sound judgment and responsibility.

The Board desires that purchases be made locally whenever possible. Therefore, local vendors will be given preference if service, quality, delivery time, and price are comparable with other vendors.

The official budget document approved by the Board of Education shall be considered as the authority for all expenditures made during the fiscal year. Expenditures shall not exceed the budgeted amount for any fund without Board of Education approval.

Purchasing Requirements for Purchases of More Than \$5,000

1. The Superintendent, or his/her designee, is authorized to purchase any item or group of items in a single transaction, costing more than \$5,000 but less than \$25,000, upon the receipt of at least three written quotations, or bids where possible. The Superintendent, or his/her designee, shall use discretion in deciding whether such purchases are made on the basis of requested quotations or through advertised bids.
2. No purchase shall be made for supplies, services or equipment costing \$25,000 or more unless three written quotations are received or the formal bid notification procedures are followed and the purchase is approved by the Board of Education.
3. Purchases with an estimated total of \$25,000 or more shall be performed by the Business Services Office with the exception of purchases made by the following departments:
 - a. Buildings & Grounds Department
 - b. Curriculum Department
 - c. Technology Department
 - d. Food Service Department
4. Bids are not necessarily required for:
 - a. Instructional textbooks, books, media, workbooks, educational kits, periodicals, digital media, online subscriptions and computer hardware, peripherals, and other software
 - b. Administrative software renewals (i.e., Student Information Systems, HR/Finance software, HVAC software, etc.)
 - c. Replacement parts for existing equipment
 - d. Cooperative Educational Service Agency (CESA) and other intergovernmental contracts
 - e. Used equipment (including demonstrators) where a definite cost advantage can be demonstrated
 - f. Maintenance contracts where the maintenance is to be performed on a routine or as-needed basis on specific equipment (i.e., boilers or manufacturer-specific equipment)

- g. Services renewed annually (such as proprietary equipment like the fire alarm system, energy management computer system, etc.) unless requested by Board action or recommendation of the Superintendent or his/her designee
 - h. Specific computer equipment only after the Technology Department has demonstrated its unique need
 - i. Material that can be purchased from only one vendor
 - j. Emergency purchases
5. Bids are not required for architectural services, attorney services, and personal service contracts.
 6. Bids are not required when a purchase is made using a current state of Wisconsin competitive bid price for items including, but not limited to: computers, copiers, and vehicles.

Requirements for Purchases Less Than \$5,000

The following guidelines pertain to purchases of less than \$5,000. These guidelines should be used by all employees to help attain the most efficient use of budgeted dollars available.

1. Only individuals who are responsible for specific budgets shall approve purchases, purchase orders, contracts, and other forms of financial obligation for expenditures from that budget. The Superintendent or his/her designee shall appoint primary and secondary designees for each assigned budget (e.g., Directors, Principal, Associate Principal, etc.).
2. The Superintendent or his/her designee is authorized to purchase any item, group of items, and/or services in a single transaction as follows:
 - a. All purchases of less than \$5,000 may be made in the open market, but should be based on competitive quotations or prices if available
 - b. Emergency maintenance needs as required
3. In reviewing all purchases, cost should be of primary concern. In attempting to maintain high quality and durable goods; however, consideration should also be made in relation to product compatibility with existing materials, warranty, service capability, and expected life cycle. Products and/or services which have previously failed to meet expectations may be rejected.
4. Sound accounting procedures shall be followed to insure proper handling and account of District funds. The Director of Business Services shall verify such procedures and shall provide the Board with regular reports on expenditures and budget status.
5. Under no circumstances shall gratuities be accepted from vendors which might appear to obligate the District to a particular vendor.

Bidding Procedures

Bidding is defined as a formal process where sealed written prices are received based upon written specification, and is normally used for construction, additions, remodeling, or renovation projects.

When utilizing formal bidding procedures, the Board or their designee shall request bids be published in the appropriate publications to obtain the best number of bidders for the District. Administration will

determine if Bid Bonds and Performance Bonds are required. Requests for such bids may also be sent directly to local vendors and/or prospective bidders known to the District.

Bids should be submitted to the Superintendent or his/her designee and marked with the name of the bid. The Superintendent or his/her designee shall review bids. In certain situations, bids may be reviewed in conjunction with a construction management or construction administration firm. Bids will be evaluated on the criteria listed below. The recommended bid will be submitted to the Board of Education for approval. All submitted bids shall be made available to the Board of Education for review.

Low bids can be rejected if, in the opinion of the Board/Superintendent or his/her designee, the following circumstances occur:

1. Quality of goods or services does not meet bid specifications
2. On the basis of previous experience or knowledge, the goods or services provided were not satisfactory in quality
3. Vendor has demonstrated a history of providing inferior service

The Board of Education reserves the right to reject any and all bids/quotations or parts thereof, or to select any combination which may be deemed most advantageous to the District. Where quality and service are relatively equal, price will be the determining factor. Deference will be paid to local vendors and/or contractors where applicable; however, the Board, Superintendent and/or his/her designee will make their selections based on all available and relevant information and are not necessarily tied to local vendors/contractors.

In awarding purchases or contracts for services, approval will be based upon:

- Price
- Location of the vendor/contractor
- Quality of the product, service, and warranty
- Service, delivery, and maintenance of product
- Suitability of the product or service
- Conformance to specifications
- Past performance to the District
- Vendor reliability
- Payment terms

Emergency Situations

The Superintendent or his/her designee has the authority to approve individual purchases that exceed \$25,000 in special circumstances or emergency situations.

Special circumstances may include those in which the use of the bidding or quotation procedure would not be in the best interests of the District. Examples may include instances where the District would recognize significant cost savings by the immediate purchase or selection of a provider; or when the circumstances require immediate action to correct a deficiency or problem in the operations of the District where a failure to act would immediately cause appreciable damage to physical facilities, interrupt the educational program, or endanger the life or health of students, staff, or community.

The Superintendent or his/her designee, as soon as possible following the onset of the emergency, shall report an update on the purchase to the Board of Education at the next regular meeting.

LEGAL REF.: Sections 66.949 Wisconsin Statutes

118.12

120.12(24)

120.13

120.44

946.12

946.13

CROSS REF.: 672 Rule (1) – Performance Guarantees

672 Rule (2) – Purchasing Procedures

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March 8, 2021