

PURCHASING/BIDDING REQUIREMENTS

The purchase of materials, equipment, and services shall be made pursuant to procedures appropriate to the dollar value of the purchase.

It is the policy of the Board of Education that the district administrator follows the following general provisions except in cases of emergency. If an emergency exists, the district administrator may purchase in accordance with Policy 674 Emergency Procurement and Expenditure Authority without bidding or soliciting quotes for an immediate need.

A. General Provisions

1. All orders or contracts based on bids shall be awarded to the lowest responsible bidder in terms of quality, conformity to specification, suitability for intended use, delivery terms and service requirements. Special preference may be given to qualified local area bidders in the awarding of orders or contracts based on bids. The Board reserves the right to reject any and all bids and to approve the bid or quotation which is in the best interest of the School District of Beloit.
2. For the purposes of Policy 672.1, the dollar level requirements apply to purchasing decisions made for products or services individually or in aggregate. (For example, the purchase of 10 tables at \$101 each exceeds the \$1,000 threshold.)
3. The Board of Education authorizes the Superintendent, Executive Directors and Directors to execute contracts, agreements, leases, and any other contracts that create financial obligations up to \$15,000.
4. The Board of Education authorizes the Superintendent and the Executive Directors to execute contracts, agreements, leases, and any other contracts that create financial obligations up to \$25,000. When the purchase of, and contract for, single items of supplies, materials, or equipment amounts to \$25,000 or more, competitive bids shall be obtained unless they are sole source purchases. The Board shall be informed of the terms and conditions of all competitive bids and consequences of such bids. Financial commitments over \$25,000 in a single purchase require authorization by the Board of Education.
5. Administration will make the Finance, Transportation and Property Committee aware of purchases made in the dollar amounts of \$15,000 to \$25,000.
6. Sole Source Purchases are defined as those products or services that are available from a single vendor, are a part of an existing system, or are based upon historical research/experience and do not lend themselves to changing suppliers.
7. All leases qualifying for "tax exempt" status must also be approved by the Executive Director of Business Services. Tax exempt leases are considered debt and must be incorporated in the statutory debt limitation formula.

B. Threshold Requirements

1. Purchases to \$3,000
 - It shall be the responsibility of the budget manager to use good judgment and prudent business procedures in making purchases.
 - Purchases under \$3,000 may be implemented in the most inexpensive and effective procedure available to the purchaser.

2. Purchases \$3,000 to \$5,000
 - Consideration shall be given to:
 - i. Cost
 - ii. Vendor's ability to fulfill the contract
 - iii. Delivery
 - iv. Payment Terms
 - v. Design
 - vi. Compatibility with existing district inventory
 - vii. Previous relationship with the vendor
 - viii. Product quality
 - ix. General suitability for safe use within the school district
 - Requires issuance of a purchase order or business office prior approval or business office approved Service Provider/Consultant Contract.
 - It shall be the responsibility of the budget manager to use good judgment and prudent business procedures in making purchases.
 - Purchases under \$5,000 may be implemented in the most inexpensive and effective procedure available to the purchaser.
 - In the case of sole source purchases, a written explanation must be maintained by the budget manager in lieu of three written quotations.
3. Purchases \$5,001 to \$14,999
 - Requires the approval of a Director or Executive Director.
 - Requires a minimum of three written quotations to be retained by the budget manager for three years.
 - In the case of sole source purchases, a written explanation must be maintained in lieu of three written quotations.
4. Purchases \$15,000 to \$25,000
 - Requires the approval of the Executive Director of Business Services, or Superintendent prior to purchase.
 - Requires a minimum of three written quotations to be retained by the budget manager for three years.
 - In the case of sole source purchases, a written explanation must be maintained in lieu of three written quotations.
 - Notify Finance, Transportation and Property Committee of purchases between \$15,000 and \$25,000
5. Purchases \$25,001 and greater
 - Requires the approval of the Board of Education prior to purchase
 - Requires the solicitation of three or more bids
 - In the case of a sole source purchase decision, a written explanation must be kept on file for a minimum of three years.
 - Requires issuance of a purchase order or business office approved Service Provider/Consultant Contract.
6. If you are going to receive services from an individual a business office approved Service Provider/Consultant Contract is required for those providers receiving a payment of \$1,000 or more per occurrence.

7. The issuance of a purchase order is required in all cases for documentation unless you use a procurement card where itemized charge receipts will be kept and a digital record will be maintained of purchase event history through the online procurement card software.
8. Administration shall not require a purchase order to be issued for the following items:
 - Reoccurring regular purchases such as cleaning supplies, paper, technology replacement and educational items such as textbooks and workbooks.
 - Professional services such as attorneys and architects.
 - Replacement parts or maintenance contracts for existing equipment or mechanical systems.
 - Cooperative Educational Services Agency (CESA) services utilized by the District.
 - Professional Services. Such services shall be selected through an interview process.
9. Consideration will be given to:
 - Cooperative purchasing with other governmental agencies when consistent with district policies. Cooperative Educational Service Agency (CESA) services utilized by the district will not require written bids.
 - Services required to be furnished to employees as a result of an employment agreement approved by the Board.
 - Maintenance costs, replacement costs and trade-in values shall be considered when determining the most economical purchase price.

LEGAL REF.: s.s. 62.15

CROSS REF.: 652 Revenues from Investments
684 Audits

APPROVED: December 18, 1980

REVISED : April 24, 2012
July 23, 2013
August 27, 2013

REPRINTED: March 28, 2000