

# Richmond Community Schools

35276 Division | Richmond, Michigan 48062 | (586) 727-3565 | [www.richmond.k12.mi.us](http://www.richmond.k12.mi.us)

## BOARD POLICY

### 3000: OPERATIONS, FINANCE, AND PROPERTY

#### 3300 Facilities, Real and Personal Property

##### 3301 PURCHASING AND PROCUREMENT

This Policy applies to all purchases of materials, supplies, and equipment. Purchases acquired through lease financing are governed by this Policy, but true leases (i.e., rental agreements) are not.

#### A. Responsibility for Purchasing

The District's administration, under the Superintendent's supervision, may purchase items for the District, subject to any parameters established by the Board.

#### B. When Competitive Bidding is Required

1. The District must competitively bid the purchase of an item or group of items costing an amount equal to or greater than the then-current state bid threshold published annually by MDE.
2. The District does not need to competitively bid a purchase if competitive bidding is not required by law.
3. The District will not artificially segregate purchases into smaller orders to avoid the bid threshold.

#### C. Bidding Procedure

1. The District may competitively bid a purchase using 1 or more of the following methods:
  - a. Requesting written price quotations from at least 3 known and practical vendors of an item;
  - b. Distributing a request for proposals to at least 3 known and practical vendors of an item;
  - c. Posting a request for proposals on the District's website or any other website that regularly informs vendors of bid opportunities;

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- d. Selecting a contract awarded to a winning bidder under a bid process operated by a reputable bid cooperative if the District determines, after reasonable due diligence, that the bid procedure used by the bid cooperative was fair and open, resulted in a bid award to the lowest responsible bidder, and the contract price is comparable to current market rates for the purchased item; or
    - e. Any other process, in the Superintendent's or designee's discretion, that is likely to result in at least 3 known vendors providing bids for the item sought, regardless of whether at least 3 bids are actually received.
2. Each bidder responding to a request for proposals must certify that it is not an Iran-linked business as defined by MCL 129.312.
3. Awarding Bids
  - a. If competitive bidding is required by law, any contract must be awarded to the lowest responsible bidder.
  - b. In determining bidder responsibility, the District may take 1 or more of the following into account:
    - The District's experience with the bidder;
    - Others' experience with the bidder;
    - The bidder's history of satisfactory performance or questionable litigation, protests, or disputes;
    - The bidder's capitalization and solvency;
    - The length of time the bidder has been engaged in its business;
    - The recommendation of the District's professional consultants; and
    - Any other factor consistently and lawfully applied.

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- c. In any bid procedure, the District reserves the right to reject any or all bids or waive any informalities or irregularities in the bid process.
- 4. Michigan-Based Business Preference
  - a. The District may give up to a 10% preference to a bidder that is a Michigan-based business as defined by MCL 18.1268.
  - b. The Michigan-based business preference will not apply if federal funds are used for the purchase.
- D. Purchases Using Federal Funds
  - 1. This subsection D only applies to purchases made with federal funds or purchases otherwise subject to the federal Uniform Grant Guidance. All terms in this subsection D have the same respective meanings as defined by federal regulation (2 CFR 200.1-99).
  - 2. Subject to the District's obligation to comply with Michigan law, the District must use 1 of the following procurement methods that includes information sufficient to inform all potential bidders about the District's technical, service, and bid procedure requirements:
    - a. Purchases up to \$10,000 (micro-purchases)
      - i. To the extent District administration determines that the cost of the purchase is reasonable, micro-purchases may be made or awarded without bidding in accordance with this Policy. For purposes of this subsection, "reasonable" means the purchase is comparable to market prices for the geographic area.
      - ii. To the extent practicable, the District will distribute micro-purchases equitably among qualified suppliers.
    - b. Purchases between \$10,000 and \$250,000 (small purchase procedures)

The District will use a bidding procedure in subsection C, above.

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- c. Purchases over \$250,000
    - i. The District must either receive sealed bids through formal advertising or prepare a comprehensive request for proposals and submit it to at least 5 sources.
    - ii. With either method, the District will perform a price analysis, making an independent estimate of costs before receiving bids.
  - 3. The District will take affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are included in bidding opportunities.
  - 4. A person may protest the veracity, conformity, or eligibility of a bid. The District will handle bid protests as follows:
    - a. Within 48 hours of the time bid results are available, the protesting person will submit a written protest to the Superintendent describing in detail the nature of the protest;
    - b. The Superintendent or designee will review the written protest, and the Superintendent may bring it to the Board's attention in the Superintendent's discretion;
    - c. A person's failure to file a protest as described above is an irrevocable waiver of the bid protest; and
- Nothing in this Policy reduces or eliminates the District's rights or protections afforded under the law.
5. The District will retain all bids and formal bid solicitation documents for a period of 6 years after the bid opening date, or longer if required by law.

Legal authority: 2 CFR 200.1 et seq.; MCL 129.311 et seq.; MCL 380.1274

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Date adopted: September 28, 2020

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