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Cross References	po6325 - PROCUREMENT - FEDERAL GRANTS/FUNDS po6330 - APPROVAL OF CONTRACTS po6440 - COOPERATIVE PURCHASING po6450 - LOCAL PURCHASING po6460 - CONFLICTS OF INTEREST AND VENDOR RELATIONS
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## 6320 - **PURCHASING**

It is the policy of the School Board that the Superintendent or Business Manager shall act as the purchasing agent for the Board. This policy applies only to purchases that are not paid from Federal funds or Corporation matching funds. All purchases that are paid from Federal funds or School Corporation matching funds shall be made pursuant to Policy 6325 - Procurements - Federal Grants/Funds.

### **Purchases of Supplies**

For purposes of this policy "supplies" means any personal property. The term includes equipment, goods, and materials. The term does not include an interest in real property. For purposes of this policy "purchase" means buy, procure, rent, lease, or otherwise acquire.

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

The purchasing agent shall seek at least three (3) price quotations 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 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, they shall award a contract to the lowest responsible and responsive quoter for each line or class of supplies required. The purchasing agent may reject all quotes.

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

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

### **Competitive Bidding - Supplies**

The purchasing agent shall follow the procedure described below in awarding a contract for supplies that equals or exceeds \$150,000.

- A. The purchasing agent shall issue an invitation for bids.
- B. An invitation for bids shall include the following:
  1. A purchase description.
  2. All contractual terms and conditions that apply to the purchase.
  3. A statement of the evaluation criteria that shall be used, including any of the following:
    - a. Inspection.
    - b. Testing.
    - c. Quality.
    - d. Workmanship.
    - e. Delivery.
    - f. Suitability for a particular purpose.
    - g. The requirement imposed in I.C. 5-22-3-5 for offers submitted by trusts.
  4. The time and place for opening the bids.
  5. A statement concerning whether the bid shall be accompanied by a certified check or other evidence of financial responsibility that may be imposed in accordance with rules or policies of the Board.
  6. A statement concerning the conditions under which a bid may be canceled or rejected in whole or in part as specified in I.C. 5-22-18-2.

Evaluation criteria that will:

- A. affect the bid price; and

B. be considered in the evaluation for an award;

shall be objectively measurable.

Only criteria specified in the invitation for bids shall be used in bid evaluation.

The purchasing agent shall give notice of the invitation for bids in the manner required by I.C. 5-3-1. The purchasing agent also may provide electronic access to the notice through:

A. the computer gateway administered by the Office of Technology; or

B. any other electronic means available to the Corporation.

The purchasing agent or the committee appointed by the Board end of option shall open bids publicly in the presence of one (1) or more witnesses at the time and place designated in the invitation for bids.

Bids shall be:

A. unconditionally accepted without alteration or correction, except as permitted below; and

B. evaluated based on the requirements provided in the invitation for bids.

A contract shall be awarded with reasonable promptness by written notice to the lowest responsible and responsive bidder.

For a bidder to be considered responsive, the proposal shall:

A. respond to all bid specifications in all material respects;

B. contain no irregularities or deviations from the bid specifications that would affect the amount of the bid or otherwise provide a competitive advantage; and

C. comply specifically with the solicitation and instructions to bidders.

The purchasing agent also may consider whether the bidder has complied with all applicable statutes, ordinances, resolutions, or rules pertaining to the award of a public contract.

For a bidder to be deemed responsible, the Board may request evidence from the bidder concerning its:

A. experience (type of product or service being purchased, etc.);

B. financial condition;

C. conduct and performance on previous contracts (with the Corporation or other agencies);

D. facilities;

E. management skills; and

F. ability to execute the contract properly.

The purchasing agent may consider the following factors in determining whether a bidder is responsible:

A. the ability and character of the bidder to provide the supplies;

B. the integrity, character and reputation of the bidder; and

C. the competency and experience of the bidder.

The purchasing agent shall maintain the following information:

A. The name of each bidder.

B. The amount of each bid.

C. Other information required I.C. 5-22 and its rules.

The information described above is subject to public inspection after each contract award.

The purchasing agent shall make a written decision to:

- A. permit the correction or withdrawal of a bid; or
- B. cancel awards or contracts based on bid mistakes.

The purchasing agent shall not permit changes in:

- A. bid prices; or
- B. other provisions of bids prejudicial to the interest of the Board or fair competition;
- C. after bid opening.

If a bidder inserts contract terms or bids on items not specified in the invitation for bids, the purchasing agent shall treat the additional material as a proposal for addition to the contract and may do any of the following:

- A. Declare the bidder nonresponsive.
- B. Permit the bidder to withdraw the proposed additions to the contract in order to meet the requirements and criteria provided in the invitation for bids.
- C. Accept any of the proposed additions to the contract, subject to the following limitations.

The purchasing agent shall not accept proposed additions to the contract that are prejudicial to the interest of the Board or fair competition.

A decision of the purchasing agent to permit a change to the requirements of the invitation for bids shall be supported by a written determination by the purchasing agent which provides the justification for that change.

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

The Board shall be informed of the terms and conditions of all competitive bids. All bids shall 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.

### **Purchases of Services**

For purposes of this policy "services" means the furnishing of labor, time, or effort by a person not involving the delivery of specific supplies other than printed documents or other items that are merely incidental to the required performance.

The purchasing agent may purchase as follows:

- A. For purchases of services anticipated to exceed \$50,000 in a single school year:
  - 1. 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.
  - 2. If a new vendor is sought to provide services, the purchasing agent shall issue a request for proposal asking that interested vendors submit proposals to serve as vendors for those specific services. Notice of the request for proposal may be sent directly to potential vendors and/or posted on the Corporation's website. The purchasing agent shall interview those vendors who respond to the request for proposal that the purchasing agent believes are able to provide the services sought and shall select the vendor from those interviewed. The purchasing agent may seek input from other administrators or Board members in making the selection.
- B. For all other purchases of services, the purchasing agent may select the vendor they believe is the most appropriate vendor who provides the services sought.

The Board shall be advised, for prior approval, of all purchases of services when the purchase was not contemplated during the budgeting process exceeds the line item end of option.

The purchasing agent is authorized to make emergency purchases, without prior approval, of those services needed to keep the Corporation's schools in operation.

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

#### **Public Work Projects - Less than \$300,000**

Whenever the cost of a public work project will be at least \$50,000 but less than \$300,000, the following procedure applies:

- A. The Board shall invite quotes from at least three (3) persons known to deal in the class of work proposed to be done by mailing them a notice stating that plans and specifications are on file in a specified office. The notice shall be mailed not less than seven (7) days before the time fixed for receiving quotes.
- B. The Board shall not require a person to submit a quote before the meeting at which quotes are to be received. The meeting for receiving quotes shall be open to the public. All quotes received shall be opened publicly and read aloud at the time and place designated and not before.
- C. The Board shall award the contract for the public work to the lowest responsible and responsive quoter.
- D. The Board may reject all quotes submitted.

#### **Public Work Projects - At Least \$300,000 (Competitive Bidding)**

Whenever the cost of a public work project will be at least \$300,000, the following procedure applies:

- A. The Board shall prepare general plans and specifications describing the kind of public work project required but shall avoid specifications which might unduly limit competition. If the project involves the resurfacing (as defined by I.C. 8-14-2-1) of a road, street, or bridge, the specifications shall show how the weight or volume of the materials will be accurately measured and verified.
- B. The Board shall file the plans and specifications in a place reasonably accessible to the public, which shall be specified in the notice required by section 3 below.
- C. Upon the filing of the plans and specifications, the Board shall publish notice in accordance with I.C. 5-3-1 calling for sealed proposals for the public work project. If the Board receives electronic bids, the Board also shall provide electronic access to the notice of the bid solicitation through the computer gateway administered under I.C. 4-13.1-2-2(a)(6) by the Office of Technology.
- D. The notice shall specify the place where the plans and specifications are on file and the date fixed for receiving bids.
- E. The period of time between the date of the first publication and the date of receiving bids shall be governed by the size of the contemplated project in the discretion of the Board. The period of time between the date of the first publication and receiving bids may not be more than:
  1. six (6) weeks if the estimated cost of the public work project is less than twenty-five million dollars (\$25,000,000); and
  2. ten (10) weeks if the estimated cost of the public work project is at least twenty-five million dollars (\$25,000,000).
- F. The Board shall require the bidder to submit a financial statement, a statement of experience, a proposed plan or plans for performing the public work project, and the equipment that the bidder has available for the performance of the public work project. The statement shall be submitted on forms prescribed by the State Board of Accounts.
- G. The Board shall not require a bidder to submit a bid before the meeting at which bids are to be received. The meeting for receiving bids shall be open to the public. All bids received shall be opened publicly and read aloud at the time and place designated and not before. Notwithstanding any other law, bids may be opened after the time designated if both of the following apply:

1. The Board makes a written determination that it is in the best interest of the Board to delay the opening.
2. The day, time, and place of the rescheduled opening are announced at the day, time, and place of the originally scheduled opening.

H. The Board shall:

1. award the contract for public work project or improvements to the lowest responsible and responsive bidder;  
or
2. reject all bids submitted.

I. If the Board awards the contract to a bidder other than the lowest bidder, the Board shall state in the minutes or memoranda, at the time the award is made, the factors used to determine which bidder is the lowest responsible and responsive bidder and to justify the award. The Board shall keep a copy of the minutes or memoranda available for public inspection.

J. In determining whether a bidder is responsive, the Board may consider the following factors:

1. Whether the bidder has submitted a bid or quote that conforms in all material respects to the specifications.
2. Whether the bidder has submitted a bid that complies specifically with the invitation to bid and the instructions to bidders.
3. Whether the bidder has complied with all applicable statutes, ordinances, resolutions, or rules pertaining to the award of a public contract.

K. In determining whether a bidder is a responsible bidder, the Board may consider the following factors:

1. The ability and capacity of the bidder to perform the work.
2. The integrity, character, and reputation of the bidder.
3. The competence and experience of the bidder.

L. The Board shall require the bidder to submit an affidavit.

M. that the bidder has not entered into a combination or agreement:

1. relative to the price to be bid by a person;
2. to prevent a person from bidding; or
3. to induce a person to refrain from bidding; and

N. that the bidder's bid is made without reference to any other bid.

### **Purchasing Using Online Reverse Auctions**

The Board authorizes the purchasing agent to conduct a reverse auction for the purchase of supplies by using an Internet purchasing site for issuing an invitation for bids and receiving bids.

The purchasing agent shall establish procedures for:

1. transmitting notices, solicitations, and specifications;
2. receiving offers;
3. making payments;
4. protecting the identity of the bidder or offeror;
5. providing for the display of the amount of each offer previously submitted for public viewing;

6. establishing the deadline by which offers shall be received and shall be considered to be open and available for public inspection;
7. establishing procedures for the opening of offers; and
8. maintaining adequate documentation regarding reverse auctions so that the transactions may be audited according to law.

The purchasing agent may charge a bidder in a reverse auction a fee set in the written procedures adopted above.

An internet purchasing site used for a reverse auction shall do the following:

- A. provide information that the purchasing entity considers necessary or beneficial to potential bidders.
- B. display the amount of all bids previously submitted regarding the reverse auction for public viewing.
- C. conceal information that identifies a bidder.
- D. comply with I.C. 5-22.

## **Procurement**

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 line item and were originally contemplated in the budgeting process may be made upon authorization of the Business Manager.

The Board may designate a committee of at least two (2) of the Board members or a committee of not less than two (2) Corporation employees to open and tabulate bids:

- A. in connection with the purchase of supplies, materials, or equipment;
- B. for the construction or alteration of a building or facility; or
- C. for any similar purpose.

Those bids:

- A. may be opened by the committee at the time and place fixed by the advertisement for bids;
- B. shall be read aloud and tabulated publicly, to the extent required by law for governing bodies; and
- C. shall be available for inspection.

Those bids shall be reported to and the tabulation entered upon the records of the Board at its next meeting following the bid opening.

A bid may not be accepted or rejected by the committee but shall be accepted or rejected solely by the Board in a Board meeting open to the public.

The Board shall be advised, for prior approval, of all purchases of supplies when the purchase was not contemplated during the budgeting process and exceeds the line item

The purchasing agent is authorized to make emergency purchases, without prior approval, of supplies needed to keep the Corporation's 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 Business Manager 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 Business Manager places a purchase order, they shall 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, 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 their judgment, better service, delivery, economy, or utility can be achieved by changing the proposed order;
- D. upon the placement of a purchase order, the Business Manager 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 four (4) years.

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

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.

#### **Procurement – Federal Grants**

The Superintendent shall maintain a procurement and contract administration system in accordance with the United States Department of Education (USDOE) requirements (2 C.F.R. 200.317 - .326) 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 6320A) and comply with 34 C.F.R. 80.36. Please refer to Policy 6325 - Procurements - Federal Grants/Funds.

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