

**Grattan Academy Board of Directors
Finances**

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Policy: 6300 Purchasing Goods and Services

Policy: 6300

The Management Company shall supervise the purchasing of the district.

Purchases Through the Academy

Board members and employees shall not make any purchase through the Academy for personal use. The name of the Academy or an employee's position, shall not be used in such manner that discounts or cost preferences are given to such person. Purchasing equipment and supplies by the Academy for resale to employees is prohibited, except in the case of State sponsored or Board approved sales.

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 district's students or employees.

Legal reference: MCL, 15.321-330; 380.623(a); 380.1274; 380.1300; 388.1607

Approved by Board of Directors: September 11, 1999

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Policy: 6320 Purchasing

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It is the policy of the Board of Directors that the Principal seek at least three (3) price quotations on purchases of more than \$3,000 for a single item, except in cases of emergency or when the materials purchased are of such a nature that price negotiations would not result in a savings to the School.

When the purchase of, and contract for, single items of supplies, material, or equipment exceeds the amount designated by statute in MCLA Section 380.1274(1), [\$15,162 during fiscal year 1996-97], The Leona Group shall obtain competitive bids. Bids shall be sealed and shall be opened by The Leona Group in the presence of at least one (1) witness. All orders or contracts should be awarded to the lowest responsible bidder; however, consideration can be given to:

- The quality of the item(s) to be supplied;
- Its conformity with specifications;
- Suitability to the requirements of the School;
- Delivery terms;
- Past performance of the vendor.

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

Contracts can be awarded by the Management Company without Board approval for any single item or group of identical items costing less than \$3,000. All other contracts require Board approval prior to purchase.

The Board shall be informed of the terms and conditions of all competitive bids and shall award contracts as a consequence of such bids.

The Management Company is authorized to purchase all items within budget allocations.

The board should be advised, for prior approval, of all purchases of equipment, material, and services when the purchase:

- Was not contemplated during the budgeting process;
- Exceeds the line item by \$300 or 10% whichever is less.

The Management Company is authorized to make emergency purchases, without prior approval, of those goods and/or services needed to keep the schools in operation. Such purchases shall be brought to the Board's attention at the next regular meeting.

In order to promote efficiency and economy in the operation of the School, the Board requires that the Management Company 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 Principal places a purchase order, s/he shall check as to 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 School. All purchase orders shall be numbered consecutively.

In the interests of economy, fairness, and efficiency in its business dealings, the Board requires that:

- Opportunity be provided to as many responsible suppliers as possible to do business with the School;
- A prompt and courteous reception, insofar as conditions permit, be given to all who call on legitimate business matters;
- Where the requisitioner has recommended a supplier, the Principal may make alternate suggestions to the requisitioner if, in his/her judgment, better service, delivery, economy, or utility can be achieved by changing the proposed order;
- Upon the placement of a purchase order, The Management Company shall commit the expenditure against a specific line item to guard against the creation of liabilities in excess of approved expenditures;
- The Principal shall determine the amount of purchase which shall be allowed without a properly signed purchase order. Employees may be held personally responsible for anything purchased without a properly signed purchase order or authorization.

The Board may acquire office equipment as defined in law by lease, by installment payments, by entering into lease-purchase agreements, or by lease with an option to purchase, provided the contract sets forth the terms of such a purchase.

Legal reference: M.C.L.A. 380.1267, 380.1274 et seq.

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