

MICHIGAN VIRTUAL CHARTER ACADEMY
PURCHASING

PURCHASING POLICY

The objective of the purchasing procedure is to procure the best quality for supplies, materials equipment and/or services for the intended function at the time needed, at the best prices possible. Purchases for use by the Academy for supplies, materials, and equipment and services provided to the Academy shall be accomplished in accordance with good business practices as set forth below and within the framework of state and federal law.

The Academy Board is requiring the Educational Service Provider to obtain at least three (3) price quotations for services for the Academy which the Educational Service Provider is responsible for obtaining/ providing under the Educational Products and Services Agreement, including, but not limited to, special education services, substitute teachers and temporary staff, computer services, computer reclamation, telephone services, cell phone services, cable and internet services, consulting services, insurance, and other services the Educational Service Provider contracts for on behalf of MVCA.

The Educational Service Provider shall seek at least three (3) price quotations on purchases of more than \$3,000.00 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 Academy.

When the purchase of, and contract for, single items of supplies, materials, or equipment exceeds the amount designated in MCL 380.1274, the Educational Service Provider shall obtain competitive bids. RFPS shall be developed by the Educational Service Provider, with a copy submitted to the Academy Board President. The Academy Board may provide input regarding the requirements to be included in the RFP before the RFP is issued.

Competitive bids are not required for items purchased through the cooperative bulk purchasing program operated under MCL 18.1263.

Competitive bids are not required for food purchases, unless food purchased in a single transaction costs \$100,000.00 or more.

Bids shall be sealed and shall be opened by the Educational Service Provider in the presence of at least one (1) witness. Copies of the bids shall be submitted by the Educational Service Provider to the Academy Board President on the date the bids are opened by the Educational Service Provider. All purchase orders and/or contracts should be awarded to the lowest responsible bidder. However, consideration may be given to:

- a) the quality of the items and services to be supplied;
- b) its conformity with specifications;
- c) suitability to the requirements of the Academy;
- d) delivery terms;
- e) past performance of the vendor.

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In addition to the factors above, the Board may give preference to bidders which use Michigan based business as the primary contractor or use one or more Michigan based business as subcontractors, subject to the requirements of MCL 380.1274, MCL 380.1267, and MCL 18.1268. This preference shall not apply to any procurement or project using Federal funds, nor shall it be used if it would violate any Federal law or requirements.

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 Board reserves the right to reject any and all bids, including bids for services.

The Educational Service Provider is authorized to purchase all items within budget allocations.

The Board should be advised, for prior approval, of all purchases of equipment, materials, and services when the purchase was not contemplated during the budgeting process or exceeds the line item function by ten (10%).

In order to promote efficiency and economy in the operation of the Academy, the Board requires that the Educational Service Provider 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 Educational Service Provider places a purchase order, the Educational Service Provider 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 Academy.

All purchase orders shall be numbered consecutively.

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

- a) opportunity be provided to as many responsible suppliers as possible to do business with the Academy;
- b) a prompt and courteous reception, insofar as conditions permit, be given to all who call on legitimate business matters;
- c) where the requisitioner has recommended a supplier, the Educational Service Provider 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.

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Upon the placement of a purchase order, the Educational Service Provider shall commit the expenditure against a specific line item to guard against the creation of liabilities in excess of appropriations.

The Educational Service Provider shall determine the amount of purchase which shall be allowed without a properly signed purchase order. Educational Service Provider 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.

The Educational Service Provider shall maintain a procurement and contract administration system in accordance with 34 CFR 80.36 for the administration and management of Federal grants and federally-funded programs. The Academy 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 any applicable administrative guidelines.

References: MCL 380.1267; 380.1274

Updated and Approved: May 18, 2015