

PURCHASING REGULATION

The following sets forth the procedures for the procurement of goods and services by the district:

- I. Definitions
 Purchase Contract (via district “purchase order”): a contract involving the acquisition of commodities, materials, supplies or equipment

 Public Work Contract: a contract involving services, labor or construction

- II. General Municipal Law
 The General Municipal Law requires that purchase contracts for materials, equipment and supplies involving an estimated annual expenditure exceeding \$10,000 \$20,000 and public work contracts involving an expenditure of more than \$20,000 \$35,000 will be awarded only after responsible bids have been received in response to a public advertisement soliciting formal bids. Similar procurements to be made in a fiscal year will be grouped together for the purpose of determining whether a particular item must be bid.

- III. Competitive Bidding Required
 A. Method of Determining Whether Procurement is Subject to Competitive Bidding
 1. The district will first determine if the proposed procurement is a purchase contract or a contract for public work.
 2. If the procurement is either a purchase contract or a contract for public work, the district will then determine whether the amount of the procurement is above the applicable monetary threshold as set forth above.
 3. The district will also determine whether any exceptions to the competitive bidding requirements (as set forth below) exist.

- B. Contract Combining Professional Services and Purchase
 In the event that a contract combines the provision of professional services and a purchase, the district, in determining the appropriate monetary threshold criteria to apply to the contract, will determine whether the professional service or the purchase is the predominant part of the transaction.

- C. Opening and Recording Bids; Awarding Contracts
 The Purchasing Agent or designee will be authorized to open and record bids. Contracts will be awarded to the lowest responsible bidder (as recommended by the Purchasing Agent), who has furnished the required security after responding to an advertisement for sealed bids.

6700-R

D. Documentation of Competitive Bids

The district will maintain proper written documentation which will set forth the method in which it determined whether the procurement is a purchase or a public work contract. Proper written documentation will also be required when a contract is not awarded to the vendor submitting the lowest quote, setting forth the reasons therefore. A quote which exceeds the bid limit will be awarded only when such award is in the best interests of the district and otherwise furthers the purposes of section 104-b of the General Municipal Law. The district will provide justification and documentation of any such contract awarded.

E. Leases of Personal Property

In addition to the above-mentioned competitive bidding requirements, section 1725 of the Education Law requires that the district will be subject to competitive bidding requirements for purchase contracts when it enters into a lease of personal property.

Documentation: The district will maintain written documentation such as quotes, cost-benefit analysis of leasing versus purchasing, etc. The district will ensure that the contract is a true lease and not an installment purchase contract.

Any legal issues regarding the applicability of competitive bidding requirements will be presented to the school attorney for review.

IV.

Exceptions to Competitive Bidding Requirements

The district will not be subject to competitive bidding requirements when the Board, in its discretion, determines that one of the following situations exists:

1. emergency situations where:
 - a. the situation arises out of an accident or unforeseen occurrence or condition;
 - b. a district building, property, or the life, health, or safety of an individual on district property is affected; or
 - c. the situation requires immediate action which cannot await competitive bidding.

However, when the Board passes a resolution that an emergency situation exists, the district will make purchases at the lowest possible costs, seeking competition by informal solicitation of quotes or otherwise, to the extent practicable under the circumstances.

Documentation: The district will maintain records of verbal (or written)

quotes;

2. when the district purchases surplus or second-hand supplies, materials or equipment from the federal or state governments or from any other political subdivision or public benefit corporation within the state. (Allowed by Section 103 (6) of the General Municipal Law)

Documentation: The district will maintain market price comparisons (verbal or written quotes) and the name of the government entity;

3. when the district separately purchases eggs, livestock, fish and dairy products (other than milk), juice, grains and species of fresh fruits and vegetables directly from producers or growers. The amount expended in any fiscal year by the district may not exceed an amount equal to fifteen cents multiplied by the number of days in the school year multiplied by the total enrollment of the district. (Allowed by Section 103 (a) (10) of the General Municipal Law)

Documentation: The district will maintain documentation consistent with sections 114.3 and 114.4 of the Regulations of the Commissioner of Education;

4. when the district purchases goods, supplies and services from municipal hospitals under joint contracts and arrangements entered into pursuant to section 2803-a of the Public Health Law. (Allowed by Section 103 (8) of the General Municipal Law)

Documentation: The district will maintain the legal authorization, board authorization and market price comparisons; or

5. when there is only one possible source from which to procure goods or services required in the public interest. (Allowed by Section 103 of the General Municipal Law)

Documentation: The district will maintain written documentation of the unique benefits of the item or service purchased as compared to other items or services available in the marketplace; that no other item or service provides substantially equivalent or similar benefits; and that, considering the benefits received, the cost of the item or service is reasonable, when compared to conventional methods. Notations of verbal quotes will be maintained by the district. In addition, the documentation will provide that there is no possibility of competition for the procurement of the goods.

V. Quotes When Competitive Bidding Not Required

Goods and services which are not required by law to be procured by the

district through competitive bidding will be procured in a manner so as to ensure the prudent and economical use of public monies in the best interests of the taxpayers. Alternative proposals or quotations will be secured by requests for proposals, written or verbal quotations or any other appropriate method of procurement, as set forth below.

A. Methods of Documentation

1. Verbal Quotations: the telephone log or other record will set forth, at a minimum, the date, item or service desired, price quoted, name of vendor, name of vendor's representative;
2. Written Quotations: vendors will provide, at a minimum, the date, description of the item or details of service to be provided, price quoted, name name of contact.
4. Requests for Proposals: the district will contact a number of professionals (e.g., architects, engineers, accountants, lawyers, under-writers, fiscal consultants, etc.) and request that they submit written proposals. The RFPs may include negotiations on a fair and equal basis. The RFPs and evaluation of such proposals will consider price plus other factors such as:
 - a. the special knowledge or expertise of the professional or consultant service;
 - b. the quality of the service to be provided;
 - c. the staffing of the service; and
 - d. the suitability for the district's needs.

The district will first locate prospective qualified firms by :

- a. advertising in trade journals;
- b. checking listings of professionals; or
- c. making inquiries of other districts or other appropriate sources.

The district will then prepare a well-planned RFP which will contain critical details of the engagement, including the methods which it will use in selecting the service.

B. Purchases/Public Work: Methods of Competition to Non-Bid Procurements; Documentation to be Maintained

The district will require the following methods of competition be used and sources of documentation maintained when soliciting non-bid procurements in the most cost-effective manner possible:

1. Purchase Contracts (Purchase orders) up to \$10,000-\$20,000
 - a. Purchases from \$1,000--\$2,500: 3 Verbal quotes \$2,500-5,000

- b. Purchases from \$2,500--\$10,000: 3 Written quotes **\$5,000-\$20,000**
2. Public Work Contracts up to \$20,000-\$35,000
 - a. Contracts from \$2,500 to \$9,999: 3 Verbal quotes
 - b. Contracts from \$10,000 to \$20,000: 3 Written quotes **\$35,000**
3. Emergencies: Verbal quotes

Documentation will include notations of verbal quotes.
4. Insurance: Written quotes

Documentation will include bid advertisements, specifications and the awarding resolution. Alternatively, written or verbal quotation forms will serve as documentation if formal bidding is not required. "Requests for Proposals" (RFPs), documented in the same manner as described herein, may also be used.
5. Professional Services: RFP

Documentation will include written proposals.
6. Leases of Personal Property: Written quotes

See Article III E
7. Second Hand Equipment from Other Governments:

See Article IV 2
8. Certain Food and Milk Purchases:

See Article IV 3
9. Certain Municipal Hospital Purchases:

See Article IV 4
10. Sole Source:

See Article IV 5

VI. Quotes Not Required When Competitive Bidding Not Required

The district will not be required to secure alternative proposals or quotations for those procurements:

1. under a county contract;
2. under a state contract;
3. of articles manufactured in state correctional institutions; or
4. from agencies for the blind and severely disabled.

In addition, the district will not be required to secure such alternative proposals or quotations for:

1. emergencies where time is a crucial factor;
2. procurements for which there is no possibility of competition (sole source items);
3. procurements of professional services, which, because of the confidential nature of the services, do not lend themselves to procurement through solicitation; or
4. very small procurements when solicitations of competition would not

be cost-effective.

VII. Procurements from Other than the "Lowest Responsible Dollar Offerer Bidder"

The district will provide justification and documentation of any contract awarded to an offerer **bidder** other than the lowest responsible dollar offerer **bidder**, setting forth the reasons why such award is in the best interests of the district and otherwise furthers the purposes of section 104-b of the General Municipal Law.

VIII. Internal Control

The Board authorizes the Superintendent, as Purchasing Agent, with the assistance of the Business Administrator, to establish and maintain an internal control structure to ensure, to the best of their ability, that the district's assets will be safeguarded against loss from unauthorized use or disposition, that transactions will be executed in accordance with the law and district policies and regulations, and recorded properly in the financial records of the district.

Comments will be solicited from those administrators involved in the procurement process before enactment of the district's regulations regarding purchasing and from time to time thereafter. The regulations must then be adopted by Board resolution.

The unintentional failure to fully comply with the provisions of section 104-b of the General Municipal Law or the district's regulations regarding procurement will not be grounds to void action taken or give rise to a cause of action against the district or any officer or employee of the district.

Ref: Education Law §§305(14); 1709(9)(14)(22)
General Municipal Law §§102; 103; 104-b; 109-a; 800 et seq.
8 NYCRR §§114.3; 114.4; 170.2

Adoption date: October 22, 1992

Revision date: December 12, 2007

Revision date:

USE OF CREDIT CARDS (Bank and Store Cards)

The Board of Education permits the use of district credit cards by certain school officials and Board members to pay for actual and necessary expenses incurred in the performance of work-related duties for the district. A list of those individuals that will be issued a district credit card will be maintained in the Business Office and reported to the Board each year at its reorganizational meeting in July. All credit cards will be in the name of the school district.

The district shall establish an aggregate credit limit of \$20,000 for all cards issued to the district.

The Board shall ensure that the credit card is secured through an RFP process and the relationship between the district and the credit card company is such that the district preserves its right to refuse to pay any claim or portion thereof that is not expressly authorized, does not constitute a proper district charge, or supersedes any laws, rules, regulations, or policies otherwise applicable. In addition, the Board will ensure that no claim shall be paid unless an itemized voucher approved by the officer whose action gave rise or origin to the claim, shall have been presented to the Board and shall have been audited and allowed.

Credit cards may only be used for legitimate school district business expenditures. The use of credit cards is not intended to circumvent the district's policy on purchasing. **School employees must follow school purchasing protocol prior to using the credit card. Requisitions must be approved by the Superintendent of schools prior to purchasing.**

Users must take proper care of these credit cards and take all reasonable precautions against damage, loss, or theft. Any damage, loss, or theft must be reported immediately to the Business Office and to the appropriate financial institution. Failure to take proper care of credit cards or failure to report damage, loss or theft may subject the employee to financial liability.

Purchases that are unauthorized, illegal, represent a conflict of interest, are personal in nature or violate the intent of this policy may result in credit card revocation and discipline of the employee.

Users must submit detailed documentation, including itemized receipts for commodities, services, travel and/or other actual and necessary expenses which have been incurred in connection with school-related business for which the credit card has been used.

The Superintendent of Schools, in consultation with the School Business Official, shall establish regulations governing the issuance and use of credit cards. Each cardholder shall be apprised of the procedures governing the use of the credit card and a copy of this policy and accompanying regulations shall be given to each cardholder.

The School Business Official shall periodically, but no less than twice a year, monitor the

use of each credit card **through review of monthly billing statements** and report any serious problems and/or discrepancies directly to the Superintendent and the Board.

Cross-ref: 6700, Purchasing
6830, Expense Reimbursement

Ref: Education Law §§1724(1); 2524(1) (itemized, audited, and approved vouchers required)
Opns. St. Compt. No. 79-202 (use of multi-purpose credit cards by municipal employees)
Opns. St. Compt. No. 79-494
Opns. St. Compt. No. 78-897 (gas credit cards)

Adoption date: January 4, 2006

PURCHASING

The function of purchasing is to serve the educational program by providing necessary supplies, equipment and related services. The purchasing function will be centralized in the business office under the general supervision of the Purchasing Agent(s) designated by the Board of Education.

It is the goal of the Board to purchase competitively, without prejudice or favoritism, and to seek the maximum educational value for every dollar expended. Competitive bids or quotations shall be solicited in connection with purchases pursuant to law.*

The district's purchasing activity will strive to meet the following objectives:

1. to effectively supply all administrative units in the school system with needed materials, supplies, and contracted services;
2. to obtain materials, supplies and contracted services at the lowest prices possible consistent with the quality and standards needed as determined by the Purchasing Agent(s) in cooperation with the requisitioning authority. The educational welfare of the pupils is the foremost consideration in making any purchase;
3. to ensure that all purchases fall within the framework of budgetary limitations and that they are consistent with the educational goals and programs of the district;
4. to maintain an appropriate and comprehensive accounting and reporting system to record and document all purchasing transactions; and
 - a. to ensure, through the use of proper internal controls, that loss and/or diversion of district property is prevented.

The Superintendent of Schools, as the Purchasing Agent(s) designated by the Board, shall be responsible for the establishment and implementation of procedures and standard forms for use in all purchasing and related activities in the district. Such procedures shall comply with all applicable laws and regulations of the State and the Commissioner of Education.

No Board member, officer or employee of the school district shall have an interest in any contract entered into by the Board or the district, as provided in Article 18 of the General Municipal Law.

Opportunities shall be provided to all responsible suppliers to do business with the school district. Suppliers whose place of business is situated within the district may be given preferential consideration only when bids or quotations on an item or service are identical as to price, quality and other factors. Purchases will be made through available cooperative BOCES bids, state contracts of the Office of General Services or county contracts whenever such purchases are in the best interests of the district. In addition, the district will make purchases from correctional institutions

and severely disabled persons through charitable or non-profit-making agencies, as provided by law.

The district will provide justification and documentation of any contract awarded to an offerer a **bidder** other than the lowest responsible dollar offerer **bidder**, setting forth the reasons why such award is in the best interests of the district and otherwise furthers the purposes of section 104-b of the General Municipal Law.

The Purchasing Agent will not be required to secure alternative proposals or quotations for:

1. emergencies where time is a crucial factor;
2. procurements for which there is no possibility of competition (sole source items);
 - a. very small procurements when solicitations of competition would not be cost effective.-(in 6700-R)

The Superintendent of Schools, as the Purchasing Agent, shall be responsible for the establishment and implementation of the procedures and standard forms for use in all purchasing and related activities in the district. Such procedures shall comply with all applicable laws and regulations of the state and the Commissioner of Education.

Comments will be solicited from those administrators involved in the procurement process before enactment of the district's policies regarding purchasing and from time to time thereafter. The policies must then be adopted by Board resolution. (in 6700-R) All district policies regarding the procurement processes will be reviewed by the Board at least annually.

The unintentional failure to fully comply with the provisions of section 104-b of the General Municipal Law or the district's policies regarding procurement will not be grounds to void action taken or give rise to a cause of action against the district or any officer or employee of the district.

Cross-ref: 6720, Bidding Requirements
6740, Purchasing Procedures

Ref: Education Law §§305(14); 1709(9)(14)(22)
*General Municipal Law §§102; 103; 104-b; 109-a; 800 et seq.

Adoption date: October 22, 1992
Revised: August 26, 2009

PURCHASING EXHIBIT*Methods of Competition to be used for Non-Bid Procurements*

<u>Item</u>	<u>Verbal Quotes</u>	<u>Written Quotes</u>	<u>Other (Article References are to 6700-R)</u>
Purchases Under \$1,000 \$2,500	----	----	
Purchases from \$1,000--\$2,500- \$5,000	3		Documentation
Purchases from \$2,500 -- \$10,000 \$5,000 - \$20,000		3	
Purchases above \$10,000- \$20,000			Formal Bid Process: See 6700-R Article II
Public Works Contracts under \$2,500	----	----	
Public Works Contracts from \$2,500 - \$10,000	3		Documentation
Public Works Contracts from \$10,000 - - \$20,000-\$35,000		3	
Emergencies	1-3		Documentation: Board Resolution of Emergency; records of all quotes
Insurance		3	Article V B 4
Professional Services			RFP
Leases of Personal Property (subject to Cost & Quote Parameters of Purchases above)	----	----	
	3	----	Article V B 6
	----	3	
Second-Hand Equipment from Other Governments	1-3		See Article IV 2
Certain food and dairy products		1-3	See Article IV 3
Certain Municipal Hospital Purchases	Legal authorization, Board authorization, & market price comparisons		See Article IV 4
Sole Sources (e.g. Patented or monopoly item)	1-3		Documentation of unique service or item; See Article IV 5