

**DISTRICT CODE: 752
PURCHASING**

Policy reflects Minnesota statute and aligns with other District 270 policies

All purchases for Independent School District 270 will conform to applicable Minnesota Statutes relating to bidding, contracting, and purchasing.

The requirements of Minnesota Statutes will be extended to require that two or more written quotations be secured where the estimated per unit or accumulated item cost exceeds \$25,000, except as follows:

- a. Purchase of perishable food items, except milk, for school lunches, and instructional courses.
- b. Emergency items where delay could have adverse consequences to the physical plant, the instructional program, or students and other personnel on the premises.

The District will purchase from a successful bidder or quoter those items for which the bid or quote was made, and from no other, provided the bid or quote does not change.

To establish and monitor compliance with applicable laws, policies, generally accepted accounting principles, and sound business practices, the business office shall institute necessary and appropriate forms, procedures, and systems for District-wide application.

The Board will cooperate with the school districts, intermediate units, and governmental groups in joint purchasing for educational purposes. The District will take advantage of cooperative purchasing arrangements whenever such buying appears to be to the benefit of the District.

Adopted: January 22, 1970

Revised: April 25, 1985; May 18, 1995, February 19, 2009, March 5, 2015

Reviewed: March 3, 2016

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**DISTRICT CODE: 752 - REGULATIONS
PURCHASING**

The following purchasing regulations are designed to provide guidelines for the purchase and disposal of supplies, materials, and equipment. Certain procedures or limitations are necessary in the purchasing process for both legal and administrative reasons. The limitations outlined below are intended as the minimal limitations in an effort to achieve the purchasing goal of the most prudent and efficient use of all District funds. Efforts should be made beyond these limitations to assure that each individual transaction reflects and protects the integrity of Independent School District 270 and the individual.

- A. No purchases are to be made or orders placed without first submitting the proper requisition form and obtaining a purchase order number from the business office. Requisitions are to be originated or signed by the principal except in operating, maintenance, business, and administrative services where department heads may create requisitions.
- B. Purchasing may be done directly without purchase orders in these instances only:
 - 1. Purchase of food for home economic classes.
 - 2. Purchases of non-sealed bid food items for the food service program.
- C. The following additional limitations will be administered by the Business Office and shall govern School District purchasing:
 - 1. Contracts over \$175,000

Formal sealed bids are required by statute for all items or accumulation of items estimated to exceed \$175,000 except those items excluded by law and attorney general's opinion. Impractical items are those that meet one or more of the following criteria:

- a. Availability from only one vendor.
- b. Time delay could cause physical damage to a building.
- c. Time delay could cause adverse effect on the instructional program.
- d. Order required compatibility to existing equipment, furnishings or construction.

If the value of the equipment or materials is estimated to exceed \$175,000, sealed bids shall be solicited by two weeks' published notice in the official newspaper or as directed by current statute. This notice shall state the time and place of receiving bids and contain a brief description of the subject matter.

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The purchase shall be awarded to the highest responsible bidder, be duly executed in writing, and be otherwise conditioned as required by law.

A record shall be kept of all bids, with names of bidders and amounts of bids, and an indication of the successful bid. A bid containing an alteration or erasure of any price contained in the bid which is used in determining the highest responsible bid shall be rejected unless the alteration or erasure is corrected by being crossed out and the correction printed in ink or typewritten adjacent thereto and initialed in ink by the person signing the bid.

In the case of identical high bids from two or more bidders, the School Board may, at its discretion, utilize negotiated procurement methods with the tied high bidders so long as the price paid does not go below the high tied bid price. In the case where only a single bid is received, the School board may, at its discretion, negotiate a mutually agreeable contract with the bidder so long as the price paid does not fall below the original bid. If no satisfactory bid is received, the Board may readvertise.

All bids obtained shall be kept on file for a period of at least one year after their receipt. Every contract made without compliance with the foregoing provisions shall be void.

Data submitted by a business to a school in response to a request for bids are private until opened. Once opened, the name of the bidder and the dollar amount specified become public; all other data are private until completion of the selection process, meaning the school has completed its evaluation and ranked the responses. After completion of the selection process, all data submitted by all bidders are public except trade secret data. If all responses are rejected prior to completion of the selection process, all data remain private, except the name of the bidder and the dollar amount specified which were made public at the bid opening for one year from the proposed opening date or until re-solicitation results in completion of the selection process or until a determination is made to abandon the purchase, whichever occurs sooner, at which point the remaining data becomes public.

2. Contracts from \$25,000 and \$174,999.

For items or accumulation of items estimated between \$25,000 to \$174,999, the contract may be made either upon sealed bids or by direct negotiation, by obtaining two or more written quotations. All quotations obtained shall be kept on file for a period of at least one year after receipt thereof.

3. Contracts less than \$25,000

If the amount of the contract is estimated to be less than \$25,000, the contract may be made either by quotations or in the open market, but if practicable shall be based on at least two quotations which shall be kept on file for at least one year. In cases of reorder, a previous quote will be sufficient to meet the requirements of this Policy, provided the quote is less than six months old.

In cases where annual bids for supplies and equipment have been secured, the vendor whose bid has been accepted shall receive all reorders during the year, provided that the bid price is

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maintained. In cases where the vendor cannot supply at the bid price, the purchase will be treated as a new transaction, with limitations 1-3 applicable.

There will be no telephone quotations except in the case of urgency.

Disposition of Obsolete Equipment

The District may contract to sell supplies, materials, and equipment which is surplus, obsolete or unused through an electronic selling process in which purchasers compete to purchase the supplies, materials or equipment at the highest purchase price in an open and interactive environment. See Policy 802, Disposition of Equipment and Materials.

The superintendent shall be authorized to properly dispose of used books, material, and equipment deemed to have little or no value.

No officer or employee of the District shall sell or procure for sale or possess or control sale to any other officer or employee of the District any property or materials owned by the School District unless the property and materials are not needed for public purposes and are sold to the school district employees after reasonable public notice.