

SUMNER COUNTY SCHOOLS PURCHASING POLICY:

GENERAL

The school system will purchase competitively and seek maximum educational value for every dollar expended. The Executive Committee, or their designee, shall serve as the purchasing agent for system-wide purchasing. Principals shall serve as purchasing agents for individual schools.

Purchases made by anyone not authorized by the appropriate officials shall become the personal responsibility of the person or persons making the purchase agreement. The Board will not be responsible for payment for any materials or supplies purchased by unauthorized individuals or in an unprescribed manner.

The Board must approve the following purchases:

1. A single piece of equipment costing more than \$10,000;
2. A piece of equipment that is to be attached to or requires alteration of a building;
3. Equipment that will become a permanent fixture.

BOARD APPROVAL

All purchases made by a department or school location in a Fiscal Year totaling \$10,000 or more for like items shall require Board approval. The Board authorizes the Purchasing supervisor or Assistant Director of Schools for Finance to exempt Board approval for purchases that are deemed as routine or emergency, as outlined in the Purchasing Procedure Manual.

BIDS AND QUOTATIONS

All purchases of supplies, materials, equipment, and contractual services of ten thousand dollars (\$10,000) or more, including those of individual schools, shall be based on formal sealed bids.

These bids shall be solicited by advertisement in a newspaper of general circulation in the district. However, said newspaper advertisement may be waived by the purchasing department in an emergency. The purchasing department shall advertise for bids and receive quotations.

All purchases of \$2,500 or more, but less than ten thousand dollars (\$10,000), including those of individual schools, may be made in the open market without newspaper notice, but shall, whenever possible, be based on at least three (3) competitive bids. A memorandum indicating the goods or services to be purchased, the date, identity of the persons contacted, the name of the company, and the prices and quantities at which the goods were offered shall be maintained by the finance department. Although no bids are required on purchases less than \$2,500, competitive bidding is encouraged to ensure that the school system purchases quality goods and services at the lowest possible prices.

The lowest and best bid shall be accepted, provided the Board reserves the right to reject any or all bids or any part of any bid and, if applicable, to accept that bid which is best as evidenced by reasons relative to the purpose of the purchase. Any bid may be withdrawn prior to the scheduled time for the opening of bids. Any bid received after the time and date specified shall not be considered.

Purchases requiring bids or quotes shall be the lowest and best bid or quote meeting specifications. A "best bid" must be justified in writing.

The bidder to whom the award is made may be required to enter into a written contract.

The practice of splitting an order or dividing items to be purchased in order to avoid the use of bidding or other purchasing procedures is prohibited.

All purchases, whether by competitive bid or otherwise, shall take into consideration the quality of the articles supplied, their conformity with developed specifications, their suitability to the requirements of the educational system, and delivery terms.

Quality and service being equal, identical bids shall be decided in favor of the local vendor. If a tie exists between vendors whose bids are equal in all respects, the tie shall be broken by the toss of a coin in the presence of two witnesses.

Contracts for legal services, audit services, educational consultants, and similar professional persons of high ethical standard shall not be required to be based upon competitive bids but shall be awarded on the basis of recognized competence and integrity. This shall not prohibit interviewing eligible persons or groups to determine their capabilities.

DISTRICT FUNDS

Disbursements

Purchases of less than \$500 should be submitted for payment to the Finance department as outlined in the purchasing procedure. Request for payment shall include authorization from the appropriate department head and the original invoice.

REQUISITION AND PURCHASE ORDERS

All purchases of \$500 or more made by the school district shall be by purchase order or formal contract unless specifically stated in the exemptions in the purchasing procedures. No purchase of \$500 or more shall be made nor payment approved unless covered by an approved purchase order.

Requisitions are required prior to the issuance of a purchase order. The Director of Schools, or designee, shall designate personnel authorized to submit requisitions. All requisitions will be submitted to the Assistant Director of Schools for Finance, or designee, on appropriate forms for approval.

Purchase orders will include the following essentials:

1. A specification which adequately describes to the supplier the characteristics and the quality standards of the item required;
2. A firm, quoted, delivered price, with installation, whenever possible; and
3. Signature of Executive Committee.
4. Blanket purchase orders may be allowable if approved by the Assistant Director of Schools for Finance.

Contracts shall be made only with responsible suppliers with the following considerations:

1. The supplier has the potential ability to perform successfully under the terms and conditions of a proposed procurement.
2. Contracts shall contain such provisions or conditions which will allow for administrative, contractual, or legal remedies in instances where suppliers violate or breach contract terms, and provide for such sanctions and penalties as may be appropriate.
3. All contracts, including those of individual schools, will meet all requirements of state and federal laws, rules, and regulations.
4. The Board, at its option, will authorize the use of cooperative purchasing with other school systems, national cooperatives, and state contracts.

PURCHASING

ROUTINE PURCHASES

Routine purchases shall include expenditures for supplies, salaries, and routine expenditures required for the operation of the school system. These expenditures shall be anticipated and provided for in the budget and will normally be authorized by the Board at the beginning of the fiscal year. The Director shall make all routine purchases without further Board authorization; however, the Board shall be promptly informed if any substantial variation from budgeted estimates becomes necessary.

SPECIAL PURCHASES

Special purchases are those totaling \$10,000 or more which are not routine and which may or may not be specifically identified by line item in the budget. (Even though no single item is \$10,000 or more in price, if the total order to a vendor for like items is \$10,000 or more, it is deemed a special purchase.) Examples of special purchases are all capital expenditures such as for vehicles, buildings, major contracts, purchases of major equipment, items for long-term use and supplies of an unusual quantity or nature. All purchases in this category shall require specific prior Board approval on an item-by-item basis. In its approval, the Board may place constraints on the director requiring Board evaluation and/or approval at various steps in the procurement process. This will be determined by the Board on an individual basis depending on the nature of the procurement action.

EXPENDITURES FOR CAPITAL IMPROVEMENT

A Capital Improvement is defined as any permanently affixed physical improvement, expansion, or addition to the grounds or buildings operated and maintained by the Sumner County Board of Education. Any capital improvement project greater than \$25,000 must be approved by the Board prior to being bid. If the project is less than \$25,000 and approved by the Assistant Director of Facilities and Maintenance or their designee, Board approval prior to bidding is not required.

EMERGENCY PURCHASES

Emergency purchases are those which are necessary to avert hazards which threaten health or safety, to protect property from damage or to avoid major disruption of educational activities. If within budgetary limits and deemed essential, emergency purchases shall be approved by the Executive Committee. However, if the purchase is of such significant magnitude as to impact on the integrity of the budget, the chairman shall call a special or emergency meeting of the Board to deal with the matter. In any event, the Board shall be advised promptly of all emergency purchases.

SURPLUS PROPERTY

The Director and other employees designated by the Board shall be authorized to act for the Board in acquiring federal surplus property through the Tennessee General Services Department for surplus property and in entering into agreements, certifications and covenants of compliance concerning the use of federal surplus property.

Further, the Executive Committee is authorized to purchase any needed items through suppliers approved on the state bid list.

SCHOOL PURCHASING

No school shall be obligated to pay for any expenditures made by a student or a teacher or by any other employee unless he/she first receives a written purchase order from the proper office or unless prior written permission or arrangements are made with the principal.

Employees and any other individuals are prohibited from making purchases for personal benefit through a school in order to take advantage of the school's tax exempt status or other purchasing privileges.