

	Huron School District #2-2	Code: DL
	Policies and Regulations	Purchasing Procedures

Purchasing Procedures

DEFINITIONS:

Supplies - any property, including equipment, materials, and printing.

Services - furnishing of labor, time, or effort by a contractor not involving the delivery of a specific end product other than reports which are merely incidental to the required performance.

Public Improvement - the process of building, altering, repairing, improving, or demolishing any structure, building, or other improvements of any kind to real property owned by the District.

GENERAL RULES:

Unless otherwise authorized by law, each contract for supplies, services, and construction shall be awarded by one of the following methods:

1. Purchases for less than ~~\$25,000~~ \$50,000 for supplies or services;
2. Contract for public improvement for less than \$100,000;
3. Competitive sealed bids for supplies or services having a purchase price of ~~\$25,000~~ \$50,000 or more, and for contracts for public improvement exceeding of \$100,000 or more;
4. Competitive sealed proposals for supplies or services having a purchase price of ~~\$25,000~~ \$50,000 or more, and for contracts for public improvement of \$100,000 or more;
5. Sole source procurement;
6. Emergency procurement.
7. **Use of federal grant funds for procurement.**

The Business Manager will serve as the purchasing agent. The Business Manager will develop and administer the purchasing program for the schools with the assistance of the Superintendent within the legal requirements and the adopted school budget.

All materials to be ordered by the school district staff must be requisitioned through the Principal or department head, and the Business Manager for processing by the business office. Principals and department heads will examine carefully all requisitions submitted by teachers, custodians and other employees for supplies, equipment and services and are responsible for verifying that items requested are needed before signing the requisition and sending it to the Business Manager.

All requisitions must include the name and address of the supplier as well as the purchase price.

School purchases will be made only on official purchase orders approved for issuance by the appropriate unit head and signed by the Business Manager, with such exceptions as may be made by the latter for emergency purchases and those made with petty cash funds.

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The business office will maintain a central record system for the purpose of combining orders, avoiding duplication of purchases, taking full advantage of lowered prices for bulk purchasing, to follow up on delayed orders of delivery and to reconcile deliveries to orders before payment is made. This delivery control will be applied to all purchases, regardless of point of delivery.

If any person orders materials without going through the Business Manager's office, the person ordering the materials will be individually responsible for the payment of the materials.

1. **PURCHASES OF SUPPLIES OR SERVICES FOR LESS THAN \$25,000 \$50,000**

If the District intends to purchase services or supplies, the total of which is less than \$25,000 \$50,000, neither competitive sealed bids nor competitive sealed proposals are required.

2. **CONTRACT FOR PUBLIC IMPROVEMENT FOR LESS THAN \$100,000**

If the District intends to contract for a public improvement, the total of which is less than \$100,000, neither competitive sealed bids nor competitive sealed proposals are required.

3. **COMPETITIVE SEALED BIDS**

Contracts shall be awarded by utilizing the competitive sealed bid process except as otherwise provided in law (i.e., competitive sealed proposals, sole source procurements, emergency procurements, and procurements exempt from the bid process). The procedures for using competitive sealed bids are set forth in SDCL 5-18A-5.

4. **COMPETITIVE SEALED PROPOSALS**

A contract may be entered into by competitive sealed proposals if the Board determines in writing that the use of the competitive sealed bids is either not practicable or not advantageous. The procedures for using competitive sealed proposals are set forth in SDCL 5—18A-7.

5. **SOLE SOURCE PROCUREMENT**

A contract may be awarded for supplies or services without competition if the Board determines in writing that the supplies or services are of such a unique nature that the contractor selected is clearly and justifiably the only practicable source to provide the supplies or services. The determination that the contractor selected is justifiably the sole source shall be based on either the uniqueness of the supplies or services or the sole availability at the location required. In such cases, the Board shall conduct negotiations, including price, delivery, and quantity to obtain the most advantageous price and shall include the written verification of the sole source in the contract file. This provision does not apply to construction services or construction equipment.

The District shall maintain a record listing each contract made under sole source procurement for a minimum of five years. The record shall contain:

- Each contractor's name;
- The amount and type of each contract; and
- A listing of the supplies and services procured under each contract.

6. **EMERGENCY PROCUREMENT**

The Board may make or authorize others to make an emergency procurement without advertising the

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procurement if rentals are not practicable and there exists a threat to public health, welfare, or safety or for other urgent and compelling reasons. Failure to abide with the bid provisions in a timely manner as required by law is not an emergency. An emergency procurement shall be made with such competition as is practicable under the circumstances. A written determination of the basis for the emergency and for the selection of the particular contractor shall be included in the contract file.

The District shall maintain a record listing each contract made under emergency procurement for a minimum of five years. The record shall contain:

- Each contractor's name;
- The amount and type of each contract; and
- A listing of the supplies, services, and public improvements procured under each contract.

7. USE OF FEDERAL GRANT FUNDS FOR PROCUREMENT

The following are acceptable methods of procurement per the federal uniform grant guidance:

- a. Micro-purchases of products costing \$10,000 or less do NOT require quotes to be received and effort should be made to distribute evenly these purchases to qualified suppliers. The micro-purchase threshold for services is \$2,500 (Service Contract Labor Standards—formerly the Service Contract Act of 1965), and is \$2,000 for construction services (Construction Wage Rate Requirements Statute—formerly the Davis-Bacon Act).
- b. Small purchases from supplies or other property and services in excess of \$10,000 and do not exceed \$250,000 do require quotes but NO pricing analysis. If used, price or rate quotations must be obtained from an adequate number of qualified sources.
- c. Sealed bids are required for purchases of \$250,000 or greater. Firm fixed price is awarded and must include at least two responsible bidders.
- d. Competitive proposals may be used for projects over \$250,000.
- e. Noncompetitive proposals (sole source) Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when certain circumstances apply.

All contracts must be approved by the Board in order to be binding on the school district. Each contract shall be in writing, shall have the printed name of any individual signing the contract, and shall be signed on behalf of the School District by an authorized official. Failure to comply with the requirement for a printed name does not void the terms or purpose of the contract.