

## PURCHASING PROCEDURES

The Bellmore-Merrick Central High School Board of Education views purchasing as serving the educational program by providing necessary supplies, equipment and related services. Purchasing will be conducted under the general supervision of the Deputy Superintendent and the Purchasing Agent. All district policy regarding the procurement process will be reviewed by the Board at least annually.

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; in a timely manner;
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 in cooperation with the requisitioning authority. The educational welfare of the students 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
5. to ensure, through the use of proper internal controls, that loss and/or diversion of district property is prevented.

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, except as provided in Article 18 of the General Municipal Law.

Adopted: 03/06/2019  
 2<sup>nd</sup> Reading (Revised): 03/06/2019  
 1<sup>st</sup> Reading (Revised): 02/06/2019  
 Adopted: 08/03/2016  
 2<sup>nd</sup> Reading (Revised): 08/03/2016  
 1<sup>st</sup> Reading (Revised): 07/12/2016  
 2<sup>nd</sup> reading (revised): 09/01/2010  
 1<sup>st</sup> reading (revised): 08/04/2010  
 Revised 2<sup>nd</sup> Reading: 07/08/2008  
 Revised 1<sup>st</sup> Reading: 06/25/2008  
 Re-adopted by the Bellmore-Merrick Central High School District Board of Education: 07/11/2006  
 Revised 2<sup>nd</sup> Reading: 04/06/2005  
 Revised 1<sup>st</sup> Reading: 03/02/2005  
 Adopted by the Bellmore-Merrick Central High School District Board of Education: 03/04/1992

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 General Municipal Law requires that purchase contracts for materials, equipment, supplies and services involving an estimated annual expenditure exceeding \$20,000 and public work contracts involving an expenditure of more than \$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.

The district will provide justification and documentation of any contract awarded to an offeror other than the lowest responsible dollar offeror, 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.

In accordance with law, the district shall give a preference in the purchase of instructional materials to vendors who agree to provide materials in alternative formats. The term "alternative format" shall mean any medium or format for the presentation of instructional materials, other than a traditional print textbook, that is needed as an accommodation for a disabled student enrolled in the school district, including but not limited to Braille, large print, open and closed captioned, audio, or an electronic file in an approved format, as defined in the Regulations of the Commissioner.

The Assistant Superintendent and the Purchasing Agent will determine whether procurement of items within aggregates are subject to competitive bidding during the budget preparation period by compiling a list of aggregates and the expected expenditures in each area. This list will be used to prepare the bid calendar and bid invitations for the coming school year. During the school year, the Assistant Superintendent and the Purchasing Agent will monitor any budget areas for the competitive bidding threshold. Any area that will exceed the \$20,000 threshold for commodity and service contracts and \$35,000 for public works contracts during the year will require a competitive bid.

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, to facilitate the acquisition of goods and services of maximum quality at the lowest possible cost under the circumstances, and to guard against favoritism, extravagance, fraud and corruption. This will be accomplished by following the guidelines represented in this policy for quotations.

### **Quotations**

If, when contemplating the purchase of equipment or supplies, you are uncertain as to whether or not something should be bid, please contact the Business Office to determine if bidding will be required.

If bidding is not required, quotations must be secured for all items costing more than \$1,000. Price quote requirements varies for supplies and/or equipment & services depending on the amount of the proposed order:

- \$ 1- \$ 1,000 At the discretion of central office, department head or building principal.
- \$ 4,001 - \$ 19,999 Formal written quotations from at least three separate vendors.
- \$20,000 and above Sealed competitive bid in conformance with General Municipal Law, Section 103 for award by the Board of Education.

For Public Works Projects, when bidding is not required, quotations must be secured for all services costing more than \$2,000. Price quote requirements vary depending on the amount of the proposed order:

- \$ 1- \$ 2,000 At the discretion of central office, department head or building principal.
- \$ 5,001 - \$ 10,000 Formal written quotations from at least three separate vendors.
- \$10,001 - \$ 34,999 Formal written quotations from at least five (5) separate vendors.
- \$35,000 and above Sealed competitive bid in conformance with General Municipal Law, Section 103 for award by the Board of Education.

### **Bidding Requirements**

New York State Municipal Law, Section 103 requires competitive bidding when purchases and services exceed \$20,000, district wide, in any class of goods within a fiscal year. Typical classes of goods that must go out to bid include, but are not limited to:

- Computers
- Instructional equipment and supplies
- Art supplies
- Science and technology equipment and supplies
- Audio-visual equipment and supplies
- General office supplies
- Graphing/scientific calculators
- Physical education/Athletic equipment and supplies
- Printing

All contracts for *public works* involving expenditures exceeding \$35,000 must also be bid.

There are however, exceptions to the requirements of the bid law:

- **New York State Contracts** – Local Municipalities, such as school districts, are authorized to make purchases of materials, equipment and supplies through the Office of General Services (OGS) of New York State. Because purchases are made under a state bid, no local bid is required. Please note that when ordering through state contract both the item and contractor must be exactly as listed on the contract. The Contract/Bid number must be indicated on the purchase order.
- **Nassau/Suffolk County Contracts** – similar to State contracts, but the original bidder is Nassau or Suffolk County.
- **BOCES Cooperative Bids** – School Districts that join the BOCES Cooperative Purchasing Program are entitled under law to purchase through their bids.
- **Sole Source** – Materials available from only one vendor- patented or copyrighted items- need not be bid. Sole source items require a letter from the vendor stating that they are the only source of the items.
- **Goods made in Correctional Institutions**
- **Agencies for the Blind and Other Severely Handicapped**
- **Professional Services** – services rendered by members of a recognized profession whether licensed or certificated or possessing a special or technical skill, including, but not limited to engineers, architects, attorneys, medical service providers, surveyors, internal and claims auditors, and professional speakers or performers.
- When circumstances occur that the solicitation of bids or alternative proposals or quotations will not be in the best interest of the district as verified by the Purchasing agent and approved by the Assistant Superintendent of Business. These circumstances will be documented and attached to the voucher packet for the claim.

The purchaser 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); or
3. very small procurements when solicitations of competition would not be cost-effective.

These situations must be documented and attested to by a building level administrator.

Copies of written quotations or a memo indicating quotes must be attached to purchase orders when they are submitted to the Business Office for processing. Additionally, please include the words “as per quotation” on the purchase order.

### **Requests For Proposals (RFPs)**

In accordance with New York State regulations, the Board of Education will require proposals for the following services and contracts:

- Appointment of Independent Auditor (every five years)
- Transportation Contracts
- Other services as deemed necessary and timely by the Board of Education and/or the Assistant Superintendent for Business using best business practice.

RFPs (with the exception of transportation RFPs) need not be advertised and may be directed to specific entities. The awards for an RFP need not be made to the entity making the lowest monetary proposal but the district must document why award was made to other than lowest monetary bidder. If the RFP contains a list of criteria to be used to determine the award of the contract, the district must document that the entity awarded the contract meets the criteria or demonstrate why the criteria was waived. The Business Office will forward all award decision documents to the board of education for approval.

### **Blanket (Running) Purchase Orders**

The use of blanket (running) purchase orders is to be limited in use and always requires pre-approval by the Purchasing Agent. Blanket Purchase Orders can be useful when a school or department will need to make many small purchases from a particular vendor. A blanket order allows the purchaser to encumber funds and apply purchases against the order.

The description portion of the PO should include the following statements:

- This blanket (running) purchase order is being issued for the purchase of \_\_\_\_\_ not to exceed the amount of \$ \_\_\_\_\_.
- Only authorized personnel will be permitted to draw from this blanket (running) purchase order and must sign all invoices.
- If the amount of the purchase order is exceeded, authorization must be obtained from the *building administrator*.

Blanket (Running) Purchase orders for maintenance, repair contracts, etc. should be encumbered for the year wherever possible based on the anticipated amount of the contract.

### **Confirmation Purchase Orders**

General Municipal Law governs the purchasing practices of public school systems. *Confirming purchase orders* violate all rules and regulations of General Municipal Law. **A confirming purchase order is a purchase that has been made before the budget code has been checked, monies have been encumbered, does not have the concurrence of the Purchasing Agent and eliminates all accounting controls which can result in double billing, duplicate shipments and often violates bidding requirements.**

**Confirmation purchase orders are not permitted in the Bellmore-Merrick Central High School District.** No administrator, teacher or support staff employee is empowered to commit district monies for the purchase of goods or service without first following all purchasing procedures.

The following are examples of *confirming purchase orders*:

- Preparation of a purchase order after an item has already been ordered and attaching the invoice as backup.
- Orders made over the Internet or by telephone or fax.
- Any reimbursement for a purchase (other than conference expenses) that was not pre-approved by the Assistant Superintendent or Purchasing Agent.

The purchase order system has been created to serve several important functions. First, a purchase order assures a vendor that monies have been encumbered to cover the order. Second, a purchase order enables the principal or administrator to structure and control purchases to meet building or department needs. **Payment for orders without an approved purchase order will not be authorized; the requisitioner will be responsible.**

No one is authorized to make a telephone order or a fax or an Internet order without a Purchase Order signed by the Purchasing Agent. District administrators are expected to operate within these rules. Take appropriate action to plan properly so that you can comply with the district's policy. Purchases that may not fit into this system require immediate consultation with the Business Office.

### **Special Cases**

Purchase Orders for the following require special handling:

- Textbooks & Workbooks- Process through the Assistant Superintendent for Curriculum and/or the Director of Instruction and Technology Services for approval. Do not send directly to the Business Office.
- Computer Software and/or computers- Process through the Director of Instruction and Technology Services.

### Budget Transfers

- Transfers are to be requested on the Request for Transfer Form and signed by a building level administrator.
- Funds *cannot be transferred into an equipment code (200)*, but it is acceptable to transfer funds out. Equipment is a non-contingent expenditure and Commissioner's regulations do not allow the transfer of funds from contingent codes to non-contingent codes. (See section 170.1 of the commissioner's regulations)
- As per Board Policy #3160, all budget transfers are submitted to the Board of Education. Budget transfers in excess of \$25,000, or in the case of salary or benefits \$100,000, require prior Board of Education approval.

### Supplies and Equipment Criteria

#### Criteria for Supply Items

A supply item is any article or material that meets at least two of the following conditions:

- It is an inexpensive item, generally costing less than approximately \$1,000
- It is consumed in use.
- It loses its original shape or appearance with use.
- It is expendable. If the article is damaged, or some of its parts are lost or worn out, it is usually more feasible to replace it with an entirely new unit rather than repair it.
- It is an inexpensive item, having characteristics of equipment, whose small unit cost makes it inadvisable to capitalize the item.
- It loses its identity through incorporation into a different or more complex unit or substance.

#### Criteria for Equipment Items

An equipment item is a movable or fixed unit of furniture or furnishings, an instrument, a machine, an apparatus, or a set of articles, which meets **at least two of the** following conditions:

- Items with a value generally in excess of approximately \$1,000
- It retains its original shape or appearance with use.
- It is non-expendable. If the article is damaged or some of its parts are lost or worn out, it is usually more feasible to repair it than replace it with a new unit.
- It does not lose its identity through incorporation into a different or more complex unit or substance.

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