

Adopted: June 15, 1988

Le Sueur–Henderson Public Schools Policy 797

Revised: March 7, 2016

797 PURCHASING

I. PURPOSE

The purpose of this policy is to provide guidelines to the superintendent and business office for legal and efficient purchasing to meet school district needs.

II. GENERAL STATEMENT OF POLICY

All purchases of, and contracts for, supplies, materials, equipment, and contracted services will comply with Minnesota’s Uniform Municipal Contracting Law, and the school district will strive to get the best value with the funds the public has entrusted to it.

A. Contracts Over \$100,000

1. If the value of the equipment or materials is estimated to exceed \$100,000, sealed bids shall be solicited by two weeks’ published notice in the official newspaper. This notice shall state the time and place of receiving bids and contain a brief description of the subject matter. Additional publication in the official newspaper or elsewhere may be made as the school board shall deem necessary.
2. The purchase shall be awarded to the lowest responsible bidder, be duly executed in writing, and be otherwise conditioned as required by law.
3. 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 lowest 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.
4. In the case of identical low bids from two or more bidders, the school board may, at its discretion, utilize negotiated procurement methods with

the tied low bidders so long as the price paid does not go above the low 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 rise above the original bid. If no satisfactory bid is received, the board may readvertise.

5. 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.

6. 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 resolicitation 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. Data created or maintained by the school district as part of the selection or evaluation process are protected as nonpublic data until completion of the selection or evaluation process. At that time, the data are public with the exception of trade secret data.

B. Contracts From \$25,000 to \$100,000

If the amount of the purchase is estimated to exceed \$25,000 but not to exceed \$100,000, the contract may be made either upon sealed bids in the manner directed above or by direct negotiation, by obtaining two or more quotations for the purchase when possible, and without advertising for bids or otherwise complying with the requirements of competitive bidding notice. All quotations obtained shall be kept on file for a period of at least one year after receipt.

C. Contracts \$25,000 or Less

If the amount of the purchase is estimated to be \$25,000 or less, the contract may be made either upon quotation or in the open market, in the discretion of the school board. The purchase in the open market may be by auction. If the contract is made on quotation, it shall be based, so far as practicable, on at least two quotations which shall be kept on file for a period of at least one year after receipt.

D. Electronic Purchase of Supplies, Materials, and Equipment

Notwithstanding the other procedural requirements of this policy, the school district may contract to purchase supplies, materials, and equipment through an electronic purchasing process in which sellers compete to sell the supplies, materials, or equipment at the lowest sale price in an open and interactive environment.

E. Notice of Quotation

Notice of procedures to receive quotations shall be given by publication or other means as appropriate to provide reasonable notice to the public.

III. PAYMENTS

A. In general, payments require prior board authorization.

B. The Treasurer of the School Board may approve bills for payment if the regular board meeting falls on a day that will prevent the district from paying claims without incurring late fees and/or interest charges or from receiving an early payment incentive discount.

C. Situations may arise in which immediate payment of accounts is necessary. Under the following conditions, the school board authorizes the superintendent or his/her designee(s) to issue checks and pay bills prior to school board approval if the amounts are within the approved budget:

1. Payment for goods and services which have been previously authorized by the school board;

2. Payment for the school district's share of employee fringe benefits;
 3. Fiscal agent fees; and
 4. Remittance amounts withheld from employees.
- D. Notwithstanding the subdivision immediately above, individual purchases of more than five thousand dollars (\$5,000) require prior school board approval.

Legal References: Minn. Stat. § 13.591 (Business Data)
Minn. Stat. § 123B.52 (Contracts)
Minn. Stat. § 471.345 (Uniform Municipal Contracting Law)
Minn. Stat. § 645.11 (Published Notice)

Cross References: Le Sueur–Henderson Public Schools Policy 701 (Establishment and Adoption of School District Budget)
Le Sueur–Henderson Public Schools Policy 701.1 (Modification of School District Budget)
Le Sueur–Henderson Public Schools Policy 802 (Disposition of Obsolete Equipment and Material)