

FISCAL MANAGEMENT**DEVELOPMENT OF A SYSTEM OF FISCAL MANAGEMENT - PURCHASING****I. GENERAL PURPOSE PROCEDURES**

The Administration shall be responsible for all purchasing functions and shall set up procedures governing same. The Purchasing Department shall consult with the department which will use the supplies and equipment in determining the kind and quality of materials and equipment to be purchased.

Purchases shall be made at the lowest possible cost to the school district, consistent with district specifications of quality and service.

A. Competitive bidding shall be practiced and the Board or its designee will base its purchasing decisions on an analysis of quotations or bids meeting advertised specifications. The Board or its designee will reserve the right to reject any and all quotations and/or bids.

1. Purchases may be made from a specific desired vendor without competitive bidding if a particular brand or model is needed to be compatible with other owned items.
2. Purchases may be made from a specific desired vendor without competitive bidding if a particular brand or model is only available from a sole source.

B. The Purchasing Department, principal or his/her designee, or supervisor shall record quotations and/or bids on each item of equipment or services to be purchased which is anticipated to cost one thousand dollars (\$1,000.00) or more. Quotations and/or bids shall be in the following format:

1. Oral Quotation via telephone, computer message, voice mail, or meeting with a sales representative. Such Quotations must be recorded by the employee who receives the oral quotations.
2. Written Quotation included in a letter, fax, e-mail, web page, sales brochure or catalog.
3. Advertised solicitation of bids through a legal advertisement published in a local general circulation

newspaper for which written specifications are developed and distributed to interested vendors.

In the interests of time, and efficiency oral quotations may be secured on purchases of equipment or services where each item is anticipated to cost less than \$10,000.00. In determining whether written quotations shall be secured, the Purchasing Department, principal or his/her designee, or supervisor shall weigh the necessity for speed of securing supplies, equipment and services, and the possible savings which may be realized. If cost savings for formal quotations or bids are insignificant, the Purchasing Department, principal or his/her designee, or supervisor may use prices given by reliable vendors. The Superintendent may authorize purchases within the approved budget required by emergencies.

- C. Advertised bids shall be received and announced at a public bid opening on the date and at the hour specified in the bid advertisement at the offices of the Board of Education. Bids shall be received and announced by the Superintendent or his designee and all pertinent bid data shall be publicly recorded by the Purchasing Department. In an emergency, submission of bids by facsimile will be accepted as valid bids for consideration as long as formal documents are received by the next working day after the bid opening. Bid documents shall be brought to the Board meeting for inspection. In the case of contracted work, the contractor shall, before starting work, present a performance bond in the amount of the contract price, according to the W. Va. Code §18-5-12). Competitive bidding shall be practiced and the Board or its designee will base its award of all advertised bids on an analysis of bids meeting specifications that were received. The Board or its designee will reserve the right to reject any and all bids.
- D. Advertised bids shall be used for all purchases of equipment and services when the anticipated cost of equipment or services exceeds \$25,000.00 or greater in the general current expense fund; provided, however, that in the sole discretion of the Superintendent advertised bids shall not be required in cases of emergency, if a particular brand or model is needed to be compatible with other owned items, if a particular brand or model is only available from a sole source, or if advertised bids are impractical because of circumstances such as rapid price fluctuations or the limited availability of the item or

service. In addition, advertised bids are not required for food service supplies and perishable goods and fuel for county vehicles because of rapid price fluctuations, spoilage, and the need for immediate deliveries. Such purchases must be made according to procedures recommended by the West Virginia Department of Education for these areas. The Administration shall use its discretion in determining whether items are to be brought to the Board prior to bidding procedures. Advertised bids shall be used for all purchases and services from Bond and Permanent Improvement Funds of \$25,000 or more. Bidders are responsible for being aware of the ethics laws of the State of West Virginia including those contained in Chapter 6B of the West Virginia Code and its enabling regulations. A prospective vendor submit a signed certificate of compliance with ethics laws before the such vendor's bid is considered.

Preferably, three (3) bids shall be secured but in cases where only one (1) bid is received the Board may accept that bid if it is in the Board's interest. However, in cases involving construction and/or renovation work and where only one (1) bid is received and is not acceptable to the Board, the Administration shall:

1. rebid using same specifications, or
2. rebid using revised specifications

When advertised bids for the purchase of equipment fail to elicit a bid, the Administration shall be authorized to purchase the equipment in the open market using its best professional judgment.

The county may waive the bidding requirement when a vendor is considered a sole source for the items being purchased, when it is deemed in the best interest of the BOE or when professional, technical or specialized services are being acquired under an agreement. All waivers must be documented and those based on a best interest determination must be approved by the Superintendent. Exemptions from competitive bidding can also be obtained if the purchase is included in the categories named in Section 9 of the West Virginia Department of Education's Purchasing Policy, Policy 8200. The policy can be found at the following website:

https://wvde.state.wv.us/finance/files/Policies/Policy8200_with_Cover.pdf

- E. Specifications shall be established that are descriptive of materials or equipment desired and that are sufficiently broad to promote competitive bidding. When materials ordered are exceptions to those in the warehouse catalog, the department or school originating requests for materials, supplies, or services shall provide the Purchasing Department with detailed specifications for all such items. The specifications shall include a general description of the item and its functional performances and may refer to a brand name, number, and/or equal. Whether an item bid is equal to specifications shall be determined by the purchaser and not the vendor.
- F. The Administration is authorized to participate in and/or accept the results of regional/state bidding as performed by a state agencies.

II. TABULATION OF BIDS OR QUOTATIONS

The tabulation of bids or quotations shall be submitted to the department or school that initiated the specifications. The tabulation is reviewed and the originator the n verifies in writing to the Purchasing Department that the item selected is the item specified or an item "equal to" the item specified.

When proper study has been given to a bid and the findings have been completed, a report shall be made to the Board of Education as follows:

- A. A list of names of all companies which have been requested to bid.
- B. A list of the companies which have actually returned bids.
- C. The Superintendent's recommendation as to the company to which the bid should be awarded, the amount of the successful bid, and the funding source.

The acceptance of a given item is the responsibility of the Board of Education. It is the responsibility of the Superintendent to recommend acceptance of all bids and quotations that are to be awarded.

III. BIDS AND PRICE QUOTATION FOR CONSTRUCTION AND/OR RENOVATION PROJECTS

Advertised bids for construction and repairs shall be accompanied by cash, certified check, cashier's check, or bidder's bond payable to the Ohio County Schools in the amount specified in the advertisement, as a guarantee for faithful performance of the contract by the successful bidder for contracts in excess of \$10,000.00.

At a minimum, all bids must comply with applicable state and federal laws including, but not limited to, the Davis-Bacon Act in the case of federally-funded construction and/or renovation projects and the rules, regulations policies and standards promulgated and adopted by the School Building Authority of West Virginia in the case of state funded project. The Board of Education reserves the right to require all prospective bidders to complete and submit documents and questionnaires with their bids to assist the Board in determining whether the contractor and subcontractors and meet threshold requirements for consideration of their bids.

The Board of Education reserves the right to reject any and all bids outright or waive any irregularities or informalities in any bid or in the bidding process. It shall be the contractor's responsibility to obtain and comply with the correct wage rates as specified by law.

Where two or more bidders are the same on quality and price, any possible preference shall be given to the bidder whose business establishment is within the boundaries of the school district. Where the two bidders are from outside the district, preference may be given to the firm which has given the best sustained service to the district.

A bid list shall be maintained in the Purchasing Department. Any vendor shall be placed on the bid list upon written request. The Purchasing Department, as an objective, will seek out sufficient bidders to normally have an uncontested low bid by virtue of having several bona fide bids.

All bidders shall be given an equal opportunity to qualify for school business.

IV. PURCHASE ORDERS

Purchase orders must be prepared by the Purchasing Department, principal or his/her designee, or supervisor before any purchase order can be made. The purchase order shall be prepared at the building by the principal or his/her designee, or supervisor or his/her designee. The completed purchase order will then be submitted to the Business Manager for review and approval. If the purchase order exceeds five thousand dollars (\$5,000.00), the purchase order will then be submitted to the Office of the Assistant Superintendent for review and approval. If the purchase order exceeds twenty-five thousand dollars (\$25,000.00), the purchase order will additionally be submitted to the Office of the Superintendent for review and approval. Mechanical or facsimile approvals are acceptable. Purchase orders are not required for payments of utilities or travel reimbursements.

The submitted purchase order is then reviewed by the Business Manager for proper budget coding, format, and sufficient funds in the particular budget. After the Business Manager approves the purchase order, it is processed in the Accounting Department and sent to the vendor. The Superintendent or Assistant Superintendent may perform this review and approval process and approve the purchase order in lieu of the Business Manager.

When the items described on the purchase order are received at the originating department, the receipt of items is noted on the purchase order by the employee who received the items and submitted to the Accounting Department. After matching the receiving information with the vendor's invoice and any discrepancies are resolved, payment is ready to be made to the vendor.

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It is recognized that situations may occur which require the purchase of items or services to accomplish a specific task or complete a job before the purchase order can be prepared and processed. Additionally, an authorized employee may need to purchase items with personal funds for the same reasons. In such cases, any purchases or commitments to be made before a purchase order can be prepared must have the prior approval of the Assistant Superintendent or Superintendent. A purchase order for the payment of the items or services or reimbursement to the authorized employee must then be prepared within a reasonable time after the actual costs become known.

V. PAYMENT OF INVOICES

Before checks are released to vendors, payments must be approved by the Ohio County Board of Education or, in certain circumstances described below, the Superintendent.

A. A list of payments ready to be made will be submitted to the Board for its approval at Board meetings with exceptions for circumstances including, but not limited to, the following for which authority is granted by the Board to the Superintendent to authorize immediate payment of obligations when due for:

1. Payroll tax deposits
2. Group health insurance premiums
3. Utilities
4. Ohio County Public Library
5. Employee travel expense account reimbursements
6. Items needed in an emergency
7. Previously bid items
8. Fuel
9. An invoice for which timely payment allows a price discount
10. A routine item costing less than \$1,000 which is needed immediately (postage, etc.)
11. Items for which payment must be included when ordering
12. An invoice from the Bond fund or Permanent Improvement Fund
13. Invoices when deemed by the Superintendent that immediate payments are in the best interests of the school system

B. Approval of the list of payments will be included in the minutes of the meeting of the Ohio County Board of Education.

Policy Revised: June 28, 2021
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OHIO COUNTY BOARD OF EDUCATION