

## Section 3000 – Fiscal Management

3660-R Bids, Quotations, and Local Preference (Cf. 4760)

3660-R

I. Contracting with minority businesses, women's businesses and labor surplus area firms

A. Pursuant to the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 2 CFR Part 200, Section 200.321 (the Uniform Guidance). The District will take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.

B. Affirmative steps must include:

1. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
2. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
3. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
4. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;
5. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
6. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section.

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### II. Methods of Procurement

- a. Micro-Purchases: Purchased that do not exceed the micro-purchase threshold identified in Federal Regulation 2CFR 200.67 will be awarded without soliciting competitive quotes if the District considers the price to be reasonable. Equitable distribution among vendors is required.
- b. Small Purchases: Purchases that exceed the micro-purchase threshold but do not exceed either 1) the federal simplified acquisition threshold identified in 2 CFR 200.88 or 2) the competitive bid threshold established by the state of Michigan under MCL 380.1274, will only be awarded after price or rate quotations are obtained from an adequate number of qualified sources.
- c. Purchases that exceed either 1) the federal simplified acquisition threshold identified in 2 CFR 200.88, or 2) the competitive bid threshold established by state of Michigan under MCL 380.1274, will only be awarded after obtaining either sealed bids, competitive proposals, or non-competitive proposals as described below;
  - i. Sealed Bids: Bids will be publicly solicited for a firm fixed price and awarded to the bidder who complies with all the material terms and conditions of the invitation and is the lowest in price.
    1. The sealed bid method will be the preferred method if the following conditions apply;
      - a. A complete, adequate, and realistic specification or purchase description is available
      - b. Two or more responsible bidders are willing and able to compete effectively for the business
      - c. The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price
    2. If sealed bids are used, the following requirements apply;

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- a. Bids will be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for the opening bids
  - b. The invitation for bids will be publicly advertised
  - c. The invitation for bids will define the items or services in order for the bidder to properly respond
  - d. All bids will be opened publicly at the time and place prescribed in the invitation for bids
  - e. A firm fixed price contract award will be made in writing to the lowest bidder.
  - f. Any or all bids may be rejected if there is a sound documented reason
- ii. Competitive Proposals: When the conditions are not appropriate for a sealed bid, a competitive proposal will be used. Either a fixed price or cost-reimbursement type contract may be awarded.
- 1.If competitive bids are issued, the following requirements apply;
    - a. Requests for proposals will be publicized and identify all evaluation factors and their relative importance. Any response to publicized request for proposals will be considered to maximum extent practical
    - b. Proposals will be solicited from an adequate number of qualified sources
    - c. Contracts will be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered
- iii. Non-Competitive Proposals: Procurement through solicitation of a proposal from only one source will be used only when one or more of the following circumstances apply;
1. The items is available only from a single source

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2. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation

### III. Competitive Bids on Building Construction, Renovation, and Repairs

Bids for construction or renovation projects which exceed the base amount published annually by the Michigan Department of Education above which competitive bids must be obtained shall be specified and publicly advertised as required by law.

The advertisements shall include:

- a. The date and time that the bids must be received by the District,
- b. A statement specifying that the District will not accept late submissions,
- c. The date, time, and place the bids will be opened and read by the Board, and
- d. A statement specifying that each bid shall be accompanied by a sworn and notarized statement disclosing any familial relationship between the owner or employee of the bidder and any member of the Board or the Superintendent of the District. The District shall not accept any bids that do not contain this sworn and notarized statement.

### IV. Procedure

All bids must be submitted to the Director of Purchasing in sealed envelopes with the name of the bidder, the date of the bid opening and the bid category plainly marked on the envelope. All timely received bids shall be opened and read aloud, at the date and time specified in the advertisement for bids. No bid shall be opened before the date and time specified for bid submission in the advertisement. All bidders and other interested persons are invited to be present when the bids are opened. Bids received after the specified date and time will not be accepted.

If only a single bid is received in a category for construction phase bids, the bid will be returned unopened and the category will be re-bid. Exception: the Director of Purchasing has discretion based on possible sole source consideration.

**V. Qualified Bidder**

All bids shall be awarded to the lowest qualified bidder. The District remains the sole judge of whether or not a bidder is “qualified,” based on staff evaluation and input. Criteria that may be used to judge “qualified,” by way of illustration and not limitation, are financial standing, reputation, experience, resources, facilities and efficiency.

The District may investigate the business reputation of any bidder by using information at hand to form an intelligent judgment, such as the District's architect, previous clients of the bidder, their own investigation, or an outside investigation agency.

**VI. Bid Specifications**

- a. Any errors or changes to bid specifications prior to the bid opening date will be corrected via a bid addendum.
- b. Any bid submitted to the District may be withdrawn prior to the scheduled time for opening of bids.
- c. Any bid received after the Board publicized date and time shall not be considered.

**VII. Rejection of Bids**

The Board reserves the right to reject all bids based on staff evaluation and to ask for new bids. Such reservation shall be specified in the publication or notification of bid letting. The District also reserves the right to waive any informality in, or reject any part of, a bid.

An annual review of the results of the impact of the minority, women, and local preference efforts will be provided to the Board’s Finance Committee.

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