



Making something amazing.

**Adopted: 3-4-18**

**Amended: 7-1-18**

## **731 BIDDING REQUIREMENTS**

### **I. PURPOSE**

The purpose of this policy is to establish requirements for procuring bids from vendors for purchases of supplies, equipment/tools and non-instructional contracted work to ensure The Studio School Board of Directors and its agents are exercising fiscal responsibility and operating most effectively and transparently within budget perimeters.

### **II. GENERAL STATEMENT OF POLICY**

The policy of this school district is to gather multiple price quotes or bids when making purchases in order to ensure effective use of public funds and budget fidelity.

### **III. GENERAL BIDDING REQUIREMENTS AND PROCEDURES**

- A. Price quoting will be conducted by various school department offices as appropriate for all purchases including supplies, equipment/tools and non-instructional contracted work.
- B. All item and work/job specifications must be:
  - 1. written in a manner that will minimize vendor misinterpretation and yet be in the vernacular of the trade.
  - 2. sufficiently broad to permit competition while retaining the desired level of quality. In all cases the dominant factors should be quality, price and services.
- C. At least three (3) price quotations or bids are required on all purchases of equipment/tools and non-instructional contracted work more than \$3000.00 but less than \$150,000.00.
  - 1. Equipment/tools or non-instructional contracted work exceeding one-hundred and fifty thousand dollars (\$150,000.00) are considered large purchases.
  - 2. On large purchases sealed bidding procedures (detailed below in section IV) will be used whenever possible.
- D. Standardization of tool/equipment and job specifications will be used to help achieve both quality control of bids for large purchases and to achieve the price advantages of quantity purchasing. When soliciting bids, individuals are encouraged to:
  - 1. Set specifications for goods and services as needed.



Making something amazing.

2. Cite several existing commercially available “standard brands” that meet the specifications acceptably as examples.
  3. Invite vendors to bid on the examples or comparable ones which the vendors believe to be acceptable according to the specifications.
- E. The Finance Committee will review all large purchase bids, and the Board of Directors will approval all large purchase bids by majority vote.
- F. The capitalization threshold for capitalizing fixed assets on machinery, equipment and vehicles is \$1,000.

#### **IV. SEALED BIDDING PROCEDURES FOR LARGE PURCHASE BIDS**

- A. The Board shall decide how many price quotations or bids are required to be gathered for purchase review.
- B. The Board shall have discretion in determining the responsibilities of the bidders.
- C. Bids on all large purchases shall be advertised and solicited according to specifications that can be reliably/consistently achieved and the quality and quantity determined.
- D. Once received, all sealed bids are to be opened by a voting member of the Board after the bid submission deadline passes.
- E. Bids received after the deadline date and time specified shall be returned to the bidder unopened.
- F. The Board shall purchase the lowest priced item or award the contract to the lowest responsible bidder, providing the bid fully meets the submission deadline and specifications.

#### ***Legal References:***

Minn. Stat. § 123B.52 & 471.345 (Contracts)

Minn. Stat. § 471.64 (Rights, Powers, Duties of Political Subdivisions)

Minn. Stat. § 471.87 (Conflict of Interest)