

REVISED

PURCHASING REQUIREMENTS

FILE: DJ-R

The following purchasing procedures shall be observed:

1. ~~Orders must be on an official requisition form and signed by the principal or supervisor.~~
2. ~~Type “DO NOT BACKORDER—SHIP BY (30 days from order date) OR CANCEL” at the bottom of all requisitions.~~
3. ~~Include 6% sales tax and 5% shipping (unless a more specific shipping amount is known).~~
4. ~~Send all copies except the goldenrod to the business office.~~
5. ~~Approved purchase orders will be returned as follow:
White copy — for mailing
Yellow copy — hold until merchandise arrives~~
6. ~~Return signed receiving copy (yellow) to the business office as soon as order is received (no backorders).~~
7. ~~Office copy of the requisition will be returned to each principal or supervisor who should see that a current balance is maintained in each allotted fund.~~
8. ~~All orders must be completed and invoiced by May 31. Purchase orders should not be written after May 15.~~

All purchases of supplies, material, and equipment will be made in accordance with applicable laws and regulations, including Chapter 143 Article 8 of the North Carolina General Statutes, Board policy, and any school district purchasing procedures. All employees involved in purchasing are expected to be familiar with these requirements.

The Director of Business Services will ensure that written specifications for desired products are descriptive, clear and incorporate the quality requirements and service needs of Transylvania County Schools. There is no minimum number of bids, proposals or quotes required for the purchase of supplies, material, and equipment (whether formally or informally bid); however, the Board encourages the Director of Business Services to obtain at least two bids, proposals or quotes when feasible.

Except as otherwise required by law or specified by the Board, the Board delegates to the superintendent the authority to award contracts for the purchase of equipment, material and supplies involving amounts up to \$90,000. The Board must approve any purchases or contracts involving expenditures greater than this amount. The Director of Business Services will review submissions of bids, proposals or quotes to determine if they are responsive to the district's

45 specifications, and will make recommendations to the superintendent. The superintendent will
46 award the contract based upon such recommendations or will make a recommendation to the
47 Board for award of the contract by the Board.

48
49 The Board will not enter into a contract with any supplier or contractor when performance on
50 any previous contract has been found to be unsatisfactory by the superintendent or the Board. A
51 Vendor Complaint Form may be filed with the Director of Business Services when performance
52 on a contract is found to be unsatisfactory. The Director of Business Services may then at his
53 discretion remove a vendor from the approved vendor list based on the complaint and the
54 vendor's response.

55
56 Supplies, material, and equipment must be purchased in accordance with the following
57 requirements. Consideration should be given to making purchases within Transylvania County
58 when goods are of equal quality and comparable price.

59
60 **A. FORMAL BIDS (\$90,000 OR MORE)**

61
62 The purchase of supplies, materials or equipment for expenditures of \$90,000 or more
63 must be secured through the competitive bid process governed by G.S. 143-129. The
64 superintendent, in consultation with the Director of Business Services, is authorized to
65 use any of the following methods to satisfy formal bid requirements.

- 66
67 1. *Competitive Sealed Bids* – A competitive sealed bid (or invitation to bid) may be
68 used to request the cost of particular goods by providing detailed specifications in
69 advance.
70
71 2. *Reverse Auction* - Pursuant to G.S. 143-129.9(a)(1), Transylvania County Schools
72 may use reverse auctions as an alternative to sealed bid procedures. For purposes
73 of this policy, reverse auction means a real-time purchasing process in which
74 bidders compete to provide goods at the lowest selling price in an open and
75 interactive environment. The superintendent, in consultation with the Director of
76 Business Services, will determine whether reverse auctions are appropriate for a
77 specific purchase or category of purchases. To conduct a reverse auction, the
78 purchase officer may use a third party, the state's electronic procurement system,
79 or, if appropriate equipment is available, may conduct the auction via school
80 district equipment.
81
82 3. *Exceptions to Formal Bids* – Any of the processes outlined below in Section E
83 can be used in lieu of formal bidding, as long as all requirements of state law are
84 met.
85

86 The Director of Business Services shall direct the bid process and will ensure that all
87 state requirements are met, including advertisement, sealed bids, maintenance of records,
88 and public opening of bids. The Board authorizes the use of newspaper advertisement,

89 electronic advertisement or both for formal bids; however, the superintendent has the
90 authority to determine which method will be used for a specific purchase or categories of
91 purchases. Awards will be made to the lowest responsible bidder(s) whose bid/proposal
92 meets the requirements and criteria set forth by Transylvania County Schools, taking into
93 consideration quality, performance and the time specified in the proposal for the
94 performance of the contract. All contracts awarded must be in writing.
95

96 **B. INFORMAL BIDS (\$5,000 TO \$90,000)**

97
98 The purchase of supplies, materials or equipment from \$5,000 to \$90,000 must be
99 secured through the informal bidding process governed by G.S. 143-131. The
100 superintendent, in consultation with the Director of Business Services, is authorized to
101 use of any of the following methods for bids and shall ensure that all state requirements
102 are met, including maintaining records of all bids submitted.
103

- 104 1. *Competitive Sealed Bids* – Informal bid requirements may be met by the use of
105 sealed bids. The Director of Business Services may utilize the methods for formal
106 competitive bids provided in Section A or may determine other appropriate
107 methods for soliciting sealed bids. The bid specifications will include the time,
108 date and place for opening bids. No advertisement for bids is necessary; however,
109 the Director of Business Services may advertise for bids, as he/she deems
110 appropriate.
- 111 2. *Quotations* – Informal bid requirements may be met by the solicitation of quotes
112 from prospective vendors. Quotations may be solicited and submitted via fax,
113 email or telephone. Telephone quotes must be placed in writing before a final
114 contract will be awarded. Written quotations must be on the vendor’s letterhead
115 or an official quotation form, and must include an authorized signature.
116
- 117 3. *Reverse Auction* – A reverse auction may be used to solicit informal bids,
118 consistent with the process provided in Section A.2.
119
- 120 4. *Exceptions to Informal Bids* – Any of the processes outlined in Section E can be
121 used in lieu of informal bidding, as long as all requirements of state law are met.
122
123

124 Awards will be made to the lowest responsible bidder(s) whose bid or proposal meets the
125 requirements set forth by Transylvania County Schools, taking into consideration quality,
126 performance and the time specified in the proposal for the performance of the contract.
127

128 **C. PURCHASES FOR LESS THAN \$5,000**

129
130 All purchases of supplies, materials, and equipment under \$5,000 shall be made in
131 accordance with applicable laws and regulations, including Chapter 143 Article 8 of the
132 North Carolina General Statutes, board policy and any school district purchasing

133 procedures. Purchase decisions should be made after considering price, quality,
134 suitability for specified need and timeliness of delivery and performance.
135

136 There is no minimum number of bids, proposals or quotes required for the purchase of
137 supplies, material, and equipment. However, the Board encourages the Director of
138 Business Services to obtain at least two bids, proposals or quotes when feasible. Term
139 contracts rendered by the NC Division of Purchase and Contract or U.S. Communities
140 may be used to satisfy this condition.
141

142 **D. ELECTRONIC BIDDING**

143
144 Pursuant to G.S. 143-129.9(a)(2), Transylvania County Schools may receive bids
145 electronically in addition to or instead of paper bids. If electronic bids are used for
146 purchases that must be formally bid, procedures for receipt of electronic bids must be
147 designed to ensure the security, authenticity and confidentiality of the bids to at least the
148 same extent as provided with paper bids. The superintendent, in consultation with the
149 Director of Business Services, will determine whether electronic bidding is appropriate
150 for a specific purchase or category of purchases.
151

152 **E. EXCEPTIONS TO THE FORMAL AND INFORMAL BIDDING REQUIREMENTS**

153
154 Transylvania County Schools may utilize the following purchasing options instead of
155 pursuing competitive bidding. Formal or informal bidding is not required if any of these
156 processes are used. The Director of Business Services is responsible for gathering
157 information to document the basis for the use of any exceptions to the competitive
158 bidding requirements. The superintendent, in consultation with the Director of Business
159 Services, will determine whether using one of the following exceptions is appropriate for
160 a specific purchase or group of purchases.
161

- 162 1. *Purchases from Other Governmental Agencies* – Pursuant to G.S. 143-129(e)(1),
163 Transylvania County Schools may contract for the purchase, lease or other
164 acquisition of apparatus, supplies, materials, or equipment from any other federal,
165 state or local governmental agency.
166
- 167 2. *Special Emergencies* – Pursuant to G.S. 143-129(e)(2), competitive bidding is not
168 required in cases of special emergencies involving the health and safety of people
169 or their property. For an emergency to exist under the statute, the following
170 factors must exist: (1) the emergency must be present, immediate and existing;
171 (2) the harm cannot be averted through temporary measures; and (3) the
172 emergency must not be self-created by Transylvania County Schools.
173
- 174 3. *Competitive Group Purchasing* – Pursuant to G.S. 143-129(e)(3), Transylvania
175 County Schools may make purchases through a competitive bidding group

- 176 purchasing program, through which another entity uses a competitive process to
177 establish contracts on behalf of multiple entities at discount prices.
178
- 179 4. *State Term Contract* – Pursuant to G.S. 143-129(e)(9), Transylvania County
180 Schools may purchase products included in state term contracts with the state
181 vendor for the price stipulated in the state contract, if the vendor is willing to
182 extend Transylvania County Schools the same or more favorable prices, terms and
183 conditions as established in the state contract.
184
- 185 5. *Sole Source Items* – Pursuant to G.S. 143-129(e)(6), upon approval of the Board
186 of Education, Transylvania County Schools may purchase an item through a
187 single/sole source contract under the following circumstances: (1) when
188 performance or price competition is not available; (2) when a needed product is
189 available from only one source of supply; or (3) when standardization or
190 compatibility is the overriding consideration. When requesting a purchase under
191 the sole source exception, the Director of Business Services will provide the
192 board with documentation that justifies the use of the exception.
193
- 194 6. *“Piggybacking” or Previously Bid Contracts* – Pursuant to G.S. 143-129(g), upon
195 approval of the Board of Education, Transylvania County Schools may purchase
196 from any supplier that, within the previous 12 months, has contracted to furnish
197 the needed item to the federal government, to any state government, or to any
198 agency or political subdivision of the federal government or any state
199 government. Before recommending a purchase using the piggybacking exception,
200 the Director of Business Services will ensure that the following requirements are
201 met: (1) the price and other terms and conditions of the contract are at least as
202 favorable as the prior contract; (2) the contract was entered into following a
203 public, formal bid process substantially similar to that required by North Carolina
204 General Statutes; (3) the same vendor is used; and (4) notice of intent to award the
205 contract without bidding is publicly advertised at least 10 days prior to the
206 regularly scheduled board meeting at which the contract will be approved. Before
207 approving the contract, the Board must determine that using the contract is in the
208 best interest of Transylvania County Schools.
209
- 210 7. *Purchases of Information Technology Goods and Services* – Pursuant to G.S. 143-
211 129(e)(7), Transylvania County Schools may purchase or lease information
212 technology through contracts established by the State Office of Information
213 Technology Services. The Director of Business Services will work with the
214 technology department to ensure that any such purchases meet the needs of
215 Transylvania County Schools.
216
- 217 In addition, Transylvania County Schools also may purchase information
218 technology goods and services by using a request for proposal (RFP) pursuant to
219 G.S. 143-129.8, provided that the following requirements are met: (1) notice of

the request is provided consistent with the formal bidding notice requirements, and (2) contracts are awarded to the person or entity that submits the best overall proposal as determined by the Director of Business Services and superintendent. The RFP should describe the scope of work, general terms and conditions, specifications of the product needed by Transylvania County Schools, and the application process. The information technology supervisor will assist the Director of Business Services in reviewing the responsiveness of any RFP submitted pursuant to this subsection. RFPs will be evaluated using the “best value” method as defined in G.S. 143-135.9(a)(1), so that the district can select the most appropriate technological solution to meet objectives. However, in situations where the Director of Business Services considers the purchase to be highly complex or is unable to clearly determine what the optimal solution for Transylvania County Schools is, the “solution-based solicitation” or “government-vendor partnership” method may be used. The Director of Business Services may negotiate with the bidder to obtain a final contract that meets the best needs of Transylvania County Schools, as long as the alterations based on such negotiations do not deprive bidders/potential bidders of the opportunity to compete for the contract and do not result in the award of the contract to a different person or entity than it would have been if the alterations had been included in the RFP.

- 8. *Gasoline, Fuel and Oil Purchases* – Pursuant to G.S. 143-129(e)(5), Transylvania County Schools may purchase gasoline, fuel and oil products without using formal competitive bidding. However, such purchases are subject to the informal bidding requirements provided above.
- 9. *Used Products* – Pursuant to G.S. 143-129(e)(10), Transylvania County Schools may purchase previously used supplies, materials, and equipment without using formal competitive bidding. Before purchasing used products, the Director of Business Services will ensure that the products are in good, usable condition and will be sufficient to meet the needs of Transylvania County Schools for a reasonable period of time.

F. E-PROCUREMENT REQUIREMENTS

As required by law, Transylvania County Schools will use the North Carolina Electronic Procurement (“e-procurement”) system to facilitate the electronic purchase of goods and services. School district personnel will comply with standards established by the State Board of Education so that Transylvania County Schools can become e-procurement compliant. As of the date that Transylvania County Schools is certified by the Department of Public Instruction to be e-procurement compliant, the Director of Business Services shall ensure that purchases of supplies, materials, and equipment through the e-procurement system total at least 30 percent of remaining unencumbered funds for that

263 fiscal year. Purchases the following year must total at least 35 percent of budgeted funds,
264 and 40 percent of budgeted funds in the year thereafter.

265 **G. LEASE PURCHASE CONTRACTS AND OTHER CONTRACTS FINANCED OVER TIME**

266
267
268 Lease purchase contracts, contracts that include options to purchase, and leases for the
269 life of equipment all must be bid consistent with the requirements of G.S. 149-129 and
270 149-131. The Director of Business Services will ensure that such contracts meet the legal
271 requirements and the provisions of this policy.

272
273 **H. USE OF SCHOOL DISTRICT TERM CONTRACTS**

274
275 Transylvania County Schools may create and use term contracts for items that are
276 routinely purchased by Transylvania County Schools. If the estimated expenditure for a
277 routine item under the term contract exceeds \$90,000, the contract must be formally bid.
278 If the estimated expenditure is between \$5,000 and \$90,000, the contract must be
279 informally bid. The Director of Business Services may incorporate the use of a term
280 contract in the bidding specifications. If term contracts are used, the contracts will be
281 created and/or reviewed by the board attorney, in consultation with the Director of
282 Business Services.

283
284 **I. HISTORICALLY UNDERUTILIZED BUSINESSES**

285
286 The Board affirms the state’s commitment to encourage the purchase of supplies,
287 materials, and equipment from historically underutilized businesses. The Board will
288 comply with all legal requirements and the standards in Board Policy DJCA, Contracting
289 and Purchasing Procedures.

290
291 **RESOURCES:**

292
293 N.C. General Statutes
294 [Chapter 143 Article 8](#)

295
296 N.C. Division of Purchase and Contract
297 1305 Mail Service Center
298 Raleigh, NC 27699-1305
299 <http://www.doa.state.nc.us/PandC/>

300
301 U.S. Communities
302 2175 N. California Blvd.
303 Suite 550
304 Walnut Creek, CA 94596
305 1-866-472-7467
306 <http://www.uscommunities.org/>

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309 APPROVED BY BOARD

310 AND EFFECTIVE 11/6/79

311 REVISED 11/22/93

312 **REVISED** _____