

REVISED

PURCHASING REQUIREMENTS

FILE: DJ-R

1 The following purchasing procedures shall be observed:

- 2
- 3 1. ~~Orders must be on an official requisition form and signed by the principal or~~
- 4 ~~supervisor.~~
- 5
- 6 2. ~~Type “DO NOT BACKORDER—SHIP BY (30 days from order date) OR~~
- 7 ~~CANCEL” at the bottom of all requisitions.~~
- 8
- 9 3. ~~Include 6% sales tax and 5% shipping (unless a more specific shipping amount is~~
- 10 ~~known).~~
- 11
- 12 4. ~~Send all copies except the goldenrod to the business office.~~
- 13
- 14 5. ~~Approved purchase orders will be returned as follow:~~
- 15
- 16 ~~White copy — for mailing~~
- 17 ~~Yellow copy — hold until merchandise arrives~~
- 18
- 19 6. ~~Return signed receiving copy (yellow) to the business office as soon as order is~~
- 20 ~~received (no backorders).~~
- 21
- 22 7. ~~Office copy of the requisition will be returned to each principal or supervisor who~~
- 23 ~~should see that a current balance is maintained in each allotted fund.~~
- 24
- 25 8. ~~All orders must be completed and invoiced by May 31. Purchase orders should not~~
- 26 ~~be written after May 15.~~
- 27

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

32
33 The Director of Business Services will ensure that written specifications for desired products are
34 descriptive, clear and incorporate the quality requirements and service needs of Transylvania
35 County Schools. There is no minimum number of bids, proposals or quotes required for the
36 purchase of supplies, material, and equipment (whether formally or informally bid); however, the
37 Board encourages the Director of Business Services to obtain at least two bids, proposals or
38 quotes when feasible.

39
40 Except as otherwise required by law or specified by the Board, the Board delegates to the
41 superintendent the authority to award contracts for the purchase of equipment, material and
42 supplies involving amounts up to \$90,000. The Board must approve any purchases or contracts
43 involving expenditures greater than this amount. The Director of Business Services will review

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

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

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

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

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

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

130
131 All purchases of supplies, materials, and equipment under \$5,000 shall be made in
132 accordance with applicable laws and regulations, including Chapter 143 Article 8 of the
133 North Carolina General Statutes, board policy and any school district purchasing
134 procedures. Purchase decisions should be made after considering price, quality,
135 suitability for specified need and timeliness of delivery and performance.

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

142
143 **D. ELECTRONIC BIDDING**

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

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

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

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

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- 172 (2) the harm cannot be averted through temporary measures; and (3) the
173 emergency must not be self-created by Transylvania County Schools.
174
- 175 3. *Competitive Group Purchasing* – Pursuant to G.S. 143-129(e)(3), Transylvania
176 County Schools may make purchases through a competitive bidding group
177 purchasing program, through which another entity uses a competitive process to
178 establish contracts on behalf of multiple entities at discount prices.
179
- 180 4. *State Term Contract* – Pursuant to G.S. 143-129(e)(9), Transylvania County
181 Schools may purchase products included in state term contracts with the state
182 vendor for the price stipulated in the state contract, if the vendor is willing to
183 extend Transylvania County Schools the same or more favorable prices, terms and
184 conditions as established in the state contract.
185
- 186 5. *Sole Source Items* – Pursuant to G.S. 143-129(e)(6), upon approval of the Board
187 of Education, Transylvania County Schools may purchase an item through a
188 single/sole source contract under the following circumstances: (1) when
189 performance or price competition is not available; (2) when a needed product is
190 available from only one source of supply; or (3) when standardization or
191 compatibility is the overriding consideration. When requesting a purchase under
192 the sole source exception, the Director of Business Services will provide the
193 board with documentation that justifies the use of the exception.
194
- 195 6. *“Piggybacking” or Previously Bid Contracts* – Pursuant to G.S. 143-129(g), upon
196 approval of the Board of Education, Transylvania County Schools may purchase
197 from any supplier that, within the previous 12 months, has contracted to furnish
198 the needed item to the federal government, to any state government, or to any
199 agency or political subdivision of the federal government or any state
200 government. Before recommending a purchase using the piggybacking exception,
201 the Director of Business Services will ensure that the following requirements are
202 met: (1) the price and other terms and conditions of the contract are at least as
203 favorable as the prior contract; (2) the contract was entered into following a
204 public, formal bid process substantially similar to that required by North Carolina
205 General Statutes; (3) the same vendor is used; and (4) notice of intent to award the
206 contract without bidding is publicly advertised at least 10 days prior to the
207 regularly scheduled board meeting at which the contract will be approved. Before
208 approving the contract, the Board must determine that using the contract is in the
209 best interest of Transylvania County Schools.
210
- 211 7. *Purchases of Information Technology Goods and Services* – Pursuant to G.S. 143-
212 129(e)(7), Transylvania County Schools may purchase or lease information
213 technology through contracts established by the State Office of Information
214 Technology Services. The Director of Business Services will work with the

215 technology department to ensure that any such purchases meet the needs of
216 Transylvania County Schools.

217
218 In addition, Transylvania County Schools also may purchase information
219 technology goods and services by using a request for proposal (RFP) pursuant to
220 G.S. 143-129.8, provided that the following requirements are met: (1) notice of
221 the request is provided consistent with the formal bidding notice requirements,
222 and (2) contracts are awarded to the person or entity that submits the best overall
223 proposal as determined by the Director of Business Services and superintendent.
224 The RFP should describe the scope of work, general terms and conditions,
225 specifications of the product needed by Transylvania County Schools, and the
226 application process. The information technology supervisor will assist the
227 Director of Business Services in reviewing the responsiveness of any RFP
228 submitted pursuant to this subsection. RFPs will be evaluated using the “best
229 value” method as defined in G.S. 143-135.9(a)(1), so that the district can select
230 the most appropriate technological solution to meet objectives. However, in
231 situations where the Director of Business Services considers the purchase to be
232 highly complex or is unable to clearly determine what the optimal solution for
233 Transylvania County Schools is, the “solution-based solicitation” or
234 “government-vendor partnership” method may be used. The Director of Business
235 Services may negotiate with the bidder to obtain a final contract that meets the
236 best needs of Transylvania County Schools, as long as the alterations based on
237 such negotiations do not deprive bidders/potential bidders of the opportunity to
238 compete for the contract and do not result in the award of the contract to a
239 different person or entity than it would have been if the alterations had been
240 included in the RFP.

241
242 8. *Gasoline, Fuel and Oil Purchases* – Pursuant to G.S. 143-129(e)(5), Transylvania
243 County Schools may purchase gasoline, fuel and oil products without using
244 formal competitive bidding. However, such purchases are subject to the informal
245 bidding requirements provided above.

246
247 9. *Used Products* – Pursuant to G.S. 143-129(e)(10), Transylvania County Schools
248 may purchase previously used supplies, materials, and equipment without using
249 formal competitive bidding. Before purchasing used products, the Director of
250 Business Services will ensure that the products are in good, usable condition and
251 will be sufficient to meet the needs of Transylvania County Schools for a
252 reasonable period of time.

253
254 **F. E-PROCUREMENT REQUIREMENTS**

255
256 As required by law, Transylvania County Schools will use the North Carolina Electronic
257 Procurement (“e-procurement”) system to facilitate the electronic purchase of goods and

258 services. School district personnel will comply with standards established by the State
259 Board of Education so that Transylvania County Schools can become e-procurement
260 compliant. As of the date that Transylvania County Schools is certified by the
261 Department of Public Instruction to be e-procurement compliant, the Director of Business
262 Services shall ensure that purchases of supplies, materials, and equipment through the e-
263 procurement system total at least 30 percent of remaining unencumbered funds for that
264 fiscal year. Purchases the following year must total at least 35 percent of budgeted funds,
265 and 40 percent of budgeted funds in the year thereafter.

266
267 **G. LEASE PURCHASE CONTRACTS AND OTHER CONTRACTS FINANCED OVER TIME**
268
269 Lease purchase contracts, contracts that include options to purchase, and leases for the
270 life of equipment all must be bid consistent with the requirements of G.S. 149-129 and
271 149-131. The Director of Business Services will ensure that such contracts meet the legal
272 requirements and the provisions of this policy.
273

274 **H. USE OF SCHOOL DISTRICT TERM CONTRACTS**
275
276 Transylvania County Schools may create and use term contracts for items that are
277 routinely purchased by Transylvania County Schools. If the estimated expenditure for a
278 routine item under the term contract exceeds \$90,000, the contract must be formally bid.
279 If the estimated expenditure is between \$5,000 and \$90,000, the contract must be
280 informally bid. The Director of Business Services may incorporate the use of a term
281 contract in the bidding specifications. If term contracts are used, the contracts will be
282 created and/or reviewed by the board attorney, in consultation with the Director of
283 Business Services.
284

285 **I. HISTORICALLY UNDERUTILIZED BUSINESSES**
286
287 The Board affirms the state’s commitment to encourage the purchase of supplies,
288 materials, and equipment from historically underutilized businesses. The Board will
289 comply with all legal requirements and the standards in Board Policy DJCA, Contracting
290 and Purchasing Procedures.
291

292 **RESOURCES:**
293
294 N.C. General Statutes
295 [Chapter 143 Article 8](#)
296
297 N.C. Division of Purchase and Contract
298 1305 Mail Service Center
299 Raleigh, NC 27699-1305
300 <http://www.doa.state.nc.us/PandC/>

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301
302 U.S. Communities
303 2175 N. California Blvd.
304 Suite 550
305 Walnut Creek, CA 94596
306 1-866-472-7467
307 <http://www.uscommunities.org/>
308
309
310 APPROVED BY BOARD
311 AND EFFECTIVE 11/6/79
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