

PURCHASING PROCEDURES
COMPETITIVE BIDDING

PURPOSE:

The North Kingstown School Committee requires all fiscal dealings for the School District to be transparent and to be conducted in accordance with School Department policy, the Ordinances of the Town of North Kingstown and General Laws of the State of Rhode Island.

PHILOSOPHY:

The North Kingstown Committee is committed to ensuring that all bidding laws, rules and regulations are complied with, in order to ensure the integrity of the bidding process and to obtain the best price for goods, services and leases purchased by the School Department. In a capitalistic environment, the forces of the market will allow the School District to buy materials and supplies for the best price when there is more than one bidder. Competitive bidding requires the School District to set the parameters for more than one vendor and choose the bid that meets the requirements and saves the School District costs. This savings allows the School Committee to wisely use the tax payer money that is appropriated by the Town.

POLICY STATEMENT:

Before the Superintendent and/or the School Committee makes any purchase or contract for supplies, materials, equipment, or repairs, ample opportunity shall be given for competitive bidding, under such rules and regulations, and with such exceptions, as the School Committee may prescribe, in accordance with School Department policy, the Ordinances of the Town of North Kingstown and Rhode Island General Laws. This policy applies to the purchase of goods and services of a value of over \$5,000.

PURCHASE OF GOODS OR SERVICES OR LEASES OF OVER \$5,000:

Goods services and leases purchased over \$5,000 must be compliant with Town Ordinances and Rhode Island General Laws regarding competitive bidding. Per state regulations, these purchases must be approved by the North Kingstown School Committee prior to purchase and must abide by this policy. The specifics of competitive bidding requirements are set forth below as they appear in the North Kingstown Town Charter.

Sec. 2-1. Competitive bidding required.

The Town Finance Director shall appoint a deputy purchasing agent at the School Department to assist with all purchasing duties and responsibilities outlined in this section. All purchases of or contracts for supplies, materials, equipment and services made by any department shall be by competitive bidding in accordance with the following procedure:

(1) *Quotations.*

a. Any department may make purchases or contracts for supplies, materials, equipment and services in an amount not greater than \$5,000.00 for any one purchase.

b. Any department may enter into a contract for construction or projects in an amount not greater than \$10,000.00 by requesting three written quotations of price.

c. Splitting of purchases or contracts for supplies, materials, equipment, services and/or construction projects so as not to exceed these limits is prohibited.

(2) *Sealed bidding.* No department shall make purchases or contracts for supplies, materials and services in an amount, which exceeds \$5,000.00 and \$10,000.00 for construction or projects without having secured sealed bids in accordance with accepted standards of procedures therefore. The governing body must award bids received under this provision.

(3) *Exceptions to competitive bidding.* The deputy purchasing agent may recommend to the Town Manager and Town Council (or Superintendent and School Committee) the competitive bidding for purchases, contracts or leases under the provisions of G.L. 1956, § 45-55-8 and this section be waived if it is determined in writing that there is only one source for such supplies, materials, equipment and services or lessor thereof or such other justification to waive the Purchasing requirements. The department must complete a Purchase Justification Form and the form must be approved by the department and the Chief Operating Officer. A sole source provider or purchase justification is evident when:

a. The purchase, contract or lease is made directly with the manufacturer for less than wholesale list prices and it is demonstrated to be impractical, disadvantageous or unwarranted to seek competitive bids.

b. The purchase, contract or lease is made under the state or any state agency or governmental jurisdiction's cooperative procurement program that will allow the town to make a purchase that the jurisdiction has made available following the completion of its own internal purchasing procedures and it is demonstrated to be impractical, disadvantageous or unwarranted to seek competitive bids.

c. The purchasing agent determines that there is only one firm or company that is capable of providing a particular service or commodity and said service or commodity cannot be secured from any other persons or companies. All sole source determinations shall be reviewed and approved by the Town Manager or Superintendent, as may apply and shall be forwarded for approval to the Town Council or School Committee at the next available meeting.

d. One of a Kind Purchase - The commodity or service has no competitive product and is available from only one supplier.

e. Compatibility - The commodity or service must match existing brand of equipment for compatibility and is available from only one supplier.

f. Replacement Part - The commodity is a replacement part for a specific brand of existing equipment and is available from only one supplier.

g. Unique Design - The commodity or service must meet physical design or quality requirements and is available from only one supplier.

h. *Emergency purchases.* The Town Manager or Superintendent may dispense with competitive bidding for purchases, contracts or leases under G.L. 1956, § 45-55-8 and the provisions of this article, if it is determined in writing that an emergency situation exists that would not have allowed sufficient time for a competitive bid process.

The Town Manager or Superintendent should request three written emergency quotations of price, if time permits. At the next regularly scheduled meeting of the governing body, the emergency situation shall be brought before the governing body for approval. The emergency situation must be fully documented with supporting information explaining why the emergency purchase would not have allowed for competitive bids or written quotations (if applicable). Emergency situations are classified as those where immediate procurement is essential to prevent delays in work, which may vitally affect the life, health or safety of citizens or vital operations of the town or Schools. Improper planning of lead time required to procure normal operating supplies or services will not be allowed under this emergency provision.

- i. Preferred - The quality of the commodity or qualifications of the service provider are preferred. The deputy purchasing agent must provide a valid reason why this is a preferred product or service.

(5) *Contract change orders.* The Town Manager or Superintendent are authorized to approve change orders to existing contracts without governing body approval in an amount not to exceed ten percent and not greater than \$15,000.00 in cumulative total of the original contract amount. If governing body approval of a change order would cause delays in work, which may vitally affect the life, health or safety of citizens, then the Town Manager or Superintendent may approve such change order and request ratification by the governing body after the fact with fully documented information explaining why approval of the change order was necessary.

(6) *Preparation of bids.* No outside company or affiliate shall prepare or consult in the preparation of bid specifications for purchases, contracts or leases unless that company has been contracted to do so. No outside company who has prepared or consulted in the preparation of bid specifications may be allowed to bid on said purchase, contract or lease.

(7) *Competitive bidding for multiple departments.* Whenever feasible all purchases made through one company for the same products for multiple departments shall be combined for the purpose of determining the requirement for competitive bidding.

(8) *Willful failure to comply.* Willful failure to comply with this section shall be referred to legal authorities.

(Rev. Ords. 1974, § 2-1-1; Ord. No. 96-6, § 1, 5-13-1996; Ord. No. 96-17, § 1, 10-7-1996; Ord. No. 99-13, § 1, 6-21-1999; Ord. No. 07-04, § 1, 2-5-2007; Ord. No. 08-01, § 1, 1-14-2008)
Charter references: Competitive bidding, § 1014; contracts and purchases, §§ 1015, 1016.
State law references: Municipal contracts, G.L. 1956, § 45-55-1 et seq.; competitive bid requirements, G.L. 1956, § 45-55-5; sole source procurement, G.L. 1956, § 45-55-8; small purchases, G.L. 1956, § 45-55-9.

This policy is not meant to override any changes to State laws or Local Ordinances regarding competitive bidding.

Adopted: 7/28/58

Amended: 8/7/89; 9/5/89; 5/24/10, 9/28/10, 5/8/18