

MICHIGAN VIRTUAL CHARTER ACADEMY
PURCHASING WITH FEDERAL FUNDS

FINANCE
Policy No. _____

In order to maintain effective control over the purchase of supplies, materials, equipment and services with Federal monies or under a Federal grant, the Academy must follow all applicable Federal laws, regulations and standards, as well as all applicable Academy Board policies and applicable State laws, rules and regulations.

It is the general policy of the Board of Directors that the purchase of all federally funded supplies, materials, equipment and services be at the lowest possible cost in the best interest of the Academy. All procurement processes should use good administrative practices and judgement and free of any real or apparent conflict of interest. All procurements are to be conducted in a manner which provides open competition. The lowest responsible bidder shall generally be awarded the contract; however, the Board of Directors reserves the right to accept any bid/proposal that it feels is in the best interest of the Academy.

When purchasing supplies, materials or equipment with Federal monies or under a Federal grant, the procurement processes must also be in accordance with and follow the General Purchasing Policy.

When procuring services with Federal monies or under a Federal grant, if the reasonably anticipated cost is less than \$150,000.00, then the Academy must contact a reasonable number of potential vendors and obtain informal written quotes for the services from at least three (3) vendors, to the extent possible. If the reasonably anticipated cost for services which will be funded by Federal monies or under a Federal grant is at or over \$150,000.00, competitive bidding must be used for the procurement of those federally funded services. If it is determined that a formal competitive process for the procurement of services costing less than \$150,000.00 is in the best interests of the Academy, the Academy may use an appropriate competitive bidding process to obtain bids/proposals for the services.

Procurement of federally funded supplies, materials, equipment or services through solicitation of a proposal from only one source may be used only when one or more of the following circumstances apply:

- The federally funded supplies, materials, equipment or services can be verified to be only available from a single source;
- The public necessity or emergency will not permit a delay resulting from the competitive bid process;
- A noncompetitive bid/proposal is expressly authorized by the awarding agency; or
- After solicitation of a number of sources, competition is determined inadequate.

The Board of Directors reserves the right to accept or reject any and all bids/proposals, in whole or in part. The Board of Directors reserves the right to waive any informalities or irregularities in the procurement process or a bid/proposal, and the right to award to other than the lowest bidder. Legal References: 2 CFR 200.300; 2 CFR 200.303; 2 CFR 200.318-326; 2 CFR 200.88;

APPROVED JUNE 28, 2018