



Livonia Public Schools

Finance Office

Date: November 1, 2022

To: Andrea Oquist, Superintendent

From: Alison Smith, Chief Financial Officer

Re: Administrative Procedure DJE - Purchasing

Sections 1267 and 1274 (MCL 380.1267 and 380.1274) of Michigan's Revised School Code establish a base above which competitive bids must be obtained for school construction projects (including renovation, repair, or remodeling) and procurement of supplies, materials, and equipment. The laws also provide for an increase in the base amount corresponding to increases in the Consumer Price Index (CPI). The fiscal year 2021-2022 base of \$26,046 for Section 623a, 1267, and 1274 items has increased by \$2,002 to \$28,048 for fiscal year 2022- 2023 based on the Consumer Price Index.

Administrative Procedure DJE outlines the procedures that must be followed in the procurement of all supplies, materials, equipment, and services paid for by the district. Historically the bid threshold and school board approval threshold outlined in the district's administrative procedures closely align with the amount established by the Revised School Code. Therefore, I am recommending the current references to \$26,000 in the administrative procedures be adjusted to \$28,000. I am also suggesting we replace the word "sealed" with "competitive" in section 4 based on consultation with our legal counsel and to align the administrative procedure more closely with requirements of the Revised School Code.

Please include this agenda item for the Monday, November 7, 2022, Board of Education Committee of the Whole meeting. As always, please contact me if you have any questions.

Attachment

c: Board of Education

AS/kv