



Livonia Public Schools

Finance Office

Date: October 13, 2023

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 2022-2023 base of \$28,048 for Section 623a, 1267, and 1274 items has increased by \$1,524 to \$29,572 for fiscal year 2023- 2024 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 \$28,000 in the administrative procedures be adjusted to \$29,500. I am also recommending we replace references to the Director of Finance with Chief Financial Officer. And lastly, I am recommending we replace the reference to the Purchasing Department with Chief Financial Officer as the purchasing responsibilities i.e the printing of purchase orders now falls under the purview of the Finance department.

Please include this agenda item for the Monday, October 16, 2023, Board of Education Policy Committee meeting. As always, please contact me if you have any questions.

Attachment

c: Board of Education