

OAKLAND ACADEMY PURCHASING POLICY

General Recitals

- A. The Academy Board desires to provide teachers and staff at the Academy with quality supplies, materials and equipment (collectively the "Materials") necessary to enable them to effectively and efficiently perform their task at the Academy.
- B. It is the Academy's Board objective when acquiring Materials with Board funds to seek the lowest reasonable cost balanced against the quality of Materials and the best interests of the Academy.
- C. This policy is intended to comply with MCLA 380.1274.
- D. Accordingly, the Academy Board hereby establishes the following guidelines with regard to purchasing procedures:

Policy

1. General Guidelines

1.1 Purchasing Agent. The Academy Board hereby designates the Academy Administrator (the "Administrator"), and if the Academy has contracted with a management company to provide services to the Academy, the management company, jointly and severally, and their designees (collectively the "Purchasing Agents"), to serve and act as purchasing agents for the Academy Board.

1.2 Competitive Bidding. It is the Board's desire to obtain vendor competition whenever practical. Competitive bids are not required: (a) for the acquisition of textbooks (however, Board approval is required prior to purchase if the purchase price equals or exceeds \$12,500); (b) if the amount of the transaction does not exceed the statutory limit established by MCLA 380.1274, as amended; or (c) if the Purchasing Agents reasonably determine that there is only one practical supply source.

1.3 Purchasing Considerations. The Purchasing Agents shall consider the following when acquiring Materials for the Academy with Board funds: (a) price; (b) quality of the Materials; (c) service, delivery and maintenance of the Materials; (d) suitability of the Materials to the Academy's needs; (e) conformity of the Materials to specifications; (f) past service of the supplier to the Academy; and (g) vendor reliability.

1.4 Documentation. The Purchasing Agents shall obtain documentation with respect to the criteria set forth in section 1.2 above prior to purchasing Materials on

behalf of the Board with Board funds, unless the purchase is of a minor or emergency nature.

1.5 Purchase Order System. The Board authorizes and directs its Purchasing Agents to develop and implement a purchasing order system as a means of budgetary control.

2 Competitive Bids

2.2 When Competitive Bids Are Necessary. The Purchasing Agent shall obtain competitive bids before purchasing Materials for the Board with Board funds if the purchase price, as an item or a group of related items, equals or exceeds Twelve Thousand Five Hundred and No/100 (\$12,500.00) Dollars, unless otherwise allowed by this Policy (inclusive of but not limited to section 1.2 and section 3.2) and State statute or regulation.

2.3 Discretion of Purchasing Agents. The Purchasing Agents shall have discretion deciding whether the purchases are made on the basis of requested term quotations (which can be obtained in writing or orally), or advertising for bids. If bid quotations are received orally, the Purchasing Agents shall document them in writing.

2.4 Process. Competitive bids shall be opened by the Purchasing Agents as stated in the bid advertisement or in the invitation to bid quote. If no time and place is specified, the Purchasing Agents may open the bids at a time and place determined by the Purchasing Agents, in their discretion.

2.5 Low Bid; Exceptions. Subject to the factors set forth in section 1.3 above, the lowest responsible bidder (as determined by the sole discretion of the Purchasing Agents) submitting a competitive price quotation or bid shall ordinarily be awarded the contract. However, the Academy Board hereby delegates to the Purchasing Agents the right to accept or reject any bid when the Purchasing Agents feel it is in the best interest of the Academy to do so. In the case of construction, if all bids are rejected, the Purchasing Agent shall re-advertise in the manner provided by the law.

2.6 Late Bids. All bids received after the date and time specified by the Purchasing Agents shall be returned to the bidder unopened. Changes in the amount or condition of the bid shall not be allowed once the bid has been received.

2.7 Alternate Bids. Voluntary alternate bids submitted to the Purchasing Agents by a bidder shall not be considered in determining low bids. However, alternate bids may be negotiated after the successful bidder has been determined.

2.8 Construction Bids. Construction bidders shall be required to file security with the Academy Board in the amount of five percent (5%) of the amount of the bid,

to secure the Academy from loss or damage by reason of the withdrawal of the bid or by failure of the bidder to enter a contract for the performance if the bid is accepted by the Board.

2.9 Retention of Bids. The Purchasing Agents shall make available to the Academy Board upon request the price quotations or competitive bids obtained from vendors for Materials. The Purchasing Agents shall retain this information until the Academy Board has formally accepted the audit for the fiscal year.

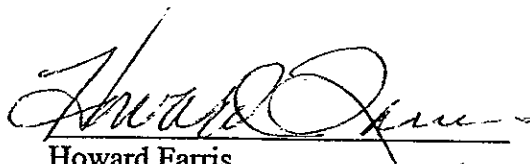
3 Miscellaneous

3.2 Information Quotations. The Purchasing Agents may use informal quotations (verbal information of price and terms on equal products or services) secured in person or by telephone or by means of other electronic communications to purchase ordinary supplies used by the Academy or Materials, which are commodities and are readily available in the market place.

3.3 Emergency Purchases. The Purchasing Agents are authorized to make emergency purchases without using the quotation or bidding process. Such emergencies may arise as a result of an accident or unforeseen occurrence, which could affect the life, health, welfare or safety of the Academy's students, staff or property.

3.4 Purchasing Rules and Regulations. The Purchasing Agents shall develop any rules or regulations necessary to implement this policy, including requisition and approval procedures, verifications or purchases, and verification that goods have been received in an acceptable condition.

Dated: 12/4/98


Howard Farris
President, Board of Directors

Adopted by the Board at a regularly
scheduled meeting held 12/4/98.

OAKLAND ACADEMY
Board Meeting Minutes
December 4, 1998

Board Members Attending: Earl Dalzell, Dr. James Cowart, Kate Spiegel, Dr. Howard Farris, Steve Olson

Non-Board Members Attending: George Sargeant, Ronald R. Hutchinson, Rebecca Patience, Allison Sandefur

1. **CALL TO ORDER**
The meeting was called to order at 1:06 p.m.

2. **APPROVAL OF MINUTES**
Steve Olson moved that the minutes of the meeting of October 2, 1998 be approved, the motion was seconded by Kate Spiegel and the motion passed 5 to 0.

3. **ENROLLMENT REPORT**
Allison Sandefur presented a report on the enrollment of Oakland Academy as of December 3, 1998. The report shows 26 students enrolled in the Academy; 13 children enrolled in kindergarten, 11 children enrolled in first grade and 2 children enrolled in second grade.

4. **INSURANCE UPDATE**
Ronald R. Hutchinson reported that all insurance is in place; the equipment policy has not been received due to a delay by the broker, but its binder has been received.

5. **ACADEMY UPDATE**
Rebecca Patience provided information regarding the Academy's curriculum and evaluation process. The Board was given examples of Kindergarten Prescribed Outcomes, Social Studies Benchmarks, a Draft of the Social Studies Curriculum, Second Grade Report Card, and a Weekly Progress Report.

6. **APPROVAL OF PURCHASING POLICY**

Ronald R. Hutchinson offered a draft policy for Board consideration. Earl Dalzell moved the policy be approved, the motion was seconded by Kate Spiegel and the motion was passed 5 to 0.

7. APPROVAL OF ADMISSION POLICY

Ronald R. Hutchinson offered a draft policy for Board consideration. Earl Dalzell moved the policy be approved, Steve Olson seconded the motion and the motion was passed 5 to 0. The policy is subject to changing dates to reflect the calendar year and contact numbers as needed.

8. APPROVAL OF MANAGEMENT INVOICE

Kate Spiegel moved to approve Invoice O1 for 41,472.37 Operating Costs, pay \$22,000 now to FBR, retain a \$2000 balance with the remainder of available funds payable to FBR, and each month to pay FBR invoices as submitted and funds allow. Steve Olson seconded the motion and the motion was passed 5 to 0.

9. APPROVAL OF FOIA OFFICER

Earl Dalzell moved that Ronald R. Hutchinson be named the FIOA Officer for Oakland Academy. James Cowart seconded the motion and the motion was passed 5 to 0.

10. OTHER BUSINESS

Kate Spiegel and Earl Dalzell signed a check for \$22,000 issued to the FBR as part of the payment for Invoice O1.

11. CALL TO ADJOURN

The meeting was adjourned at 2:07p.m.

12. MEETING SCHEDULE

The next Board meeting will be Friday, February 5, at the Blue Dolphin at 12 noon. Future meetings will be held every other month at 12 noon at the Blue Dolphin.

NEXT MEETING: February 5, 1999
12:00 AT THE BLUE DOLPHIN