

SENATE SUBSTITUTE FOR
HOUSE BILL NO. 6366

A bill to amend 1976 PA 451, entitled
"The revised school code,"
by amending section 623a (MCL 380.623a), as amended by 2007 PA 45.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 623a. (1) An intermediate school board shall adopt
2 written policies governing the procurement of supplies, materials,
3 and equipment.

4 (2) Except as otherwise provided in subsection (3) **OR (4)**, an
5 intermediate school district shall not purchase an item or a group
6 of items purchased in a single transaction costing ~~\$19,211.00~~
7 **\$20,959.00** or more unless competitive bids are obtained for those
8 items and the purchase of those items is approved by the
9 intermediate school board. The maximum amount specified in this
10 ~~section~~**SUBSECTION** shall be adjusted each year by multiplying the
11 amount for the immediately preceding year by the percentage by
12 which the average consumer price index for all items for the 12

1 months ending August 31 of the year in which the adjustment is made
2 differs from that index's average for the 12 months ending on
3 August 31 of the immediately preceding year and adding that product
4 to the maximum amount that applied in the immediately preceding
5 year, rounding to the nearest whole dollar.

6 (3) An intermediate school district is not required to obtain
7 competitive bids for items purchased through the cooperative bulk
8 purchasing program operated by the department of management and
9 budget under section 263(3) of the management and budget act, 1984
10 PA 431, MCL 18.1263.

11 **(4) AN INTERMEDIATE SCHOOL DISTRICT IS NOT REQUIRED TO OBTAIN**
12 **COMPETITIVE BIDS FOR PURCHASING FOOD UNLESS THE FOOD IS PURCHASED**
13 **IN A SINGLE TRANSACTION COSTING \$100,000.00 OR MORE.**

14 (5) ~~(4)~~—The intermediate school board of an intermediate
15 school district may acquire by purchase, lease, or rental, with or
16 without option to purchase, equipment necessary for the operation
17 of intermediate school district programs, including, but not
18 limited to, heating, water heating, and cooking equipment for
19 school buildings, and may pay for the equipment from operating
20 funds of the intermediate school district. Heating and cooking
21 equipment may be purchased on a title retaining contract or other
22 form of agreement creating a security interest and pledging in
23 payment money in the general fund or funds received from state
24 school aid. The contracts may extend for not more than 10 years.