## FINANCIAL MANAGEMENT

Procurement of Supplies or Services

The Board adopts the following provisions of the Montana Procurement Act (i.e., § 18-4-101, et seq., MCA):

1. § 18-4-303, MCA – Competitive sealed bidding. With the exception of construction contracts, allows the District to negotiate an adjustment of the bid price with the lowest responsible bidder in order to bring the bid within the amount of available funds, if, and only if, all bids exceed available funds and the lowest responsible bid does not exceed available funds by more than five percent (5%).

- 2. § 18-4-306, MCA Sole source procurement. A contract may be awarded for a supply or service item without competition when, the District determines in writing that:
  - (a) there is only one source for the supply or service item;
  - (b) only one source is acceptable or suitable for the supply or service item;

17 or

(c) the supply or service item must be compatible with current supplies or services.

3. § 18-4-307, MCA - Cancellation of invitations for bids or requests for proposals. An invitation for bids, a request for proposals, or other solicitation may be cancelled or any or all bids or proposals may be rejected in whole or in part, as may be specified in the solicitation, when it is in the best interests of the state. The reasons therefor must be made part of the contract file.

28	Legal Reference:	§ 18-4-121, et seq., MCA	Montana Procurement Act
29		§ 18-4-303, MCA	Competitive Sealed Bidding
30		§ 18-4-306, MCA	Sole Source Procurementrecords
31		§ 18-4-307, MCA	Cancellation of invitations for bids or
32			requests for proposals
33		2.5.604, ARM	Sole Source Procurement

Policy History:

36 Adopted on: May 21, 2002

37 Revised on: February 2007, December 2018

Note: The revision included the addition of lines 15-18 for additional clarification. 2018 revision adds cancellation of bid.