

## **ALERT REGARDING BIDDING**

The General Assembly has increased the dollar amount for the exemption of contracts from the competitive bidding requirements of the School Code. The previous amount of the exemption was \$10,000.00. Effective October 3, 2008, the exemption is \$25,000.00 or a lower amount set by board policy. Additionally, the dollar amount of the single project exemption has been increased from an expenditure not to exceed \$20,000.00, to an expenditure not to exceed \$50,000.00.

All school boards and cooperative governing boards should immediately review their current policies and procedures on competitive bidding. To the extent that policies or procedures specify exemptions less than these new amounts, a board should consider whether to raise the policy limits to those specified in P.A. 95-0990, or to adopt some lesser threshold. A board may adopt any amount less than \$25,000.00 as its threshold for any contract otherwise subject to bidding and any amount less than \$50,000.00 for a single project involving repair, maintenance, remodeling, renovation or construction.

We believe that any expenditure of public funds is a matter of board policy; therefore, even in the absence of a policy or procedure, a board should be consulted before school administrators make use of the new, higher statutory exemptions.

Should you need any assistance with new policies or procedures, or with the interpretation of P.A. 95-0990, please do not hesitate to contact us.

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