Novi Community School District
2025 Bond Program
Project Procedures and Governance

Version Dated: 11.13.2025 (For Approval)

SECTION A: FUNDING SOURCES, BUDGET RESPONSIBILITY & LIMITS OF AUTHORITY

1. Funding for the 2025 Bond Program to be provided through the sale of bonds from the November 2025 Ballot Proposal.
2. The 2025 Bond Program is funded through non-qualified bond sales and State of Michigan prevailing wage requirements do not apply.
3. Funding Source – NCSD shall make PMR aware of any and all funding sources for the Program and shall work with their Legal Counsel to determine any and all restrictions on/or requirements of those funds and shall make PMR aware of those determinations. NCSD shall make PMR immediately aware of any potential changes to the planned funding sources.
4. Roles and approval shall follow the limits established in Exhibit A.
5. NCSD Board of Education (BOE)/District Policy – NCSD requirements shall be followed which are available for reference at: https://meetings.boardbook.org/Public/Book/2699?docTypeId=225884&file=31c7137a-6c34-4501-bd3e-30f4acbf631c
6. NCSD will be responsible for the following budgets, costs, and bidding requirements:
    a. Legal fees and bond issuance expenses
    b. Maintenance / Custodial Equipment (District direct purchases)
    c. Instructional Equipment (District direct purchases)
    d. Buses (District direct purchases)
    f. Computer /Technology Devices (District direct purchases)
7. PMR will be responsible for the following budgets, costs, and assisting with bidding requirements.
    a. Construction and related contingencies, site work, A/E fees and costs, CM fees and costs, other professional services, furniture, playground structures, and any miscellaneous bond expenses.

8. Budget reconciliation will occur between NCSD and PMR quarterly to ensure all expenditures have been captured and tracked against the master bond program budget.

SECTION B: PROCUREMENT

During Procurement, NCSD and Legal Counsel, with support of PMR, will determine which procurement method is appropriate based on market conditions and legal requirements. Methodology will be selected based on the type of goods or services being provided to NCSD. The following procedures will be used throughout the Program.

Professional Services

Professional Services Firms are procured via one of two methods as outlined in the table below:

Professional Services Procurement Methods (Includes Architect/Engineer, Construction Manager, Owners Representative, Technology Designer et. al)	
Method 1: Negotiated Proposals	Method 2: RFQ/RFP
1. Develop Form of Agreement / Contract (NCSD/Legal/PMR) 2. Develop Scope / Schedule / Budget: (PMR w/ NCSD Input) 3. Develop Bid List, Contact Firm(s) / Solicit 3 – 5 Proposals: (PMR) 4. Evaluate Proposals: NCSD w/ PMR Advise 5. Prepare Award Recommendation Letter(s) if applicable: PMR 6. Present to Board for Award (if applicable): NCSD w/ PMR Advise 7. NCSD Board Approval (if applicable) 8. Negotiate contract as required: (NCSD w/ Legal & PMR Assist) 9. Issue PO(s) and/or executes contracts as required: NCSD 10. Enter Commitment(s) into PMIS: PMR	1. Develop Form of Agreement / Contract: (NCSD/Legal/PMR) 2. Develop RFQ/RFP (Scope/Schedule/Budget: (PMR w/ Legal/NCSD Input) 3. Public Advertising (if desired): NCSD w/ PMR Assist 4. Issue RFQ/RFP: PMR 5. Pre-Proposal meeting: PMR 6. Issue Addendum(s): PMR 7. Receive bids & publicly open: NCSD w/ PMR Assist 8. Evaluate Proposals: NCSD w/ PMR Advise 9. Prepare Award Recommendation Letter(s) if applicable: PMR 10. Provides Board documents to Board for approval (if applicable): NCSD 11. Present to Board for Award (if applicable). NCSD w/ PMR Advise. 12. Board Approval (if applicable)

	13. Negotiate contract as required: (NCSD w/ Legal & PMR Assist) 14. Issue PO(s) and/or executes contracts as required: NCSD 15. Enter Commitment(s) into PMIS: PMR
End of Process	

Furniture, Fixture, & Equipment

Furniture Fixtures & Equipment (FF&E) / Technology Equipment are procured via one of three methods as outlined in the table below:

FF&E / Technology Equipment Procurement Methods		
Method 1: Purchase Directly (if below District's Policy Limits) Procurement of supplies, materials, and equipment which is LESS than the annually published State of Michigan (MCL 380.1274) competitive bid limit will follow NCSD Board Policy Limits.	Method 2: Via a Consortium Procurement of supplies, materials, and equipment which EXCEEDS the annually published State of Michigan competitive bid limit must proceed as competitive bids following the stricter of the State of Michigan (MCL 380.1274) and the NCSD Board Policy Requirements.	Method 3: RFQ/RFP Procurement of supplies, materials, and equipment which EXCEEDS the annually published State of Michigan competitive bid limit must proceed as competitive bids following the stricter of the State of Michigan (MCL 380.1274) and the NCSD Board Policy Requirements.
1. Develop Scope/Schedule/Budget: (NCSD w/ PMR Assist) 2. Develop Bid List: WLSCD w/ PMR Assist 3. Contact Firm(s) / Solicit 3 – 5 Proposals: NCSD w/ PMR Assist 4. Evaluate Proposals: NCSD w/ PMR Advise 5. Issues PO(s) and/or executes contracts as required: NCSD 6. Enter Commitment(s) into PMIS: PMR	1. Develop Scope/Schedule/Budget: (NCSD w/ Consultant/vendor & PMR Assist) 2. Contact Firm(s) / Solicit Proposals: Consultant/Vendor 3. Evaluate Proposals: Consultant/Vendor w/ NCSD & PMR Advise 4. Prepare Award Recommendation Letter(s): PMR 5. Provides Board documents to Board for approval (if applicable): NCSD	1. Develop Form of Agreement / Contract: (NCSD/ Legal/PMR) 2. Develop Bid List: WLSCD w/ PMR Assist 3. Develop RFQ/RFP (Scope/Schedule/Budget: (PMR w/ Legal/NCSD Input) 4. Public Advertising (See Section B6 below) (if desired): NCSD w/ PMR Assist 5. Issue RFQ/RFP: PMR 6. Conduct Pre-Proposal meeting: PMR 7. Issue Addendum(s): PMR

	6. Present to Board for Award (if Applicable): NCSD w/ PMR Advise 7. NCSD Board Approval (if applicable) 8. Issue PO(s): NCSD 9. Enter Commitment(s) into PMIS: PMR	8. Receive bids & publicly open (if required by policy): NCSD w/ PMR Assist 9. Evaluate Proposals: NCSD w/ PMR Advise 10. Prepare Award Recommendation Letter(s) if applicable: PMR 11. Provides Board documents to Board for approval (if applicable): NCSD 12. Present to Board for Award (if applicable): NCSD w/ PMR Advise 13. NCSD Board Approval (if applicable) 14. Negotiate contract as required: NCSD w/ Legal & PMR Assist 15. Issue PO(s) and/or executes contracts as required: NCSD 16. Enter Commitment(s) into PMIS: PMR
End of Process		

Hard Construction

Hard Construction (via CM, GC, or Design Prime) shall be procured via one of two methods as outlined in the table below:

<table>
<tr><th colspan="2">Hard Construction Procurement Methods (Includes Abatement and Technology Construction)</th></tr>
<tr><th>Method 1: Quoted / Negotiated
Construction which is LESS than the annually published State of Michigan (MCL 380.1267) competitive bid limit will follow NCSD Board Policy Limits.</th><th>Method 2: Formal RFP/Bid
Construction which EXCEEDS the annually published State of Michigan competitive bid limit must proceed as competitive bids following the stricter of the State of Michigan (MCL 380.1267) and the NCSD Board Policy Requirements.</th></tr>
<tr><td>1. Develop Form of Agreement/Contract (NCSD/PMR)
2. Develop Scope/Schedule/Budget: AE/CM & PMR w/ NCSD Assist
3. Develop Bid List: AE/CM & PMR w/ NCSD Assist
4. Contact Firm(s) / Solicit Proposals: AE/CM & PMR
5. Evaluate Proposals: AE/CM & PMR w/ NCSD Input
6. Negotiate contract as required: (NCSD w/ Legal & PMR Assist)
7. Issue PO(s) and/or executes contracts as required: NCSD
8. Enter Commitment(s) into PMIS: PMR</td><td>1. Develop Form of Agreement / Contract: (NCSD/ Legal/PMR)
2. Develop RFQ/RFP: AE/CM w/ NCSD & PMR Input
3. Public Advertising (See Section B6 below) (if desired): CM Prepare & PMR Assist, NCSD Publish
4. Issue RFQ/RFP: AE/CM w/ PMR Assist
5. Conduct Pre-Proposal meeting: AE/CM w/PMR Assist
6. Issue Addendum(s): AE/CM
7. Receive bids & publicly open (if required by policy): NCSD w/ AE/CM & PMR Assist
8. Evaluate Proposals: AE/CM w/ NCSD & PMR Advise
9. Prepare Award Recommendation Letter(s) if applicable: AE/CM & PMR
10. Provides Board documents to Board for approval (if applicable): NCSD</td></tr>
</table>

	11. Present to Board for Award (if applicable): NCSD w/ PMR Advise 12. NCSD Board Approval (if applicable) 13. Negotiate contract as required: NCSD w/ CM, Legal & PMR Assist 14. Issue PO(s) and/or executes contracts as required: NCSD 15. Enter Commitment(s) into PMIS: PMR
End of Process	

Bid Advertising, Delivery and Selection (When Applicable):

1. For Professional Services and FF&E, NCSD with the assistance of PMR will develop bid advertisement for NCSD review, approval, and posting.
2. For Hard Construction, the CM with the assistance of PMR will develop bid advertisement for NCSD review, approval, and posting.
3. NCSD will be responsible for all bid advertisement requirements including as follows:
   a. Advertise one time in a newspaper of general circulation in the area where the construction work is to take place.
   b. Advertise for at least two-weeks on the Department of Michigan Management and Budget website, on a website maintained for this purpose or post on a website maintained by a school organization and designated by the Department of Michigan Management and Budget for this purpose (such as Sigma https://sigma.michigan.gov/webapp/PRDVSS2X1/AltSelfService)
   c. Public Advertisement must state the following information and must be reviewed by the Assistant Superintendent of Business and Operations.
      a. Time, date, and place at which proposals/bids are due. For construction bids the time, date, and place of the public meeting which all bids will be opened and read aloud by NCSD Board or its designee.

b. The RFP shall contain, and bid must be accompanied by, the following documents:

   i. Familial Disclosure Affidavit a sworn and notarized statement disclosing any familial relations that exists between NCSD Board of Education or the Superintendent of NCSD.

   ii. Iran Disclosure Affidavit: a sworn and notarized statement certifying the bidder is not an Iran-linked business.

   iii. Criminal Background Disclosure Affidavit: a sworn and notarized statement certifying that the bidder has performed and/or will perform criminal background checks, and no employees, that will be on any Owner's premises in response to the services contemplated by the contract documents, are registered criminal sexual offenders.

   iv. Non-Collusive Affidavit: a worn and notarized statement certifying that bidder's bid or proposal is genuine and not provided in the interest or on behalf of any unnamed persons or party.

   v. Equal Opportunity Form: a sworn and notarized statement certifying that bidder will not discriminate against any persons including, but not limited to, race, religion, national origin, ancestry, or sex.

   vi. Bid, Performance, and Payment Bond Requirements: upon award each bidder is required to have a 5% Bid Bond, 100% Performance, 100% Labor and Material (Payment) Bonds (for bids over $50,000). The Performance and Payment Bond may be provided by the Construction Manager (under a CMc) or Prime Contractor.

   vii. Insurance Requirements / Certificate

   viii. Additional Documents as otherwise required by law, or NCSD Procurement Policy

c. All bids are to be received at the NCSD Administration Building to the attention of the Asst. Superintendent of Business and Operations. All construction bids will be public bid openings held at NCSD Administration Building or building designated by NCSD, or through virtual meeting, following the State of Michigan and the NCSD Board Policy Requirements. A member of NCSD staff and PMR must be present.

d. NCSD will not consider or accept a late bid received after the date and time specified for bid submission, following the State of Michigan and the NCSD Board Policy Requirements.
e. Alternately, bidders may be directed to submit bids electronically, for which specific directions will be provided in the RFP for electronic only submissions.
f. NCSD reserves the right, in its sole and absolute discretion, to accept or reject, in whole or in part, any or all proposals with or without cause. NCSD further reserves the right to waive any irregularity or informality in this RFP/Bid process, and the right to award the contract to a firm other than the firm submitting the lowest financial proposal (lowest bidder).
g. PMR will assist in review, evaluation, and recommendation of all awards to NCSD via a written award recommendation letter.
h. For any / all vendors that bid services out on behalf of NCSD (e.g., construction managers, consultants, etc.) the above procedures shall apply. Coordinate with NCSD, as shall conformance with all applicable state laws and Board policies.
i. The Superintendent is authorized to make purchases/change orders, without prior approval, but with timely notification to the Board of Education, of those goods and/or services needed in emergency circumstances, to maintain school operations in accordance with state and federal requirements for purchasing. The Superintendent or his/her designee(s) are authorized to make emergency purchases for school repair which would have a detrimental effect on the building or on the health, safety or welfare of students or occupants of the building.

SECTION C: PURCHASE ORDERS / CONTRACTS / AGREEMENTS

Throughout the performance of the program, contracts and agreements will be required to be developed, reviewed and executed with multiple parties. A collaborative effort between the District, District's Legal Counsel, PMR and Vendors will be required to efficiently and effectively deliver the program. The following templates, roles and responsibilities and processes will be utilized to ensure successful completion of the program.

Templates

Exhibit B contains listing of contract templates which will be used (as modified and current year) throughout the program.

Roles

Contracts will be drafted, reviewed, and approved as outlined below:

An initial draft agreements will be completed and delivered to the District review. PMR will review the draft agreement regarding business terms and conditions but not legality of the draft agreement. Recommended markups from PMR will be distributed to NCSD and their Legal Counsel for legal review and business terms. Once a template has been approved by the District, and their legal counsel, it will be utilized in the procurement process for establishing the basis of the delivery of goods and services. After RFPs have been issued and bids/proposals have been received by the District, and a proposer has been deemed the apparent awardee, final contract term negotiations will be conducted. Negotiations will be facilitated by PMR, but term acceptance will be at the discretion of District and their legal counsel. Once terms have been accepted by the awardee and the District the vendor will partially execute the agreement. The partially executed agreement shall be finally executed by the appropriate party in accordance to the limits of authority established in Exhibit A.

Roles in contract draft, review and approval process:

a. Initial Draft: District Legal Counsel
b. Review Business Terms: PMR and/or Consultant
c. Review (Legal & Business Terms): NCSD and Legal Counsel

d. Contract Negotiations: NCSD Legal Counsel and PMR
e. Vendor partially executes contract
f. Approval: NCSD Superintendent or Board of Education (if applicable)
g. District fully executes contract

Purchase Orders (POs) / Contracts:

Prior to Board Approval, District's Legal Counsel will lead the contract template development process detailed above.

Prior to being issued, all POs will be reviewed by NCSD Asst. Superintendent of Business and Operations to ensure that all bidding procedures are followed, appropriate back-up is included and completed, and there are adequate unencumbered funds remaining. Verify Payee, amount, vendor, and other pertinent details.

a. Contract awards and POs will contain appropriate contingency amounts when going to Board of Education for approval (to avoid additional approval requests).
b. NCSD will create a separate PO for the CM equal to the amount of the approved BOE resolution. The PO will have two (2) line items to delineate the construction and construction contingency amounts. The CM fees and General Conditions approved within the resolution will be added to the CM's Staffing/Fee PO. These PO's will not be distributed to the CM and will only be used to distribute contingency funds internally when updating the vendor POs within that resolution.

Upon Board approval, a copy of the Project Team resolution with all back-up documentation will be provided to the Operations Secretary, who will be responsible for creating the PO.

a. A copy of the Board resolution, Project Number and PO will be sent to PMR.

b. If a contract or agreement is also being issued for the awarded project, the following language should be added to the PO: “For internal accounting purposes only – see contract for terms and conditions”.

Upon receipt of the PO, the vendor, contractor and/or construction manager is now approved to issue subcontracts, if any.

PMR will ensure that the PO number and project number is referenced on all payment applications / invoices submitted to the NCSD and review(s) of payment applications are completed with appropriate recommendations / signatures provided in accordance with Limits of Authority (see **Exhibit A**).

The total Board approved limit (base contract plus Board approved contingency) shall not be exceeded without additional Board approval.

SECTION D: CHANGES TO THE SCOPE OF SERVICES

All change orders will utilize an AIA-G701 form or similar. See sample below.

DRAFT

AIA® Document G701™ – 2017

Change Order

PROJECT: *(Name and address)*	**CONTRACT INFORMATION:** Contract For: Date:	**CHANGE ORDER INFORMATION:** Change Order Number: Date:
OWNER: *(Name and address)*	**ARCHITECT:** *(Name and address)*	**CONTRACTOR:** *(Name and address)*

THE CONTRACT IS CHANGED AS FOLLOWS:
(Insert a detailed description of the change and, if applicable, attach or reference specific exhibits. Also include agreed upon adjustments attributable to executed Construction Change Directives.)

The original Contract Sum was	$	0.00
The net change by previously authorized Change Orders	$	0.00
The Contract Sum prior to this Change Order was	$	0.00
The Contract Sum will be increased by this Change Order in the amount of	$	0.00
The new Contract Sum including this Change Order will be	$	0.00

The Contract Time will be increased by Zero (0) days.
The new date of Substantial Completion will be

NOTE: This Change Order does not include adjustments to the Contract Sum or Guaranteed Maximum Price, or the Contract Time, that have been authorized by Construction Change Directive until the cost and time have been agreed upon by both the Owner and Contractor, in which case a Change Order is executed to supersede the Construction Change Directive.

NOT VALID UNTIL SIGNED BY THE ARCHITECT, CONTRACTOR AND OWNER.

ARCHITECT *(Firm name)*	**CONTRACTOR** *(Firm name)*	**OWNER** *(Firm name)*
SIGNATURE	**SIGNATURE**	**SIGNATURE**
PRINTED NAME AND TITLE	**PRINTED NAME AND TITLE**	**PRINTED NAME AND TITLE**
DATE	**DATE**	**DATE**

User Notes: (3B9ADA52)

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Sections A, B and C are required to follow the Limits of Authority listed in Exhibit A. All vendors are to comply with the terms and conditions of their Agreements regarding changes to the services of work.

Professional Services (AE / Tech Designer / Environmental / et al.)

Changes in Scope of Services Resulting in an Additional Service Request (ASR) or Potential Change Order (PCO) for Construction:

1. Definition: Changes in the Scope of Services or Terms and Conditions related to modification of Professional Services Agreement (e.g. terms, scope, schedule, and/or budget)
2. Process:
    a. Need for Construction Documents change or added Services from by AE, Technology Designer, AHJ, or NCSD in writing.
    b. Professional Services Firm provides NCSD a proposal for professional fee(s) for the additional design scope/change and sends to PMR in writing.
    c. PMR reviews and provides recommended course of action to NCSD in writing (see Exhibit C).
    d. NCSD directs course of action (approve, reject, or other) in writing (see Exhibit C).
    e. If approved:
        i. NCSD Administration will determine on a case-by-case basis the method of BOE involvement as outlined in Exhibit A.
        ii. PMR drafts Amendment for NCSD approval and starts the Capital Project Requisition Request process – see (see Exhibit F).
        iii. Professional Services Firm moves forward with Additional Services

Vendors (FFE Vendor or Technology Equipment) - See Exhibit D Workflow

Changes in scope resulting in a Change Order (CO), see Exhibit A

1. Definition: A formal Change Order document that modifies the Terms and Conditions of the Agreement (e.g. terms, scope, schedule and / or budget).
2. Process:

a. Vendor creates a proposal and routes to the Designer for review, if applicable.
    i. Routing to be in accordance with Flowchart (see Exhibit D).
b. Designer reviews and drafts Change Order and routes to PMR
c. PMR reviews CO and recommends or rejects and sends to NCSD Project Team/Superintendent.
d. NCSD reviews and approves Change Order and issues PO modification
    i. Any CO over the previously BOE approved contingency must be approved by the BOE
e. PMR enters executed CO into PMIS

Construction Manager / Contractors (Construction) - See Exhibit E Workflow

Potential Change Order (PCO): Changes in Scope of Services, See **Exhibit A**

1. Definition: Changes in the Work due to: Field Issues; Design Changes or Issues; Requests for Information (RFI); Submittals; and/or Regulatory requirements. (Reason codes et.al, to be provided on NCSD approved PCO form)
2. Process:
    a. Need for Change in Work may be identified by CM/Contractor in writing by way of a Potential Change Order (PCO)
        i. AE / Consultant reviews PCO and either rejects or recommends and submits to PMR for review.
        ii. PMR reviews, and either rejects or recommends to NCSD for approval.
        iii. NCSD either approves PCO or rejects PCO.
        iv. AE / CM / Contractor/Consultant to process accepted PCO for inclusion into a Change Order (see process below).
        v. CM / Contractor to prepare PCO log and present at each OAC meeting.

Change Order (CO) - see Exhibit F

1. Definition: A single or multiple approved PCOs assembled into a formal Change Order document that modifies the Terms and Conditions of the Agreement (e.g. terms, scope, schedule and / or budget).
2. Process:
    a. AE / Consultant / CM creates the Change Order (CO) and routes for review/ signatures in DocuSign.
        i. Any CO that raises the PO value above the previously BOE approved contingency must be approved by the BOE before the PO is adjusted.
            1. Routing to be in accordance with Flowchart, see Exhibit F
        ii. PMR reviews and routes CO to NCSD
        iii. NCSD reviews and approves Change Order and modifies or issues a new PO
        iv. PMR enters executed CO into PMIS
3. A Change Order Approval Flowchart is attached as Exhibit F

SECTION E: INVOICING

The Vendor Payment Approval (VPA) Process Flowchart - (**Exhibit G**) provides a visual representation of the payment approval process for Vendor Payments. The VPA Process for invoices and payments are Outlined below:

1. Invoices and payments:
    a. Invoices which require certification:
        i. (Construction Manager, Design Prime Contractor, etc.) will submit invoices broken down by scope of work per project to the AE to certify
        ii. Environmental Contractors will submit invoice to the Environmental Consultant to certify
        iii. Technology Contractors will submit invoice to the appropriate Technology Designer / NCSD Technology Department to certify
    b. The invoice, once certified, will be sent to PMR for review via PMIS.
    c. Other Professional Service providers and/or vendors not required to be certified will submit invoices directly to PMR for review via PMIS.
    d. Reviewing the Invoice:
        i. The PMR Cost Accountant will review invoices for accuracy, completeness, and compliance; including waivers of lien, sworn statements, and PO balance and submit to the PMR Project Manager for review through the PMIS System.
        ii. The PMR Project Manager will review the invoice for completeness and approved change orders and PO balance and provide a recommendation to NCSD through the PMIS System.
    e. NCSD will make a single payment to the CM who in turn will be responsible for paying their subcontractors.
    f. NCSD will make payments to vendors per their internal procedures and will be responsible for the means and methods of payment to its vendors.

i. In the event that NCSD enters into any ACH arrangement related to the program, NCSD shall be responsible for the development, approval, implementation, and administration of the required ACH policies including the controls, verifications, and procedures related to the establishment of the ACH arrangement or execution of an ACH transaction.

ii. PMR WILL NOT validate any ACH related information or recommendations regarding applications for payment (or any other actions related to vendor payment) should not be relied upon by NCSD as an assumption of responsibility for its ACH policies.

g. NCSD will submit monthly transaction reports which includes payments made to vendors.

i. PMR will review transactions and complete a cost reconciliation only.

1. PMR will review transactions and reconcile any differences between the two systems.

h. Other Services or materials procured directly by NCSD will be processed according to their internal policies and procedures

i. Check Disbursement for Prime Contractors through the CMc.

2. Final Payment (Project Closeout)

a. Definition: Construction Manager, Design Prime, Environmental and Technology Contractor or other vendors invoices which complete the remaining payments owed for the work complete including retention.

b. Procedures; follow the procedures above with the following additions:

i. The vendor(s) or construction manager(s) will collect, compile, and turn over all closeout documents as defined in their Agreement and the Construction Documents (such as O&M manuals, as-built drawings, warranties, punch-list items, etc.). to NCSD.

ii. PMR and NCSD will review for completeness.

iii. PMR will provide recommendation for payment and reference the PO number and indicate as Final Payment. This will include a review of all final waivers of lien, sworn statements, general releases, and consent of surety. A review of the final balance on the PO/contract will be addressed at this time

iv. PMR will review with NCSD the final payment to ensure the amount does not exceed the balance on the PO/contract and to confirm NCSD is satisfied with the completion of the work performed and final documentation.

SECTION F: REPORTING & COMMUNICATION

Reporting

1. PMR Board Bond Updates
    a. Audience: NCSD Administration & Board of Education
    b. Frequency: Bi-Annually
    c. Submission Dates: Spring and Fall
    d. Submission Type: Board Presentation (PDF via email)
2. Project Dashboards:
    a. Audience: NCSD Administration & Board of Education
    b. Frequency: Quarterly
    c. Submission Date: 7^{th} of the Month.
    d. Submission Type: PDF via email
3. Cost to Complete - Purpose is to update on current and forecasted commitments vs. current budget:
    a. Audience: NCSD Assistant Superintendent Business Services
    b. Frequency: Monthly
    c. Submission Date: Varies
    d. Submission Type: PDF via email
4. Reconciliation Report:

   a. Purpose: Confirm that NCSD accounting system and the Owner's Rep PMIS system match
   b. Audience: NCSD Assistant Superintendent Business Services and NCSD Executive Manager, Finance and Purchasing
   c. Frequency: Quarterly
   d. Submission Date: 30 days after the end of the quarter
   e. Submission Type: Excel via email

5. Fiscal Year End Reporting
   a. Purpose: Support NCSD with fiscal year-end reporting
   b. Audience: NCSD Assistant Superintendent Business Services and NCSD Executive Manager, Finance and Purchasing
   c. Frequency: Annually
   d. Submission Date: No later than July 31st
   e. Submission Type: via email

Meetings and Attendees:

1. Internal Team (Bond Update) Meeting:
   a. Purpose: Provide a progress update to NCSD
   b. Frequency: Bi-Weekly (or as required)
   c. Attendees:
      i. PMR Project Manager / Project Director (Lead by PMR – PM)
      ii. NCSD Bond Team / Administration
2. Program Check-In Meeting:
   a. Purpose: Discuss On-Going Bond Progress (goals and expectations)
   b. Frequency: Two / Three times a year
   c. Attendees:
      i. NCSD Superintendent
      ii. PMR Partner(s) in Charge (Lead by PMR)
3. Owner Architect & Contractor (OAC) Meeting:
   a. Purpose: Coordination meeting between NCSD, PMR, and Professional services.

   b. Frequency: Bi-Weekly
   c. Attendees:
      i. CM (Facilitator)
      ii. NCSD Staff
      iii. PMR Team
      iv. AE
      v. Technology Designer
4. Bond Sub-Committee Meeting:
   a. Purpose: Provide high level update of on-going and upcoming Bond Projects
   b. Frequency: Quarterly (Scheduled as needed)
   c. Attendees:
      i. NCSD Superintendent
      ii. NCSD Capital Projects Committee
      iii. PMR Team (Lead by PMR – PM)
      iv. Other Stakeholder as Needed (CM, A/E, etc.)
5. Budget Reconciliation Meeting: Facilitated by NCSD Assistant Superintendent Business and Operations
   a. Purpose: Overview of PO / VPA / Invoice Status / Budget / Committed
   b. Frequency: Quarterly
   c. Agenda: NCSD Assistant Superintendent Business Services
      i. Outstanding Payment Applications / Invoices
      ii. Outstanding Requisitions and POs
      iii. Reconciliation
      iv. CTC/Forecast
      v. Cash Flow-confirm spending is on schedule and bond fund sale schedule is appropriate
      vi. Earned Interest / Investment Projections
      vii. Upcoming BOE Agenda Items

d. Attendees:

   i. NCSD Assistant Superintendent Business Services
   ii. NCSD Executive Manager, Finance and Purchasing
   iii. PMR-PCA & PM

Section G: Conflicts or Omission

Anything not covered in the above governance document will follow the Board Policy and administrative procedures.

Exhibits

Exhibit A: Limits of Authority Matrix

Exhibit B: Procurement Matrix / General Schedule of Document Production

Exhibit C: Professional Services Changer Order Flowchart

Exhibit D: Vendor (FFE / Technology Equipment) Change Order Flowchart

Exhibit E: Construction Manager / Contractor Proposed Change Order (PCO) Flowchart

Exhibit F: Change Order (CO) Approval Flowchart

Exhibit G: Vendor Payment Approval (VPA) Flowchart

Exhibit H: Master Program Contact List

Exhibit I: FY2024 State of Michigan Bid Threshold Memo

Key

PMR	Plante Moran REALPOINT
CMc	Construction Manager as Constructor
CM	Construction Manager
GC	General Contractor
AE	Architect / Engineer
RFQ/RFP	Request for Qualifications/Request for Proposal
PO	Purchase Order
FF&E	Furniture, Fixtures & Equipment
CO	Change Order
PCO	Potential Change Order
OAM	Owner Architect Construction Manager (Meetings)
PMIS	Project Management Information System
VPA	Vendor Payment Approval

Exhibit A: Limits of Authority

Approval authority applies to the cumulative value of a contract, including all amendments and change orders. If a contract initially approved within administrations delegated authority level subsequently exceeds that authority's approval threshold through approved amendments or change orders, such exceedance shall not invalidate prior approvals. Any subsequent amendments or change orders shall be approved in accordance with the authority level applicable to the then-current contract value. Contracts, amendments, or change orders shall not be divided or structured to circumvent established approval thresholds

Authorized Designee

NCSD attests that District Superintendent Mr. Ben Mainka is designated as NCSD's representative and has the necessary skill, knowledge, experience, and authority to act on NCSD's behalf to be the contact person for purposes of the communications between NCSD and PMR and to provide direction to PMR regarding the Project and PMR's Services.

Budget Adjustments

All transfers between budget line items must be approved by the NCSD Assistant Superintendent Business and Operations, and follow the process below:

1. PMR will provide recommended budget transfers to NCSD Superintendent, Assistant Superintendent Business and Operations via a written budget transfer recommendation letter.
2. Upon NCSD approval, PMR will make budget transfers within PMIS and document budget transfers within program budgets.

All Procurement shall comply with State Law, Board Policy and with Section B: Procurement.

Professional Services

Any Professional service award request recommended by PMR will be submitted to the Assistant Superintendent of Business and Operations for approval and will contain the following detailed supporting documents:

1. PMR Recommendation letter and appropriate analysis
2. The professional services vendors proposal letter and support documentation.

The following approval limits will apply to Professional Services Agreements:

New Contracts:

Limitations	Approvals
$0 – $49,999	Approved by Asst. Superintendent of Business and Operations Reported to Superintendent
$50,000 – $99,999	Approved by Superintendent & Asst. Superintendent of Business and Operations
$100,000 – $149,999	Approved by Superintendent & Asst. Superintendent of Business and Operations Reported to Board of Education
$150,000 and Greater	Approved by Board of Education

Contract Amendments and/or Change Orders within BOE Approved Contingency:

Limitations	Approvals
$0 – $49,999	Approved by Asst. Superintendent of Business and Operations
$50,000 – $99,999	Approved by Superintendent
$100,000 – $149,999	Approved by Superintendent Reported to Board of Education
$150,000 and Greater	Approved by Board of Education

Any Contract Amendments and / or Change Order (CO) that will result in an increase to the original BOE approved project budget (Lump Sum Fee or Not-to-Exceed Cost) **MUST** be presented to and approved by the BOE.

FF&E / Technology Equipment:

NCSD Administration will determine based on the following limit what action will be taken.

Furniture, Fixtures, Equipment, Technology Equipment, and all other FF&E:

New Contracts:

Limitations	Approvals
$0 – State Bid Threshold	Approved by Asst. Superintendent of Business and operations Notification to Superintendent
State Bid Threshold +	Superintendent Approval & BOE Approval

Contract Amendments and/or Change Orders within BOE Approved Contingency:

Limitations	Approvals
$0 – $49,999	Approved by Assistant Superintendent of Business and Operations
$50,000 – $99,999	Approved by Superintendent
$100,000 – $149,999	Approved by Superintendent Reported to Board of Education
$150,000 and Greater	Approved by Board of Education

Any Contract Amendments and / or Change Order (CO) that will result in an increase to the original BOE approved project budget (Lump Sum Fee or Not-to-Exceed Cost + Contingency) **MUST** be presented to and approved by the BOE.

Hard Construction:

NCSD Administration will determine on a case-by-case basis which will take place: an Administration Approval with BOE Notification or BOE Approval, which will be required for new contracts and / or contract amendments based on the following minimum criteria:

New Contracts:

Limitations	Approvals
$0 – State Bid Threshold	Administration Approval &/or Superintendent Approval / Notification
State Bid Threshold +	Superintendent Approval & BOE Approval

Contract Amendments, Potential Change Orders (PCO's) & Change Orders (CO's) within BOE Approved Contingency:

Limitations	Approvals
$0 – $49,999	Approved by Assistant Superintendent of Business and Operations
$50,000 – $99,999	Approved by Superintendent
$100,000 – $149,999	Approved by Superintendent Reported to Board of Education
$150,000 and Greater	Approved by Board of Education

Any Contract Amendments, Potential Change Order (PCO), Change Order (CO) that will result in an increase to the original BOE approved project budget (Lump Sum Fee or Not-to-Exceed Cost + Contingency) **MUST** be presented to and approved by the BOE.

Emergencies:

The NCSD Board of Education recognizes that throughout the normal course of construction, there may be issues that arise that cause a safety concern, create an inability to operate the district as it normally should, create major budget concerns, or jeopardize the project entirely that must be dealt with promptly. Sometimes these emergencies fall outside the normal scope of the superintendent's authority to authorize. In this case, the board grants the superintendent the authority to act in the best interest of the district provided the following procedures are followed:

1. The superintendent will contact the board president to determine if there is a need for an emergency special meeting.

2. The superintendent will promptly notify the entire board of the situation and will present a report of the emergency to the board for transparency.

3. If further action following the emergency is needed, the board will discuss and take action at their next business meeting.

Exhibit B: Procurement Matrix / General Schedule of Document Production

A. <u>NCSD BOE Meeting Sequence:</u>

1. Capital Projects Committee (if scheduled)
   a. BOE Notifications
2. Regular BOE Meeting (Informational and Approval Meetings)
   a. Presentation of Recommendation Packages
      i. Recommendation Packages are to be received by the Assistant Superintendent of Business and Operations no later than the Thursday prior to the regular Board meeting.
      ii. Information will be uploaded to the Board packet for BOE reference.
   b. BOE Resolution / Approval

B. <u>Forms of Agreement</u>

Professional	Contract Type
Architect/Engineer - CMc	AIA B133-2019/A201-2017
Construction Manager (as Advisor) - CMc	AIA C133-2019/A201-2017
Prime Contractors	AIA A104 / A105
Designer/Architect/Engineer - Design Prime	AIA B104 / B105
Architect - Fluid Contract (misc. non-CM projects)	AIA B133-2019/A201-2017
Technology Designer	Custom Agreement - Thrun
Surveying Services	AIA C103-2015 / C201-2015
Commissioning Agent	AIA C103-2015 / C203-2015
Geotechnical Consultant	AIA C103-2015 / C202-2015
Environmental Consultant	AIA C103-2015
Material Testing Consultant	AIA C103-2015 w/ Modified Scope of Services
Abatement	AIA A104 / A105 or Other TBD
FFE	AIA PO or consortium

Move Management	Custom Thrun Doc w/ Owner

Exhibit C: Professional Services Change Order Flowchart

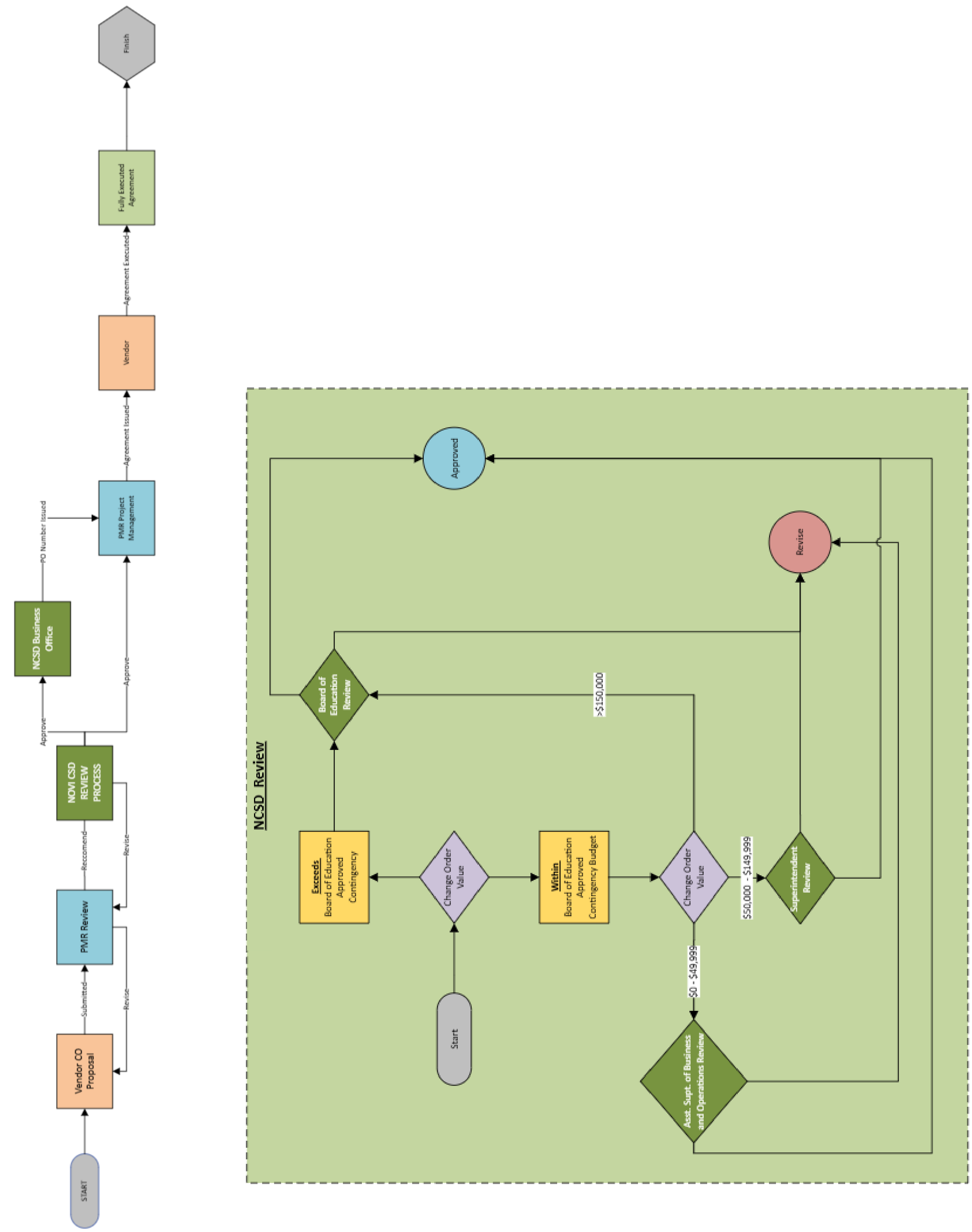

Exhibit D: FF&E Vendor Change Order Flowchart

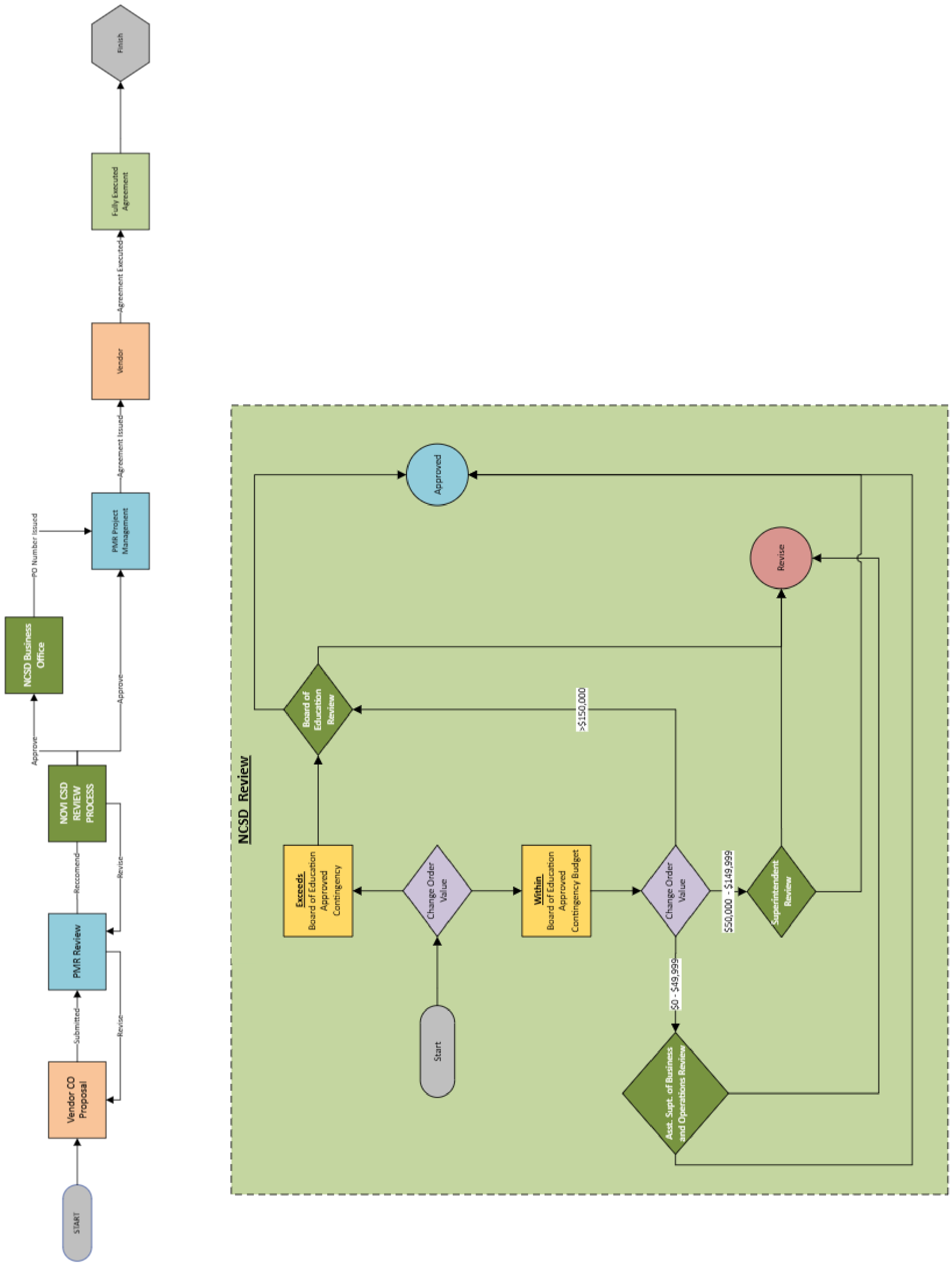

Exhibit E: CM / Contractor Proposed Change Order (PCO) Flowchart

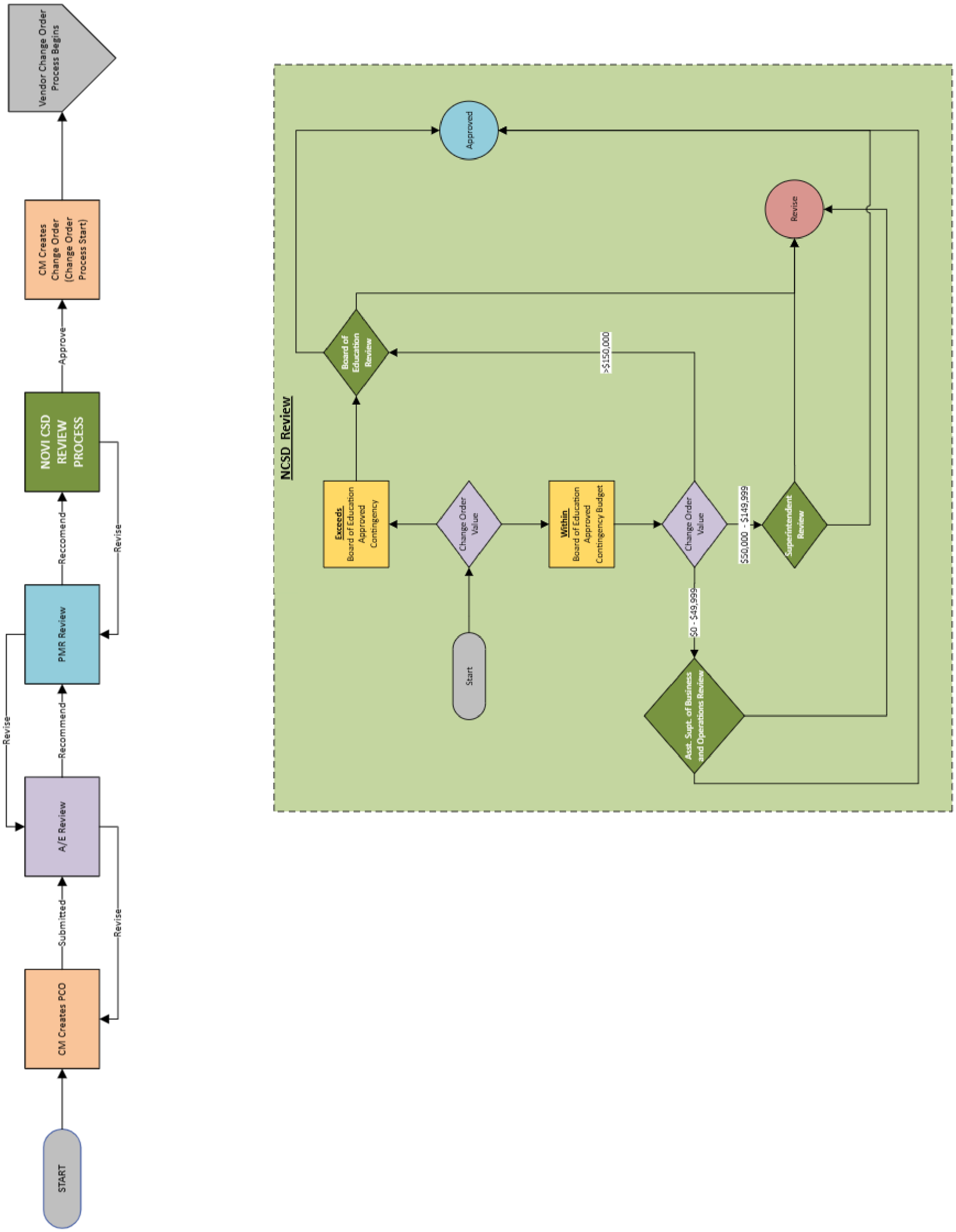

Exhibit F: Change Order (CO) Approval Flowchart

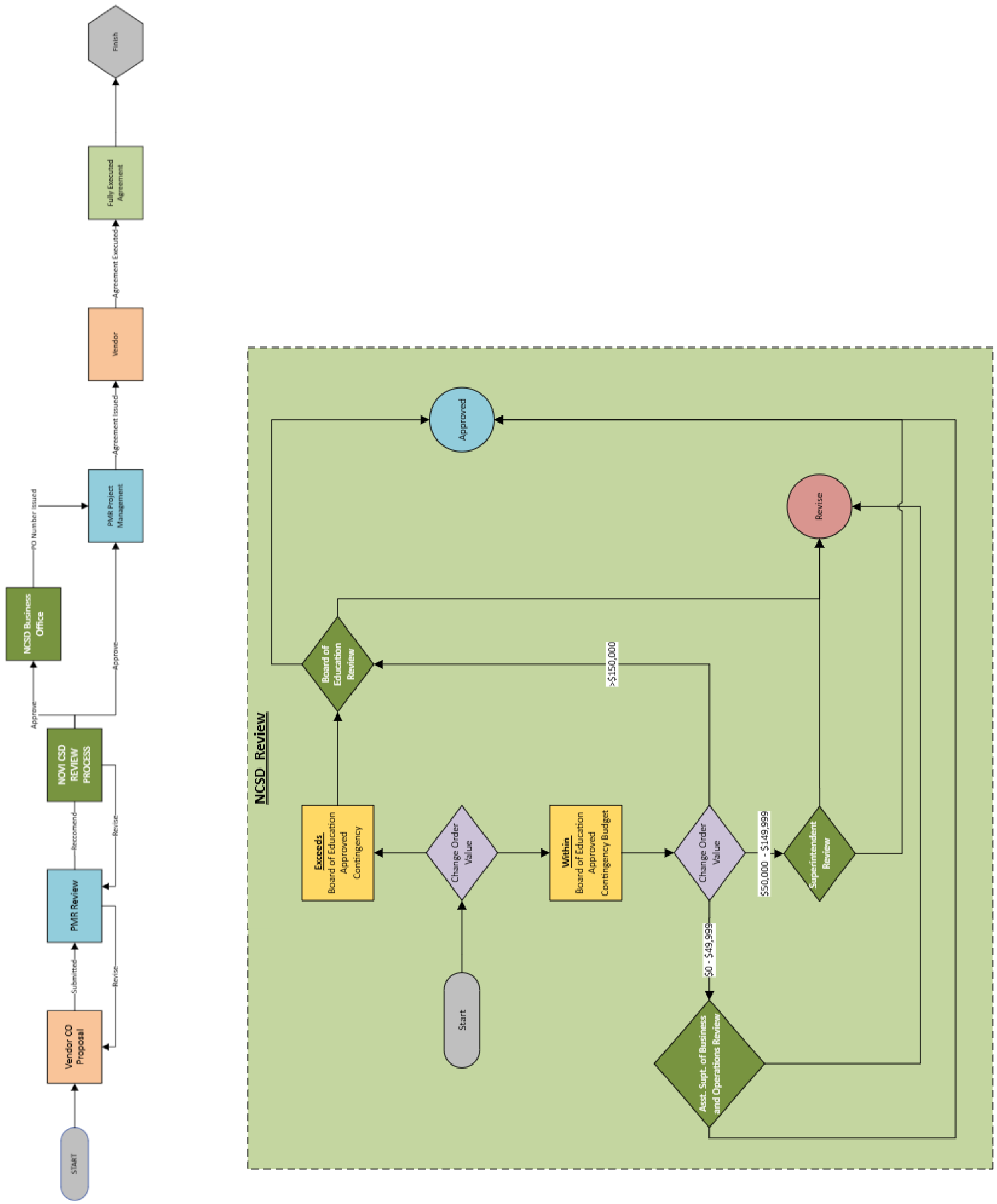

Exhibit G: Vendor Payment Approval (VPA) Flowchart

Current 2019 Bond Flowchart

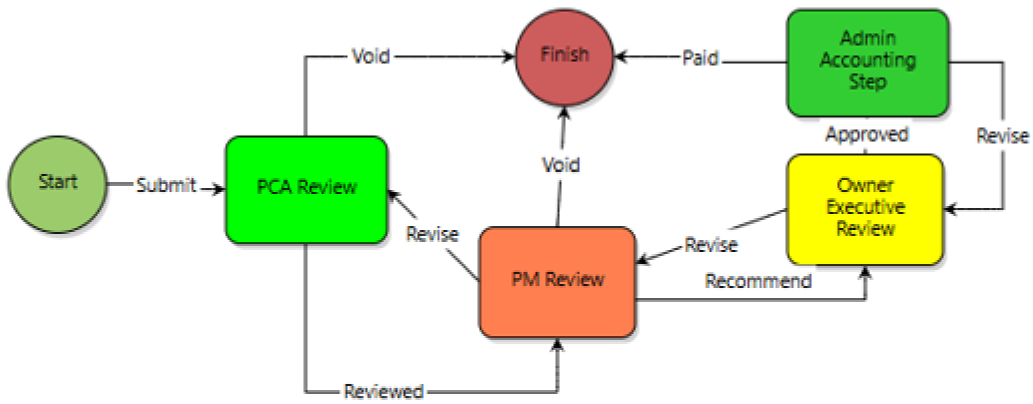

Exhibit H: Master Program Contact List –

Contact list is under development and will be updated in Final Draft.

Exhibit I: FY2026 State of Michigan Bid Threshold Memo

STATE OF MICHIGAN
DEPARTMENT OF EDUCATION
LANSING

GRETCHEN WHITMER
GOVERNOR

MICHAEL F. RICE, Ph.D.
STATE SUPERINTENDENT

MEMORANDUM

DATE: October 2, 2025

TO: Local and Intermediate School District Superintendents
Public School Academy Directors

FROM: Dr. Diane Golzynski, RDN, SNS Deputy Superintendent DG
Division of Business, Health, and Library Services

SUBJECT: FY 2026 Thresholds for Competitive Bids, Posting Travel Expenses, and Value of Awards

The Michigan Department of Education (MDE) is providing updated information on statutory requirements that determine thresholds for competitive bids, travel expenses, and the value of awards.

Sections 623a, 1267, and 1274 (MCLs 380.623a, 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 state laws also provide for an increase in the base amount corresponding to increases in the Consumer Price Index (CPI). For fiscal year 2026, which began this week on Wednesday, October 1, the base amount for Section 1267 (pertaining to construction, renovation, repair, or remodeling) and the new base for Sections 623a and 1274 (pertaining to procurement of supplies, materials, and equipment) are each $31,321.

Section 620(1) of the Revised School Code (MCL 380.620(1)) establishes a base above which travel expenses paid with intermediate school district (ISD) funds must be posted to the ISD website. Section 620(1) provides for an increase in the base that corresponds with increases in the CPI. For fiscal year 2026, the base amount of $4,995 for travel increases to $5,128.

There are changes to the limits on the value of awards given by an ISD to an employee, volunteer, or pupil, as well as the value above which an ISD administrator may not accept a gift from a vendor or potential vendor. Section 634 of the Revised School Code (MCL 380.634) places an upper limit on the

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October 2, 2025

value of awards given by an ISD to an employee, volunteer, or pupil, as well as the value above which an ISD administrator may not accept a gift from a vendor or potential vendor. The fiscal year 2024-25 cap of $175 for awards increases to $180 for fiscal year 2026, and the cap of $76 for gifts increases to $79 due to the increase in the average CPI.

Please note that all the thresholds and caps mentioned in this communication are effective as of October 2, 2025, and are in effect until the next communication revises them. A chart below summarizes the new amounts, requirements, and sections of the Revised School Code to which they pertain.

If you have any questions, please contact Phil Boone, MDE Office of State Aid and School Finance, at 517-899-0796 or BooneP2@Michigan.gov.

	Section	Requirement	Base Amount	FY 2026 Base	FY 2025 Thresholds	FY 2026 Thresholds
ISD travel expenditures	620	Posting	$ 3,000	$ 3,093	$ 4,995	$ 5,128
ISD procurement of supplies, materials, and equipment	623a	Competitive Bid	$ 17,932	$ 18,489	$ 30,512	$ 31,321
ISD award value limit	634, 1814	Award Cap	$ 100	$ 105	$ 175	$ 180
ISD gift value limit (monthly)	634	Gift Cap	$ 44	$ 46	$ 76	$ 79
School building construction, addition, renovation, or repair	1267	Competitive Bid	$ 17,932	$ 18,915	$ 30,512	$ 31,321
School district or PSA procurement of supplies, materials, and equipment	1274	Competitive Bid	$ 17,932	$ 18,489	$ 30,512	$ 31,321

cc: Michigan Education Alliance
Confederation of Michigan Tribal Education Departments