

THE MANAGEMENT AND BUDGET ACT (EXCERPT)
Act 431 of 1984

18.1263 Purchase of supplies and materials by state agency to maintain inventories; authorization; limitation; charging appropriation accounts; periodic inventories; obsolescence, damage, or spoilage; fee for purchasing services assistance; cooperative bulk purchasing program for schools and school districts.

Sec. 263. (1) The director may authorize a state agency to purchase supplies and materials for the purpose of maintaining inventories. The director shall place a dollar or quantity limitation to insure inventories are maintained at acceptable levels. Appropriation accounts shall be charged upon the basis of actual usage. Any state agency so authorized shall conduct periodic inventories as directed by the director of all supplies and materials under their control. Obsolete, damaged, or spoiled supplies and materials shall be charged to the proper appropriation account during the fiscal year it is determined that obsolescence, damage, or spoilage has occurred.

(2) The department shall provide assistance to any city, village, county, township, school district, intermediate school district, nonprofit hospital, institution of higher education, or community or junior college for purchasing services on a fee basis. Fees collected for the provision of that assistance are appropriated for the additional expenses incurred.

(3) The department shall create and operate a cooperative bulk purchasing program for school districts, public school academies, nonpublic schools, and intermediate school districts on a fee basis to reduce the costs of purchasing goods and services. Fees collected under this subsection shall not exceed the cost of purchasing goods and services and reasonable administrative expenses, and are appropriated for the expenses incurred.

History: 1984, Act 431, Eff. Mar. 29, 1985;—2004, Act 589, Imd. Eff. Jan. 4, 2005.

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