

The Montessori School of Camden Procurement Policy and Procedures

OFFICE OF RESPONSIBILITY: Finance

EFFECTIVE DATE: 7/23/21

The Montessori School of Camden RESERVES THE RIGHT TO REVISE THE CONTENT OF THIS DOCUMENT, IN WHOLE OR IN PART.

POLICY:

To ensure that **The Montessori School of Camden** will obtain the maximum value for each dollar expended and that all equipment, materials, and services are procured in a systematic manner, the MSC staff must employ selective competitive solicitation by qualified manufacturers and suppliers as stipulated by **The Montessori School of Camden** and state requirements. The Head of School is empowered to make non-material modifications to **The Montessori School of Camden** policies without additional approval of the Board of Directors.

The goal of the MSC staff is to ensure the best interest of **The Montessori School of Camden** is guaranteed through intelligent action and fair dealing. All of the foregoing and what is outlined in the pages that follow are in accordance with **The Montessori School of Camden's** Procurement Code and Regulations which is substantially similar to the South Carolina Consolidated Procurement Code as approved by the South Carolina Legislature.

PROCEDURES:

General Information

The Montessori School of Camden is required by Section 11-35-70 of the South Carolina Code of Laws to maintain and adhere to a Procurement Code and Regulations. This is because **The Montessori School of Camden** is spending public funds.

Any product, service or any other expenditure of **The Montessori School of Camden** funds must be processed in accordance with the Procurement Code. The level of competitive solicitations varies by dollar amount.

Individuals shall not commit any **MSC** money before a Purchase Order is issued. Individuals that authorize material or services to be delivered or performed before a Purchase Order is issued, may be held responsible for the paying costs related to the commitment.

Objectives

The Montessori School of Camden adheres to the following objectives:

- Procurements will be completely impartial based strictly on the merits of supplier and contractor proposals and applicable related considerations such as delivery, quantity, etc.
- Make all purchases in the best interests of **MSC** and its funding sources.
- Obtain quality supplies/services needed for delivery at the time and place required.
- Buy from responsible and dependable sources of supply.
- Obtain maximum value for all expenditures.
- Deal fairly and impartially with all vendors.
- Be above suspicion of unethical behavior at all times; avoid any conflict of interest, related parties or even the appearance of a conflict of interest in **MSC** supplier relationships.

Conflict of Interest

All **MSC** employees and members of **MSC's** Board of Directors are expected to use good judgment, to adhere to high ethical standards, and to act in such a manner as to avoid any actual or potential conflict of interest. A conflict of interest occurs when the personal, professional, or business interests of an employee or Board Member conflict with the interests of the organization. Both the fact and the appearance of a conflict of interest should be avoided. See **MSC's** Conflict of Interest Policy and Procedures.

Standards of Conduct

In accordance with 2.C.F.R 200.318(c)(1), MSC maintains the following standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award, and administration of contracts.

No employee, officer or agent may participate in the selection, award or administration of a contract supported by a federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.

The officers, employees, and agents of MSC may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts, unless the gift is an unsolicited item of nominal value. See MSC Conflict of Interest Policy and Procedures for definitions of “nominal value” and “anything of value”.

Organizational Conflicts

If a school has a parent, affiliate, or subsidiary organization that is not a state, local government or Indian tribe, the school must include written standards of conduct covering organizational conflicts of interest. Organizational conflicts of interest means that because of relationships with a parent company, affiliate, or subsidiary organization, the non-Federal entity is unable or appears unable to be impartial in conducting a procurement action involving a related organization 2 C.F.R 200.318 (c)(2).

Disciplinary actions

MSC will adhere to the disciplinary actions related to standards of conduct as outlined in the MSC Policy and Procedure Manual.

Mandatory Disclosure

Upon discovery of any potential conflict, MSC will disclose in writing the potential conflict to the federal awarding agency in accordance with applicable federal awarding agency policy. MSC also discloses in writing to the federal awarding agency or pass-through all violations of federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the award 2 C.F.R 200. 112-200.113

Small Purchases (not exceeding \$50,000)

The Montessori School of Camden will provide a systematic and businesslike method of obtaining and supplying materials and equipment for **The Montessori School of Camden**. Any single procurement not exceeding fifty thousand dollars (\$50,000.00) may be made in accordance with this paragraph; provided however that such procurement shall not be artificially divided to constitute a small purchase. *A purchase order is required for all purchases other than for incidentals where purchase orders are not accepted.* MSC must have a Procurement Policy in place and periodically review the policy to ensure that it is meeting the State Procurement Code.

Small purchases not exceeding **ten thousand dollars (\$10,000.00) in total value** may be accomplished with one quote if the price is considered to be reasonable. **The Montessori School of Camden** shall annotate the purchase requisition as follows: “Price is fair and reasonable” and sign such purchase requisition. Such purchases shall be distributed equitably among qualified suppliers. The purchase must be approved by the responsible department in charge and Head of School.

Small purchases from **ten thousand and 1/100th dollars (\$10,000.01) to twenty-five thousand (\$25000.00) in total value** may be accomplished if written quotes from a minimum of three qualified sources of supply are made and it is documented that the procurement is to the advantage of **The Montessori School of Camden**, price and other factors considered, including administrative costs of the purchase. Such documentation shall be attached to the purchase requisition. The purchase must be approved by the responsible department in charge and the Head of School.

Small purchases from **twenty-five thousand and 1/100 th dollars (\$25000.01) to fifty thousand dollars (\$50000.00)** must be accomplished with a written Request for Proposal. The purchase must be

documented that the procurement is to the advantage of **The Montessori School of Camden**, price and other factors considered, including the administrative costs of the purchase. Such documentation shall be attached to the purchase requisition. The purchase must be approved by the responsible department in charge, and Head of School. The Head of School will list the purchase as an informational item to **The Montessori School of Camden** Board of Directors.

Recommendations for engaging a consultant(s) or purchasing of services or products exceeding the total annual cost of \$50,000.01 MUST be brought to the Board for approval. The board will make the final decision. Under no circumstances, shall the Board delegate their responsibilities to third party.

Competitive Sealed Proposal (in Excess of \$50000.00)

Competitive Sealed Bidding is used to initiate competitive procurement in excess of \$50,000. Competitive sealed proposals should be used when both the needs of the school district and the costs to satisfy those needs are important, and the methods or items to satisfy those needs are not clear and precise. While price is an important factor, it is considered less significant than fully meeting **The Montessori School of Camden's** needs. The ultimate purpose of this method of procurement is to provide flexibility to **The Montessori School of Camden** while taking into consideration various options and the costs of each. Proposals shall be solicited through a request for proposals.

Request for Proposal

The request for proposal shall be the document used to initiate small purchase over \$25,000.01 and a competitive sealed proposal procurement and shall include the following:

- Instructions and information to vendors concerning the proposal submission requirements, including the time and date set for receipt of the proposal, the individual to whom the proposal is to be submitted, the address of the office to which proposal is to be delivered, and any other special information
- The purchase description, specifications, delivery and performance schedule, and such inspection and acceptance requirements as are not included in the purchase descriptions
- All contract terms and conditions, including warranty and bonding or other security requirements as applicable
- Instructions to vendors to visibly mark as confidential each part of their proposal which they consider to be proprietary information
- A statement of a vendor's right to protest

A cost or price analysis will be performed for non-competitive proposals when the price exceeds \$250,000 2 C.F.R 200.324(a). A cost analysis generally means evaluating the separate cost elements that make up the total price, while a price analysis means evaluating the total price, without looking at the individual cost elements. The method and degree of analysis is dependent on the facts surrounding the procurement situation 2.C.F.R 200.323 (a).

Exceptions to the Procurement Code (non-Federal Funds ONLY)

The Montessori School of Camden may exempt specific supplies or services from this Policy. The following supplies and services are exempted from this Policy:

- a. Books, periodicals, newspapers, technical pamphlets, standardized tests and other testing materials, copyrighted educational materials, filmstrips, slides and transparencies
- b. Public utilities, such as electricity, water or sewer
- c. Travel
- d. Workshops, seminars, and conferences
- e. Professional journals
- f. Taxes, social security, annuities, and credit unions
- g. Life insurance or supplemental insurance
- h. Refunds on health insurance
- i. Clergy
- j. Court reporters
- k. Professional dues, registration and membership fees
- l. Diplomas

- m. U.S. postage stamps and post office boxes
- n. Art reproductions
- o. Expert witness services
- p. Services and/or supplies provided by the Division of General Services to public procurement units

Sole Source and Emergency Procurement (non-Federal Funds only)

This method of procurement is the least competitive and, therefore, should have limited use. In those instances, however, where **The Montessori School of Camden's** needs can only be met by one method, means or item, sole source is an appropriate and necessary method of procurement. Such determination as to whether a procurement shall be made as a sole source shall be made by **The Montessori School of Camden**. Such determination and the basis thereof shall be in writing and shall include an explanation as to why no other source will be suitable or acceptable to meet the need.

A contract may be awarded for a supply, service or construction item without competition when **The Montessori School of Camden** determines in writing that there is only one source for the required supply, service or construction item.

MSC may make or authorize others to make emergency procurements when there exists a threat to public health, welfare or safety under emergency conditions, or where normal daily operations are affected; provided that such emergency procurements shall be made with such competition as is practicable under the circumstances. If emergency considerations exist after an unsuccessful attempt to use competitive sealed bidding, an emergency procurement may also be made. A written determination shall be made stating the basis for an emergency procurement and for the selection of the particular vendor. Emergency procurements shall be limited to that of supplies, services or construction items necessary to meet the emergency. Such procurement shall be presented to the board at its next board meeting.

Federal Fund Procurement

Any purchases exceeding **two thousand five hundred and 1/100 dollars (\$2,500.01) in total value** must be accomplished by written quotes from a minimum of three qualified sources (Request for Proposal if the amount exceeds \$10,000.01 in total value) of supply is made and it is documented that the procurement is to the advantage of **The Montessori School of Camden**, price and other factors considered, including administrative costs of the purchase. Such documentation shall be attached to the purchase requisition. The purchase must be recommended by the responsible department in charge, Finance Office, and Head of School. The recommendation must be brought to the Board for approval.

The Montessori School of Camden will follow **The Montessori School of Camden's** Federal Fund Procurement process unless the specific federal funding source has a more restrictive procurement policy involving expenditures. **The Montessori School of Camden** will also comply with all federal laws and regulations that are mandatory and that are not otherwise contained herein.

Non-competitive procurement (Federal Funds)

All procurement transactions for the acquisition of property or services required under a Federal award must be conducted in a manner providing full and open competition consistent with 2 C.F.R 200.319 and 200.320. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or request for proposals must be excluded from competing for such procurements. Some of the situations considered to be restrictive of competition include but are not limited to:

- placing unreasonable requirements on firms in order to for them to qualify to do business
- requiring unnecessary experience and excessive bonding
- noncompetitive pricing practices between firms or between affiliated companies
- noncompetitive contracts to consultants that are on retainer contracts
- organizational conflicts of interest
- specifying only a brand name product instead of allowing "an equal" product to be offered and describing the performance or other relevant requirements of the procurement

- any arbitrary action in the procurement process

There are specific circumstances in which non-competitive procurement can be used. Non-competitive procurement can only be awarded if one or more of the following circumstances apply:

- micro-purchases
- the item is only available from a single source
- the public exigency or emergency for the requirement will not permit a delay resulting from the publicizing a competitive solicitation
- the federal awarding agency or pass-through entity expressly authorizes non-competitive proposals in response to a written request from MSC or
- after solicitation

When using federal funds the following must also be met to ensure adequate competition:

- **Geographical Preferences Prohibited** MSC must conduct procurements in a manner that prohibits the use of statutorily or administratively imposed state, local, or tribal geographical preferences in the evaluation of bids or proposals, except in those cases where applicable federal statutes expressly mandate or encourage geographic preference. When contracting for architectural and engineers (A/E) services geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms given the nature and size of the project to compete for the contract.
- **Domestic Preference for Procurement** MSC to the greatest extent practicable, provides a preference for the purchase or acquisition of goods and products produced in the United States. MSC includes this preference in all contracts and purchase orders for work or products using federal funds.
- **Prohibition on Certain Telecommunications Companies** MSC will not procure or enter into a contract to procure, or extend, or renew a contract to procure covered telecommunications and video surveillance equipment or services described in Public Law 115-232, section 889. Covered telecommunications and video surveillance equipment or services are those produced by Huawei Technologies Company, ZTE Corporation, Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company or Dahua Technology Company or any subsidiary or affiliate of such entities. 2 C.F.R. 200.216 to ensure compliance, MSC will check sam.gov and make certain that the vendor for telecommunications and video surveillance is not excluded under this prohibition.
- **Never contract with the enemy** MSC complies with the regulations implementing Never Contract with the Enemy in 2 CFR part 183 prohibit contracts, grants, and cooperative agreements that exceed \$50,000, are performed outside the U.S. and its territories, and are in support of contingency operation in which members of the Armed Forces are actively engaged in hostilities 2.C.F.R 200.215
- **Prequalified Lists** MSC must ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods or services are current and include enough qualified sources to ensure maximum and open free competition. Also, MSC must not preclude potential bidders from qualifying during the solicitation period.

Public Notice

Public notice of the invitation for proposal shall be given. Such notice may include publication on **The Montessori School of Camden's** website. Proposal time will be set to provide the vendors a reasonable time to prepare their proposals. A minimum of ten (10) days shall be provided by **The Montessori School of Camden**.

Bid Opening

Proposals over \$50,000 shall be publicly opened, but only the names of the offerors disclosed at the proposal opening. Contents of competing proposals shall not be disclosed during the process of opening or negotiation. All proposals shall be recorded at the time of opening and shall be opened for public inspection after contract award. Proprietary or confidential information marked as such in each proposal shall not be disclosed without written consent of the offeror.

Request for Qualifications

Prior to soliciting proposals, and after giving adequate public notice, **The Montessori School of Camden** may issue a request for qualifications, experience, and ability to perform the requirements of the contract from prospective offerors. At a minimum, the request shall contain a description of the goods or services to be solicited by the invitation for proposal and the general scope of the work. The request shall also contain the deadline for submission of information and how prospective offerors may apply for consideration.

After **The Montessori School of Camden** receives the responses, it will rank prospective offerors from most qualified to least qualified on the basis of the information provided. **The Montessori School of Camden** shall then invite vendors from at least the top two prospective offerors.

Negotiations with responsible offerors and revisions to proposals

As provided in the request for proposals, negotiations may be conducted with any offeror submitting a proposal appearing to be eligible for contract award pursuant to the selection criteria set forth in the request for proposals. All apparently eligible offerors shall be afforded the opportunity to submit best and final proposals if negotiations with any other offeror result in a material alteration to the request for proposals and such an alteration has a cost consequence that may alter the order of offerors' price quotations contained in their initial proposals. In conducting negotiations, there shall be no disclosure of information derived from proposals submitted by any competing offerors

Evaluation

The request for proposals shall state the evaluation factors in relative order of importance. Price may not be an initial evaluation factor. Each responsive and responsible offeror's proposal shall be evaluated. The proposal shall then be ranked in accordance with the results of such evaluation.

Award

The award shall be made to the responsible offeror whose proposal is determined in writing to be most advantageous to **The Montessori School of Camden**, taking into consideration the evaluation factors set forth in the request for proposals. No other factors or criteria shall be used in the evaluation. The contract file shall contain the basis on which the award is made.

Adopted from Charter Institute of Erskine, 07/23/21, modified 10.19.21, modified 02/06/22