

I. Policy Statement

The Board of Education of Howard County expects that all funds provided to them for all goods and/or services will be expended and handled in the most ethical, effective, and efficient manner possible and that procurement activities will be carried out in compliance with the Public School Laws of Maryland including, the Annotated Code of Maryland, Educational Article, §5-112.

II. Purpose

The purpose of this policy is to set guidelines for the procurement process for all goods and/or services used by the Howard County Public School System (HCPSS).

III. Definitions

Within the context of this policy, the following definitions apply:

- A. Contract – All types of agreements that are legally binding and are for the procurement of goods, services, or construction, regardless of the source of funds.
- B. Donations – Equipment, materials, money, or property given to a school or to the school system for use in or in conjunction with educational or extracurricular programs or activities with no expectation of return.
- C. Emergency Procurement – The awarding of a contract due to a sudden and unexpected occurrence or condition which was unforeseen whereby life, health, safety, property, or interruption of the regular operation of the school system would be impacted as determined by the Director of Purchasing.
- D. Goods – Tangible commodities provided to the Board in exchange for payment.
- E. Intergovernmental Purchase – The acquisition of goods or services from another government agency such as the county, state or other public entities.
- F. Minority Business Enterprises – Any legal entity, except a joint venture that is:
 - 1. Organized to engage in commercial transactions;

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2. At least 51% owned and controlled by 1 or more individuals who are socially and economically disadvantaged, including but not limited to women, racial/ethnic minority individuals, and individuals with physical and mental disabilities, and
 3. Managed by, and the daily business operations of which are controlled by, one or more of the socially and economically disadvantaged individuals who own it.
- G. Minority Business Enterprise Participation – The inclusion of a minority business enterprise as either prime or subcontractors in Board contracts.
- H. Procurement – The process of obtaining goods and/or services.
- I. Procurement Methods – The procedures and processes that outline the threshold levels and efforts required to establish a contract.
- J. Purchasing Cooperative – Participation in or use of a contract for goods and/or services that are awarded by other public agencies or by intergovernmental purchasing organizations.
- K. Response – A written or verbal quote, bid, proposal, or offer.
- L. School Activity Funds – All cash funds held in the name of a school including fundraising proceeds, cash donations, funds transferred from the Board, and funds provided to a school not allocated through the Board budget.
- M. Services – The rendering of time, effort, or work rather than the furnishing of a specific physical product. Includes, but is not limited to, the professional, personal, and/or contractual services provided by architects, engineers, attorneys, accountants, physicians, consultants, appraisers, land surveys, and where services are associated with the provision of expertise or labor, or both.
- N. Sole Source – The awarding of a contract compliance with one or more of the following:
1. Only a single source exists that meets the requirements;
 2. The compatibility of equipment, accessories or replacement parts is the paramount consideration;
 3. A sole supplier item is needed for trial use or testing;
 4. A sole supplier's item is needed for resale;
 5. Certain public utility services are to be procured and only one source exists; and/or
 6. In the case of instructional related needs, staff has determined to the satisfaction of the Director of Purchasing that it would be impractical to seek or utilize another source.

- O. Solicitation – A requirements document that outlines the procurement process and selection criteria to obtain goods and/or services to be delivered or completed that is formally advertised to the general public.
- P. Solicitation Threshold – The dollar amount if equaled or exceeded, requires a solicitation.
- Q. Supplier – A person or entity providing goods and/or services.

IV. Standards

- A. Provisions of this policy apply to all funds, including but not limited to, school activity funds and grants.
- B. Contracts and other purchasing activities will be in accordance with this policy and procedures.
- C. Procurement of goods with a value over \$25,000 require a solicitation.
- D. The Board and Superintendent will approve all contracts above the solicitation threshold.
- E. The Board reserves the right to reject any and all responses, any or all items, or to waive defects of specifications or any specific(s) whenever such rejection is in the best interest of the Board.
- F. For contracts below the solicitation threshold:
 - 1. Approval of all contracts for Board appropriated funds will be made by the Purchasing Office.
 - 2. Approval of all contracts using school activity funds will be made by the school principal.
- G. Procurement methods for the solicitation threshold levels outlined in this policy and procedures will be established by the Purchasing Office.
- H. Proper execution of contracts, maintenance, and storage of all Board of Education contracts will be performed by the Purchasing Office.
- I. Training and other professional development opportunities to prepare employees in the proper administration of contracts will be provided by the Purchasing Office.
- J. Contracts not established in compliance with the Annotated Code of Maryland, Education Article, §5-112, and this policy will be considered void.

- K. The Board requires competitive procurements except when the need for services is in compliance with the definition of Sole Source or Emergency Procurement.
- L. The Purchasing Office will encourage the participation of locally-owned businesses as well as minority business enterprise participation in procurements.
- M. The Purchasing Office will encourage the participation of minority business enterprise participation in procurements.
- N. The procurement of environmentally friendly and/or sustainable goods and/or services will be in accordance with the Public School Laws of Maryland specifically the Annotated Code of Maryland, Educational Article, §5-112.
- O. Contracts established through intergovernmental purchases are exempt from this policy.
- P. School events such as music festivals, proms, and fieldtrips as determined by the Purchasing Office may be exempt from this policy.
- Q. Goods and commonalities acquired through a purchasing cooperative will follow public bidding procedures described in State Finance and Procurement Articles and are exempt from this policy.
- R. Procedures for architectural/engineering and construction management services selection are addressed in Policy 6030 Procurement of Architectural/Engineering and Construction Management Services and are exempt from this policy.
- S. Procurements related to legal services are exempt from this policy.
- T. Contracts with software providers, online services, and mobile applications will comply with federal, state, and local student data privacy protections, including those provisions identified in the Annotated Code of Maryland, Education Article, §4-131 and HCPSS policies.

V. Responsibilities

- A. The Superintendent/Designee will establish the acceptable procurement method and process for establishing contracts at the threshold levels set in this policy and implementation procedures.
- B. The Superintendent/Designee will establish manuals or other documentation to inform all staff and community members of the appropriate expenditure of funds.
- C. All employees will follow this policy and implementation procedures and comply with Policy 2070 Ethics and HCPSS Ethics Regulations.

VI. Delegation of Authority

The Superintendent is authorized to develop appropriate procedures to implement this policy.

VII. References

- A. Legal
 - Annotated Code of Maryland, Education Article, §4-131
 - Annotated Code of Maryland, Education Article, §5-112
 - Annotated Code of Maryland, Finance and Procurement Article, §14-301
 - Annotated Code of Maryland, State Finance and Procurement, §13-109

- B. Other Board Policies
 - Policy 2070 Ethics
 - Policy 4000 Grants
 - Policy 4010 Donations
 - Policy 4030 School Activity Funds
 - Policy 6030 Procurement of Architectural/Engineering Services and Construction Management Services

- C. Relevant Data Sources

- D. Other
 - HCPSS Ethics Regulations
 - Procurement Manual

VIII. History

ADOPTED: December 3, 1968

REVIEWED:

MODIFIED:

REVISED: June 28, 1990
December 13, 2001
February 27, 2003
December 14, 2006
January 13, 2011
June 7, 2018

EFFECTIVE: July 1, 2018



**POLICY 4050-IP
IMPLEMENTATION PROCEDURES**

**PROCUREMENT OF GOODS
AND/OR SERVICES**

Effective: July 1, 2018

THIS IS AN UNOFFICIAL DOCUMENT PROVIDED AS A TOOL FOR STUDYING PROPOSED CHANGES

I. Definitions

Within the context of these implementation procedures, the following definitions apply:

- A. Purchase Order – A legally binding commercial document used to detail the types and quantities of goods and/or services provided by a supplier in return for payment.
- B. Quotation – A verbal or written offer by a supplier that includes the supplier’s name, contact information, brief description of work, associated price and date for delivery or completion of work.
- C. Specifications – A clear, complete, and accurate description of the goods and/or services required in a procurement activity.

II. Procurement Manual

The Purchasing Office will provide a Procurement Manual to assist employees in the compliance and application of Policy 4050.

III. Method of Procurement

- A. All procurements, regardless of the method used, will include the following basic elements:
 - 1. Scope of work and/or specifications in sufficient detail
 - 2. Date for delivery of goods or completion of services
 - 3. Pricing format, if applicable
 - 4. Approval and signature by authorized individuals
 - 5. Identified source of proposed funding.
- B. The criteria to determine the appropriate procurement method is defined as follows:
 - 1. Goods and/or services costing up to, but not including, \$5,000 in aggregate value per year may reflect the lowest price available given the situation. This

purchase will be initiated by using an approved Howard County Public School System (HCPSS) Purchase Order.

2. Goods and/or services costing more than \$5,000, but less than the solicitation threshold of \$25,000 in aggregate value per year will only be considered after the receipt of three written quotations by the Purchasing Office. This contract will be formulated by the use of an approved HCPSS Purchase Order or other acceptable contract form approved by the Purchasing Office.
 3. Goods and/or services for amounts equal to or above the solicitation threshold of \$25,000 or more can only be made after a formal procurement and the approval of the Board.
- C. Minority business enterprise participation goals to include small and locally-owned businesses, will be established by the Purchasing Office.
- D. Small business participation goals will be established by the Purchasing Office.
- E. Locally-owned business goals will be established by the Purchasing Office.

IV. Award or Rejection of Contracts

- A. If the cost of any item or group of related items and/or service(s) is for an amount above the solicitation threshold, the Board, at least two weeks before bids are filed, will advertise for bids in a medium accessible to the general public (which includes a newspaper of general circulation in the region, the eMaryland Marketplace, or comparable state publication), or a posting on an electronic bid board and a physical posting in the Purchasing Office.
1. Contracts for amounts above the solicitation threshold can only be made after the receipt of formal sealed responses and the approval of the Board.
 2. Awards of contracts under the solicitation threshold will be approved by the Superintendent/Designee.
- B. Vendor responses to Requests for Proposals (RFPs) for HCPSS contracts will be evaluated by an evaluation committee who are required to complete a non-disclosure/nonconflict of interest agreement. A contract for the procurement of goods and/or services will be awarded to the lowest responsive and responsible bidder who conforms to specifications, with consideration given to:
1. Quantities involved
 2. Time required for delivery
 3. Purpose for which it is required
 4. Competency and responsibility of the bidder
 5. Ability of the bidder to perform satisfactory service
 6. Plan for utilization of minority business enterprises.

- C. Firms not awarded a contract as a result of a formal solicitation will be issued a notice of non-award.
- D. A contract entered into or purchase made in violation of §5-112 of the Education Article of the Annotated Code of Maryland and Policy 4050 Procurement of Goods and/or Services is void.

V. Signing of Contracts

- A. Contracts for amounts at or above the solicitation threshold of \$25,000 are executed by the Board Chairman/Designee and the Superintendent/Designee as appropriate.
- B. For contracts below the solicitation threshold:
 - 1. The Superintendent/Designee will approve all contracts for Board appropriated funds.
 - 2. Principals will approve all contracts for school activity funds.

VI. History

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