

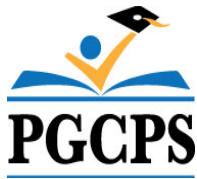
ADMINISTRATIVE PROCEDURE

Purchasing Guidelines

3323
Procedure No.

January 3, 2023
Date

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- I. **PURPOSE:** To establish guidelines for the procurement of all materials, supplies, equipment, services, instructional materials and supplies, instructional and staff development, and professional services used by the Prince George's County Public Schools (PGCPS).
 - II. **POLICY:** The Board of Education (Board) expects that all funds provided to PGCPS for materials, supplies, equipment, services, contract administration and contractual services will be expended and handled in the most effective, prudent and efficient manner. (Board Policy 3323)
 - III. **DEFINITIONS:**
 - A. Bidder of Standing: A bidder who would be directly next in line for an award if the protest of a bid is supported.
 - B. Bid Security: A guarantee that a contractor will enter into a contract at the price represented in the contractor's bid.
 - C. Customer: A PGCPS school, office or department that requests the purchase of goods or services.
 - D. Emergency: A sudden or unexpected happening or an unforeseen circumstance that calls for immediate action to protect public health, safety, or welfare or to procure needed supplies, equipment, or services to prevent the disruption or interference with the education programs or other operations of PGCPS.
 - E. Formal Bids/Proposals: An offer in response to an Invitation for Bid or a Request for Proposal, which must be submitted electronically or in a sealed envelope and in conformance with a prescribed format at a specified date and time.
 1. Invitation for Bid (IFB): A sealed bid process for the procurement of equipment, supplies, materials or services that includes formal advertisement, specifications or statement of work, and terms and conditions for the particular purchase, at a predetermined date and time for the public bid opening. It is typically awarded on a low-price basis.
 2. Request for Proposal (RFP): An RFP is a formal solicitation of proposals usually for services. Proposals are not publicly opened. An RFP is a procurement process in which quality and price are balanced to meet the needs of PGCPS. Awards are based upon the highest evaluated proposal considering the technical and financial merits of the requirement



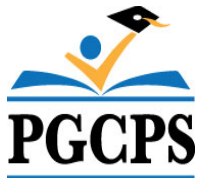
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3323
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- F. Informal Bid: A bid, price quotation or proposal for supplies or services that is conveyed by a letter, fax, e-mail or other manner that does not require a formal sealed bid or proposal, public opening, or other formalities. Informal bids are often appropriate for requirements that may be considered low value or fall under a stipulated price/cost threshold.
- G. Lowest Responsible and Responsive Bidder/Offeror - A lowest responsible and responsive bidder/offeror means the following:
1. Lowest means lowest price.
 2. Responsible means a person or entity that has the capability in all respects to fully perform all aspects of the contract with integrity and reliability that shall assure good faith performance.
 3. Responsive means a bid or proposal submitted in response to an Invitation for Bids or Request for Proposals that conforms to all material aspects of the requirements contained in the Invitation for Bid or Request for Proposals.
- H. Payment Bond: A surety bond that guarantees certain employees, subcontractors, and suppliers are protected against non-payment.
- I. Performance Bond: A surety bond issued by an insurance company or a bank to guarantee satisfactory completion of a project by a contractor.
- J. Professional Services: Services provided by an individual or entity that require advanced education and training and a high level of proficiency and specialization. This term may include legal, technology and financial services by a licensed professional.
- K. Purchase Order: A commercial document issued by PGCPS to a contractor or by a contractor to PGCPS, indicating types, quantities, and agreed prices for goods or services.
- L. Requisition: An internal document that a PGCPS employee creates to request the purchase of goods or services.
- M. Specifications (or "Purchasing description"):
1. A precise description of the physical or functional characteristics of a product, good or construction item; a description of materials and/or services; or a description of what the purchaser seeks to buy and what a bidder/offeror must be responsive to in order to be considered for award of a contract.



ADMINISTRATIVE PROCEDURE

Purchasing Guidelines

3323
Procedure No.

January 3, 2023
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2. Specifications generally fall under the following categories: design, performance, combination (design and performance), brand name or approved equal, qualified products list and samples.

N. Statement of Work: A document that provides a description of the requirements. It defines

the scope of work being provided, project deliverables, timelines, work location, and payment terms.

IV. PROCEDURES: The Department of Purchasing and Supply Services establishes the following procedures in accordance with Education Article §5-112 of the Maryland Annotated Code for school administrators and division/department heads to follow when obtaining materials, supplies, equipment, and services essential for the effective operation of PGCPS. These procedures require a centralized purchase order process and the use of the Oracle Self Service Procurement (SSP) software application for the electronic transmission of requisitions and purchase orders.

A. Formal Bids/Proposals (Procurements above \$50,000)

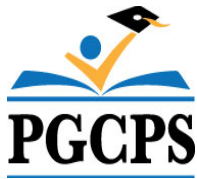
1. The Department of Purchasing and Supply Services shall assist customer schools and departments in developing specifications for the purpose of obtaining formal bids. The specifications shall be based on knowledge of use, functional value, product life cycle, environmental impact, operational safety, and in observance of all related federal, state, and county building codes.
2. The specifications shall identify the requirements for bid security, including, but not limited to: a bid bond, certified company or cashier's check, a performance bond, and/or a payment bond. The bid security shall be provided in an amount not less than five percent (5%) of the amount of the base bid.

B. Informal Bids (Small Value Procurements under \$50,000)

1. The Department of Purchasing and Supply Services shall assist schools and departments with developing and obtaining informal bids.
2. Informal bids (price quotations) are exempt from statutory requirements for advertisement and award of contract.

C. Advertisement (Required for Formal Bids/Proposals)

1. All formal bid solicitations shall be advertised in accordance with § 5-112 of the Education Article. Advertisements shall be posted on the Department of Purchasing



ADMINISTRATIVE PROCEDURE

Purchasing Guidelines

3323
Procedure No.

January 3, 2023
Date

and Supply Services website and posted on the State's eMaryland Marketplace website.

D. Instructional Materials

1. Books and other instructional material shall be evaluated and selected in accordance with Board Policy 6180.1, Evaluation and Selection of Classroom Instructional Materials.
2. Instructional materials and supplies are exempt from statutory requirements for advertisement and contract awards up to \$1,000,000 purchase.

E. Volume Purchases

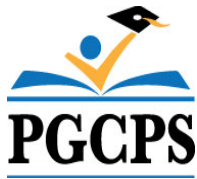
1. Any group or large volume procurement by a school or department must be obtained through a contract issued by the Department of Purchasing and Supply Services for the purchase of selected supplies, equipment and furnishings.
2. Information on existing state, county, local contracts or group purchase agreements shall be made available to all schools and departments.

F. Quality of Materials and Services

The quality standard for materials, equipment, and services shall be established by the Department of Purchasing and Supply Services on the advice of school principals and division/department heads. The basic criteria in determining quality shall be: the function and use of the materials, equipment, or services; availability; product standardization; packaging; and the manufacturer's practices.

G. Ordering Equipment, Materials, Supplies and Services

1. Requisition requests should be submitted through SSP Oracle and must follow the established Oracle hierarchy for approval. After all approvals have been obtained, a Purchasing Buyer will review the requisition for purchase order approval. With the exception of School Activity Funds, an approved purchase order issued by the Department of Purchasing and Supply Services is required for all procurements.
2. Item based requisitions should indicate the manufacturer's part number(s), item description, required quantity, unit of measurement and item cost.
3. Service based requisitions should define and list the required service expectations and expected deliverable items.



ADMINISTRATIVE PROCEDURE

Purchasing Guidelines

3323
Procedure No.

January 3, 2023
Date

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4. Purchase Orders are also utilized to secure orders for goods and/or services under the \$50,000 threshold, as well as books and materials of instruction.

H. Receiving of Materials and Authorization of Payment

Final inspections and receiving must be done without delay. Schools and requisitioning department personnel must perform a final inspection to determine if items ordered meet the specifications. Entering the receiving module SSP Oracle is an acknowledgement of acceptance for payment processing by PGCPS.

I. Award of Contract

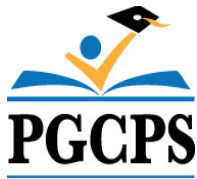
1. The Board shall review contract recommendations at its regularly scheduled meetings. The Board reserves the right to approve, defer or deny an award of contract. The Purchasing staff shall take all necessary action to implement the award decision of the Board.
2. All contracts awarded to the lowest evaluated bid or the highest technical, lowest priced offeror shall be approved by the Director of Purchasing and reported to the Board.
3. If for any reason the contract cannot be awarded based upon lowest evaluated bid or highest technical lowest price then the recommendation for award shall be sent to the Board for approval prior to awarding the contract.
4. All executed awards will be posted on the Department of Purchasing and Supply Services web page and a copy will be emailed to the successful bidder/offeror.

Note: It is the responsibility of the Customer to obtain approval of potential contract awards that require Board approval. Customers are required to draft the Board Action Summary (BAS) and submit it to the Purchasing Office for approval prior to submission to the CEO's Office for Board approval. Customers cannot proceed using the potential contract until Board approval is obtained and a contract award is fully executed by the Purchasing Department.

J. Non-Award

The Department of Purchasing and Supply Services will notify the unsuccessful bidder or offerors. The notification shall include:

- (i) The number of offerors solicited;
- (ii) The number of proposals received;



ADMINISTRATIVE PROCEDURE

Purchasing Guidelines

3323
Procedure No.

January 3, 2023
Date

- (iii) The name and address of each offeror receiving an award;
- (iv) The items, quantities, and any stated unit prices of each award.

K. Debriefing of Unsuccessful Offerors

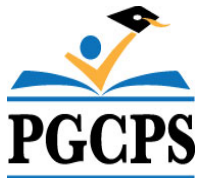
A debriefing of an unsuccessful offeror shall be conducted upon a written request submitted to the PGCPS within 10 business days after the offeror knew or after receipt of notice that its proposal was unsuccessful. If the offeror does not request a debriefing within the 10 business days, they forfeit their rights to a debriefing. The debriefing shall be limited to discussion of the unsuccessful offeror's proposal only and shall not include a discussion of a competing offeror's proposal. Debriefings shall be conducted at the earliest feasible time.

L. Protest and Disputes Less Than \$50,000

1. Protests/disputes of awards for less than \$50,000 shall be made in writing to the Purchasing Supervisor or their designee and shall include the information as outlined above.
2. The Purchasing Supervisor or their designee shall review and make a determination as to the merit of the protest/dispute. Bidders may appeal this decision to the Purchasing Director.
3. The Director of the Department of Purchasing and Supply Services will evaluate the dispute and render a decision. The decision of the Purchasing Director is final and cannot be appealed.

M. Protest and Disputes Resolution Greater than \$50,000

1. The Purchasing Director of the Department of Purchasing and Supply Services shall attempt to informally resolve informally all protests of bid award recommendations. Bidders/Offerors are encouraged first to present their concerns promptly to the Buyer and/or Purchasing Supervisor for consideration and resolution.
2. An interested party (actual bidder or offeror) may submit a written protest concerning a proposed award for equipment, supplies services or construction to the Purchasing Director of the Department of Purchasing and Supply Services.
3. The written protest should include the following:
 - a. Name, address and telephone number(s) of the protester;
 - b. Identification of the solicitation;



ADMINISTRATIVE PROCEDURE

Purchasing Guidelines

3323
Procedure No.

January 3, 2023
Date

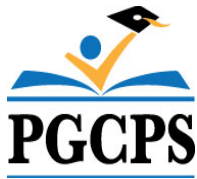
- c. Detailed statement listing the reason for the protest;
 - d. Supporting documentation to substantiate the claim; and
 - e. Proposed remedy sought.
4. The protest must be filed with the Director of the Department of Purchasing and Supply Services. The Purchasing Director within seven (7) calendar days of the pre-award notification to the bidder/offeror that their bid/proposal was rejected or was not selected.
 5. The Director of the Department of Purchasing and Supply Services shall inform the Chief Operating Officer (COO) upon receipt of the protest.
 6. The Director of the Department of Purchasing and Supply Services shall confer with the Office of General Counsel prior to issuance of a decision regarding formal protests of contract awards.
 7. The Director of the Department of Purchasing and Supply Services shall issue a written decision within 15 business days of receipt of the protest. If bidder/offeror is unsatisfied with the decision, the protest may be appealed to the COO within two (2) business days of issuance of the written decision of the Purchasing Director or their /designee's written decision.

N. Appeal of Contract Award Decision

1. Bidders/Offerors who remain unsatisfied after following the procedures above may further contest the contract awarded by filing an appeal to the Board of Education of Prince George's County within thirty (30) calendar days of issuance of the written letter from the COO. The Board shall accept, reject, remand or modify the proposed decision at the first available public board meeting. The Board of Education decision is final.
2. Bidder/Offeror who remains unsatisfied after appealing to the Board of Education of Prince George's County can contest the ruling by filing an appeal to the Maryland State Board of Education within (30) calendar days of the Board's decision, as provided by Maryland law.

O. Remedies

1. Remedies before Award: If the protest or appeal is sustained then the solicitation or proposed award must be:
 - a. canceled; or



ADMINISTRATIVE PROCEDURE

Purchasing Guidelines

3323
Procedure No.

January 3, 2023
Date

- b. revised to comply with the law. _____
2. Remedies after Award: If a protest or appeal is sustained after an award, then: if the vendor awarded the contract has not acted fraudulently or in bad faith:
- the contract may be ratified and affirmed; or
 - the contract may be terminated, and the vendor awarded the contract must be compensated for the actual expenses reasonably incurred under the contract, plus a reasonable profit, prior to the termination.
3. If the awardee of the contract has acted fraudulently or in bad faith, the contract shall be considered void and of no effect; thereby releasing PGCPS of all obligations.

The Board reserves the right to award during the appeal process if determined that the immediate execution of the contract is necessary to protect substantial State and Board interests.

P. Contract Modifications

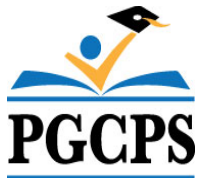
The CEO shall report contract modifications exceeding \$50,000 to the Board. Modifications don't include construction "Change Orders" or contract options.

Q. Relationship with Vendors

The Department of Purchasing and Supply Services shall encourage fair and equal treatment of all prospective vendors and bidders/offerors and shall be consistent with the practices of the Board. Confidence, respect, and fairness are the foundation for the policy of the Board in its relationship with vendors.

V. COMPLIANCE AND MONITORING:

- The Director of Purchasing and Supply Services will be responsible for monitoring and compliance to this procedure.
- Purchasing Supervisors are responsible for:
 - Sharing purchasing procedures and guidelines with purchasing staff, school departments and vendor communities. This information should be provided at least annually.
 - Developing an Internal Controls Plan and Metric to ensure compliance with the established procedures.



ADMINISTRATIVE PROCEDURE

Purchasing Guidelines

3323
Procedure No.

January 3, 2023
Date

VI. LEGAL REFERENCES:

- Annotated Code of Maryland, Education Article §4-205, § 5-112, §7-106
- Annotated Code of Maryland, State Finance and Procurement Article, § 13-109, §14-302
- Code of Maryland Regulations (COMAR) 21.11.03.04

VII. RELATED POLICIES AND ADMINISTRATIVE PROCEDURES:

Board Policy 0107, *Ethics Regulations*
Board Policy 3323 *Purchasing*
Board Policy 3150, *Solicitations and Acceptance of Funds and Other Resources*
Board Policy 3260, *Sales and Disposal of Books, Equipment and Supplies*
Board Policy 6180.1, *Evaluation and Selection of Classroom Instructional Materials*
Board Policy 7100, *Capital Improvement Program*
Board Policy 7211.1, *Selection of Architects*
Board Policy 7430, *Change Orders*
Administrative Procedure 3325, *Minority Business Enterprise Procurement Procedures*

VIII. MAINTENANCE AND UPDATE OF THESE PROCEDURES: This administrative procedure originates with the Department of Purchasing and Supply Services and will be updated as needed.

IX. CANCELLATIONS AND SUPERSEDURES: This administrative procedure supersedes Administrative Procedure 3704 Purchasing Guidelines dated January 5, 2015.

X. EFFECTIVE DATE: January 3, 2023