

# River Montessori Charter School



## **Purchasing Policy**

It is the intent of River Montessori Charter School (RMCS) to establish a framework so that purchasing activities for the School are carried out in a prudent, economic, and socially responsible manner.

### **1. Contract Performance**

RMCS will maintain a contracts administration system which ensures that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

### **2. Purchase Orders**

A Purchase Order (P.O.) properly numbered, authorized, budgeted, and signed by the School Executive Director or Office/Business Manager (“the appropriate staff”) is the only document by which the School obligates itself to a vendor. The P.O. is one of the core components of the School’s contracts administration system. The P.O. may include a Statement of Work to describe the required level of quality, quantity, delivery, and specifications.

### **3. Standards of Conduct**

RMCS will maintain a written code of standards of conduct governing the performance of its employees engaged in the award and administration of contracts. No employee, officer or agent of RMCS shall participate in the selection or award, or administration of any contract if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when the employee, officer or agent of RMCS has a financial or other interest in the firm selected for award.

In addition to the employee, officer or agent of RMCS, this conflict also includes:

- 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 above.

### **4. Board Approval**

Any purchase for \$5,000 or more shall require RMCS Board approval. Any purchase of less than \$5,000 may be approved by School Executive Director or Office/Business Manager, consistent with the Purchasing Policies.

## **5. Bids – Formal and Informal**

Formal, sealed bidding procedures are required for the purchase of materials and/or services exceeding amounts specified by law, which is currently specified at \$83,400 and is adjusted annually for inflation, for goods and services and \$175,000 for public works projects. Any projects funded by federal funds shall follow federal purchasing guidelines. The formal, sealed bidding procedure may include:

- Required attendance at a bid conference
- Submission of bids in sealed envelopes at a specified time and date.
- Formal bids are primarily advertised in the Santa Rosa Press Democrat.

Informal bidding is required for any purchase that is estimated to be at least \$10,000 but under the formal, sealed bidding limits. Informal quotes, bids, or proposals for goods and/or services may be requested and received in writing by mail, e-mail, internet communication, and facsimile. An attempt shall be made to obtain quotations from at least three vendors dealing in the products specified. In cases where less than three quotations are received because of the lack of interest on the part of vendors, or the number of vendors dealing in the product is limited, the appropriate staff shall have the discretion to award the order based on the best quote from the quotations that have been received. Purchases of less than \$10,000 may be made with or without quotations at the discretion of the appropriate staff.

## **6. Basis for Award**

It is the School's desire to develop maximum competition for all purchases and to make awards based on the lowest responsible and responsive bid received. "Lowest responsible bidder" means the lowest bidder who offers best responses in quality, fitness, and capacity to the requirements of the proposed work or usage. Such factors as delivery time, quality, compatibility, references, experience, parts and service, freight costs, etc., play an important part in awarding a purchase order to the "lowest responsible bidder." A "responsive" bid/proposal is one that conforms to the requirements of the statement of work, specifications, solicitation, instructions and the School's contractual terms and conditions.

## **7. Gratuities and Favors**

RMCS' officers, employees or agents will neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to subagreements. This does not include material samples which are later returned or purchased at value. Nor does it include any gift of less than \$25 or an unsolicited item of nominal intrinsic value. To the extent permitted by State or local law or regulations, such standards or conduct will provide for penalties, sanctions, or other disciplinary actions for violations of such standards by RMCS' officers, employees, or agents, or by contractors or their agents.

## **8. Avoiding Purchase of Duplicative Items**

RMCS will provide for a review of proposed procurements to avoid purchase of unnecessary or duplicative items. Consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.

## **9. Willful Policy Avoidance**

Under normal circumstances, dividing the total requirements to be purchased in to smaller amounts so as to avoid the formal, sealed bid procedure, the \$10,000 minimum for informal bid procedures, or the \$5,000 minimum for Board approval, will not be allowed. This practice violates the intent of purchasing in the most prudent and economical manner. In general, all brands or models of acceptable quality shall be accepted rather than specifying only one acceptable brand. School personnel should never split projects or purchases to avoid the quote or bid limits; however, if splitting a purchase results in a lower overall price it is acceptable.

## **10. Purchasing Agreements**

RMCS will investigate and where feasible, enter into state and local intergovernmental agreements for procurement or use of common goods and services, including agreements with other charter schools.

## **11. Use of Surplus Property**

When possible, RMCS will investigate using Federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project or operating costs.

## **12. Value Engineering**

For any construction project of at least \$5,000, RMCS will incorporate a value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions. Value engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lower cost.

## **13. Contractor Past Performance**

RMCS will make awards only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

## **14. New Vendors**

To be placed on the School's vendor or bidder's list, a new vendor must complete and return the Vendor Registration and Certification Form.

## **15. Procurement records**

RMCS will maintain records sufficient to detail the significant history of any procurement over \$5,000. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price. Procurement records will be kept for no less than three years after final payment and all other pending matters related to the P.O. are closed.

## **16. Time and material contracts**

RMCS will use time and material type contracts only after a determination that no other contract is suitable, and, only if the contract includes a ceiling price that the contractor exceeds at its own risk.

## **17. Settlement of contractual and administrative issues**

RMCS alone will be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to source evaluation, protests, disputes, and claims.

## **18. Protest Procedure**

RMCS shall establish a protest procedure to handle and resolve disputes relating to RMCS procurements and shall in all instances disclose information regarding the protest to any federal or state agencies that provided source funding for the project or operation. This procedure is:

- A potential or actual vendor or contractor may submit a written protest in the award or amount of award of a Purchase Order to RMCS, which is then referred to the School Board's Finance Committee.
- Designate a member of the Board's Finance Committee to investigate the protest and to meet with the vendor or contractor raising the protest in order to attempt to resolve the protest. This Board member shall use these Purchasing Policies as the primary guide when attempting to resolve the protest.
- If the protest remains unresolved the matter shall be taken to the full Board of RMCS, where the Finance Committee summarizes the case and the vendor is able to provide the basis for their protest.
- If the protest is still unsuccessfully resolved, the protesting party may elect to utilize a court of law to attempt to further resolve the protest.

## **19. Noncompetitive practices**

RMCS will not engage in any of the following noncompetitive practices:

- a. Placing unreasonable requirements on firms in order for them to qualify to do business,
- b. Requiring unnecessary experience and excessive bonding,
- c. Noncompetitive pricing practices between firms or between affiliated companies,
- d. Noncompetitive awards to consultants that are on retainer contracts, unless no other consultant could conceivably carry out the scope of work,
- e. Organizational conflicts of interest,
- f. Specifying only a "brand name" product instead of allowing "an equal" product to be offered and describing the performance of other relevant requirements of the procurement, and
- g. Any arbitrary action in the procurement process.

## **20. Geographical preferences**

While receiving federal grants, RMCS will not use statutorily or administratively imposed in-State or local geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference.

## **21. Socially responsible purchasing**

Whenever reasonably possible, RMCS shall utilize the following socially responsible purchasing guidelines:

- Utilization of 'green products and services', by following the RMCS Green Policy.
- Utilization of 'sweat free' manufacturing of products or services purchased by RMCS, and encouraging River Foundation to do the same. For any product or service where the provider or original producer is not known, RMCS shall utilize resources, such as the Sweatfree Purchasing Consortium, to avoid producers with labor rights violations.
- Conducting purchasing activities in such a way to be consistent with Title VI of the 1964 Civil Rights Act, creating potential opportunity for businesses, including those owned by women and people of color. Title VI states that discrimination on the ground of race, color, or national origin shall not occur in connection with programs and activities receiving Federal financial assistance.

## **22. Compliance with federal regulations**

For any project that is funded in part or whole by federal funds, including the Charter School start-up grant or the low-interest charter school revolving loan fund, all federal requirements shall be followed, including, but not limited to:

- Compliance with E.O. 11246 (1965) entitled "Equal Employment Opportunity", as later amended and supplemented, for all construction contracts awarded in excess of \$10,000.
- Compliance with the Copeland "Anti-Kickback" Act (18 USC 874) on all construction or repair contracts.
- Compliance with the Davis-Bacon Act on all construction projects in excess of \$2,000.
- Compliance with the Contracts Work Hours and Safety Standards Act (29 CFR part 5).

## **23. Inventory**

RMCS will conduct a physical inventory at least once per year, to include in the School's property records. The property records shall include a description of the property, a serial number or other identifier, percentage (if any) of federal participation in the cost of the property, the location, use, and cost of the property, use and condition, and ultimate disposition data. Adequate maintenance procedures shall be developed and tracked in the property records.

Adopted: September 10, 2013

Amended: