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## **Purpose of This Manual**

### **Policy 101:**

The Agency shall prepare the preparation of a procurement manual to set forth procurement policies to guide the Agency board and staff in procurement matters.

These procurement policies are written for the purpose of providing basic instructions in performing procurement responsibilities by the purchasing agent, the management supervisors and all personnel associated with procurement.

The Agency is committed to promoting full and open competition for purchases.

It is our policy to procure only those goods, services, equipment, and etc., which are required to perform the intent of the grantor for the mission of the Agency.

## **Authority of the Purchasing Department**

### **Policy 102:**

The authority of the Purchasing Department/Agent is derived from the authority granted by the Chief Executive Officer of the organization. At no time shall the authority used exceed the authority granted by the Chief Executive Officer.

The Chief Executive Officer is charged with the responsibility for the establishment and administration of contracts, leases, purchase orders or other agreements for the procurement of supplies, materials, equipment, services and construction.

The Chief Executive Officer shall appoint, hire, or delegate a competent staff member in the appropriate position to administer the organization's procurement program.

## Purchasing Laws, Rules and Regulations

### Policy 103:

The organization shall administer the procurement of products, goods and services, etc., in accordance with federal, state and other requirements. The cost must conform to any limitations or exclusions of the A-133 (Audits of States, Local Governments and Non-Profit Organizations).

- a) The organization shall administer the procurement program in conformity with funding agencies rules and regulations, state and federal laws and its own procurement policies. Failure to do this knowingly may result in adverse personnel action.
- b) The Agency shall avoid purchasing items that are not necessary for the performance of the activities required by a State and/or Federal award.
- c) Where appropriate, an analysis shall be made of lease and purchase alternatives to determine which would be the most economical and practical procurement for the Federal government.
- d) Some form of cost or price analysis shall be made for every procurement. Price analysis may be made in various ways, including comparison of price quotations submitted or market prices. Cost analysis is the review and evaluation of each element of cost to determine reasonableness, allocability, and allowability.
- e) Documentation of the cost and price analysis associated with each procurement decision shall be retained in the procurement files.

### Criteria:

All costs must meet the following criteria from A-133 (Audits of States, Local Governments and Non-Profit Organizations), in order to be treated as allowable direct or indirect costs under a Federal award:

1. The cost must be "reasonable" for the performance of the award, considering the following factors:
  - a) Whether the cost is of a type that is generally considered as being necessary for the operation of the Organization or the performance of the award.
  - b) Restraints imposed by such factors as generally accepted sound business practices, arm's length bargaining, Federal and State laws and regulations, and the terms and conditions of the award.

- c) Whether the individuals concerned acted with prudence in the circumstances.
  - d) Consistency with established policies and procedures of the Organization, deviations from which could unjustifiably increase the costs of the award.
2. The cost must be “allocable” to an award by meeting one of the following criteria:
    - a) The cost is incurred specifically for a Federal/State award.
    - b) The cost benefits both the Federal/State award and other work, and can be distributed in reasonable proportion to the benefits received; or
    - c) The cost is necessary to the overall operation of the Organization, except where a direct relationship to any particular program or group of programs cannot be demonstrated.
  3. Treatment of costs must be consistent with policies and procedures that apply to both Federally/State financed activities and other activities of the Organization.
  4. Costs must be consistently treated over time.
  5. The cost must be determined in accordance with generally accepted accounting principles.
  6. Costs may not be included as a cost of any other Federally/State financed program in the current or prior periods.

## Responsibilities of the Purchasing Department

### Policy 104:

The Finance Office has a responsibility to serve the organization and all of its departments and divisions objectively, economically and efficiently; and to follow ethical practices in all relationships with vendors.

The organization's Purchasing Agent or designee will be responsible for, but not limited to the following activities:

- a) Purchase all supplies, materials, equipment, construction or services required by the organization.
- b) Determining total organizational requirements for any given commodity by examining purchase records or reports submitted by vendors, and to establish term contracts and consolidated purchases for use by one or more departments or divisions.
- c) Recommend rules and implement organizational procurement of supplies, materials, equipment, services, and construction to the Chief Executive Officer for policy consideration.
- d) Request informal written or telephone quotations whenever possible for all purchases in excess of \$500, but not more than \$5000, and to solicit sealed bids whenever possible, for all purchases in excess of \$5000.
- e) Open all sealed bids publicly and to maintain purchase records that are open to public inspection.

## **Organization Departments and Divisions Procuring From Departments and Divisions Within the Organization**

### **Policy 105:**

It shall be the policy of the organization to contract for service, purchase supplies, materials, equipment and other offers from the organization departments and/or divisions when they are providing quality service and it is cost efficient.

When a department of the organization has established a cost for service that meets funding requirements, other departments needing this service may procure it from that department as though it was a separate business doing business with each other.



## **Visit by Salesmen or other Vendor Representatives**

### **Policy 106:**

The organization will permit salesmen and other vendor representatives to visit the organization upon request and approval to make a product presentation.

Vendors will be scheduled to insure that appropriate personnel are available to discuss the products offered. Vendors' request that requires one hour or more should be approved by the Department Head and/or the Chief Executive Officer.

## **Section II**

### **Organizational Purchases in General**

Policy 107: Types of Purchases

Policy 108: Delegated Authority To Departments and Divisions

Policy 109: Purchase Orders

## Types of Purchases

### Policy 107:

The organization will establish types of purchases to insure that the process used is clear and consistent in all transactions with each participating vendor.

- a) Micro-purchase: Purchases where the aggregate dollar amount does not exceed \$1,000 (or \$2,000 if the procurement is construction and subject to Davis-Bacon). When practical, the organization should distribute micro-purchases equitably among qualified suppliers. No competitive quotes are required if management determines that the price is reasonable.
- b) Small purchase: Includes purchases from \$1,000 but less than \$5,000. Informal purchasing procedures are acceptable, but informal written price or rate quotes must be obtained from an adequate number of sources.
- c) Competitive Proposals: Acquisitions involving expenditures in excess of \$5000 will be made after solicitation of sealed competitive bids, whenever possible.
- d) Sole Source Procurement: This may be appropriate only when specific criteria are met. Examples include when an item is available only from one source, when a public emergency does not allow for the time of the competitive proposal process, when the federal awarding agency authorizes, or after a number of attempts at a competitive process, the competition is deemed inadequate.

## Delegated Authority to Department and Division

### Policy 108:

The organization shall delegate purchasing authority through the appropriate management channels to departments and divisions when it is deemed to be in the best interest of efficiency and effective use of personnel.

- a) The Chief Executive Officer is authorized to delegate purchasing authority to any or to all Departments and Divisions both for the procurement of certain classes of products and services and for procurements involving certain maximum dollar values regardless of the products or service involved. These delegated purchases are more fully explained in Policy 120 - Audited Purchase Authority and Policy 119 - Small Value Purchases.
- b) When authority has been delegated to a department to procure certain supplies, materials, equipment or services, the organization must follow the applicable policy for either informal or sealed competitive bidding. The department/division will conduct the competitive bidding in much the same manner as the Purchasing Agent. The departments/divisions are urged to familiarize themselves with the organization's policies.

## Purchase Orders

### **Policy 109:**

The organization shall establish categories of purchases that require purchase orders to be used to purchase supplies, materials, equipment, service, construction and other products.

A Purchase Order is one issued for supplies, materials, equipment, services, and construction procured by the purchasing agent for a User Department.

### **Section III**

#### **Purchasing Methods and Types of Contracts Utilized By the Organization**

Policy 110: Invitation to Bid

Policy 111: Competitive Bidding

Policy 112: Informal Competitive Bidding

Policy 113: Sealed Bidding

Policy 114: Request for Proposal

Policy 115: Department and Division Contracts

Policy 116: Open Market Purchases

Policy 117: Purchases from Governmental Agencies

Policy 118: Special Purchasing

## Invitation to Bid

### Policy 110:

The organization bid form shall constitute solicitation by the organization for goods or services and should not be construed as offers by the organization to make a purchase.

1. The Invitation to Bid constitutes solicitations by the organization for offers of goods or services, and should not be construed as offers by the organization to make purchases.
2. The Bid Form should be carefully completed by the Bidder, with all of the requested information supplied, and returned to the Division.
3. The organization may withdraw or cancel an invitation to bid anytime prior to the award of the contract.
4. The organization may amend an Invitation to Bid by issuing a notice of amendment to all bidders prior to bid opening. In unusual circumstances the organization may postpone a bid opening in order to notify Vendors of an amendment and to give them sufficient time to respond to the amendment.
5. Separate Invitations to Bid from the organization may not be combined into a single bid quotation. Bids submitted will be considered only for the purpose of the acquisition for which they were solicited.
6. The terms, conditions and instructions in the market conditions, commodities or services requested, may alter, amend or supersede the provisions of this Manual. These terms and conditions should be read carefully prior to the submission of any bid. Unless a specific exception is noted by the Bidder and accepted by the organization, all provisions of the terms and conditions of the Invitation to Bid and all of the contract terms will become a part of any contract award

## Competitive Bidding

### **Policy 111:**

The organization shall establish a competitive bidding process that allows for inclusion of funding requirements of state and federal governments. This process shall be closely defined in the organization procedures and published in the vendor manual.

All procurements made by the Purchasing Agent or by any other department subject to the Purchasing policies will be based on competitive bidding whenever possible. The following dollar volume guidelines are applied to any such acquisitions:



## Informal Competitive Bidding

### Policy 112:

Informal competitive bids may be used by the organization to achieve procurement goals as long as the process has a minimum dollar amount of more than \$1000.00 but less than \$5000.00 a closing date for the submission of competitive bids by informal written bids or telephone quotes.

- a) Informal written bids or quotes may be solicited for purchases not exceeding \$5000.00.
- b) Whenever possible, the informal written bid procedure will be used, rather than the telephone quotation.
- c) In those cases where time will not permit informal written bids, solicitations will be made by telephone. Vendors supplying telephone quotations should confirm the quotation in writing within 24 hours. The confirmation should be sent to the attention of the department who solicited the quotation.
- d) After the close of business on the closing date, the bids or quotations will be evaluated. After the selection process an organization Purchase Order will be issued to the successful bidder.

## **Sealed Bidding**

### **Policy 113:**

The organization shall require the Purchasing Agent/or Designee to solicit sealed bids for all acquisitions involving expenditures in excess of \$5,000.

- a) Organizational policies require the Purchasing Agent/or Designee to solicit sealed bids for all acquisitions involving expenditures in excess of \$5,000.
- b) If required, Invitations for Bid are submitted to the funding source for approval.
- c) After approval is received (if required), Invitations for Bid are mailed to Vendors using a bid list pulled for the particular commodity or service being sought.
- d) In addition, legal advertisements soliciting sealed bids may be placed in newspapers and/or other public media after submission and approval from funding source (if required).
- e) Sealed bids are always solicited for the establishment of Contracts. After the bids are publicly opened and read, the bids are evaluated, and a Purchase Order or Notice of Award is issued to the lowest responsible bidder.
- f) A contract is issued to the winning bidder and a fully executed copy is submitted to the funding source (if required).
- g) In addition to the above procedures, the department director and the Fiscal Officer or designee will ensure that all required documents are submitted to the funding source as necessary.

## Request for Proposal

### Policy 114:

In certain instances, when it is determined in writing by the Chief Executive Officer to be most advantageous to the organization, a Request for Proposal (RFP) may be used to solicit offers for goods or services.

The use of this procurement method, normally referred to as a Request for Proposal (RFP) is subject to the following restrictions:

- a) This method of solicitation shall only be used after the purchasing agent prepares a written determination that the use of competitive sealed bidding is not practicable or is not advantageous to the organization and this process has been approved by the Chief Executive Officer.
- b) Proposal shall be solicited through a Request for Proposals.
- c) Public notice must be given to insure competitive sealed bidding.

Offerors conferences are generally held during term of the solicitation to provide prospective offerors an opportunity to clear up any misunderstanding they may have regarding the Request for Proposal requirements. Minutes of such conferences will be kept and provided to all offerors who receive a copy of the Request for Proposal document.

- d) Proposals shall be opened in the same manner as competitive sealed bids. The content of the proposals submitted in response to a Request for Proposal will not be made public at the time of opening.
- e) The importance of price and other evaluation factors should be stated clearly in the Request for Proposal. No other factors other than those set out in the Request for Proposal document may be used in determining the lowest responsible offeror.
- f) All documentation pertaining to any solicitation made by this method is kept confidential until such time as a contract award is made. After contract award all such documentation is made available for inspection by interested parties.
- g) Evaluation of proposals is generally performed by teams made up of members from the management of the Organization. No contact with offeror will be made other than from the Finance Officer or assigned designee. Offerors are barred from contact with the user divisions and departments during the term of any proposal solicitation other than through the issuing authority of the Purchasing Agent or designee.

- h) During the evaluation phase discussions may be conducted with reasonable offerors who submit proposals determined to be reasonably susceptible to being selected for award, for the purpose of clarification to assure full understanding of and responsiveness to the solicitation requirements.
- i) Offerors shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposals; and such revisions may be permitted after submissions and prior to award for the purpose of obtaining best and final offers. In conducting discussions best there shall be no disclosure of any information derived from proposals submitted by competing offerors.
- j) Awards shall be made to the responsible offeror whose proposal is determined in writing to be the most advantageous to the Organization, taking into consideration price and the evaluation factors set forth in the request for proposal document. No other factors or criteria shall be used in the evaluation. The contract file shall contain the basis on which the award is made.

## Department and Division Contracts

### **Policy 115:**

The organization shall establish the types of contracts it will be using to procure goods and services, etc.

The organization shall permit departments to enter into procurement contracts for specialized services and goods.

The Purchasing Agent/or Designee shall be the custodian of all contract forms. Each division or department shall make a request to the Purchasing Agent/Designee for a copy of a respective contract when needed.

The organizations has established three distinct types of "contracts, which are termed "Open", "Fixed Quantity", and "Lease".

Open contracts are contracts which do not obligate the user department or division to purchase any minimum quantity or limit the user department or division to any maximum quantity. Fixed Quantity contracts are supply contracts which do obligate the department or division to purchase a stated quantity. Lease contracts include all rentals, leases, or installment/purchases of equipment.

After evaluation, the Purchasing Agent/or Designee will issue a Contract Notice Award to the lowest responsible bidder. The contract award will include the terms, conditions and item prices. On Open Supply contracts, the notice of award does not authorize shipment of any supplies, materials or equipment under the contract. Shipment is authorized only by the receipt of a Purchase Order Request issued by the department or division.

## Open Market Purchases

### **Policy 116:**

The organization may purchase on the open market to secure what it needs; however, in no way shall this purchase create a term contract for the supply of these items.

The organization also purchases supplies, materials and equipment on the open market (one-time buy) without establishing a term contract for the supply of these items. The requirements for competitive bidding apply to these purchases; and upon award to the lowest responsible bidder, a Purchase Order is issued to the Vendor. The contracts or receipt of the Purchase Order by the Vendor authorized shipment of the supplies, materials, or equipment to the department, or to the user as designated by the Purchase Order. Receipt of such a Purchase Order does not authorize further sales of like supplies, materials, or equipment to any user department.

## **Purchases from Governmental Agencies**

### **Policy 117:**

The organization shall purchase products from the federal or state agencies when the agency is engaged in the purchase of vehicles and other equipment for Human Service organizations. This purchase shall take precedent over private contractors.

The Purchasing Agent may, and in some cases must, make purchases from federal or state agencies, at set or negotiated prices. In such cases no competitive bids are solicited, and private Vendors are precluded from making an offering to the organization.

## Special Purchasing

### Policy 118:

#### **Special Purchasing Conditions**

##### *Emergencies:*

Where equipment, materials, parts, and/or services are needed, quotations will not be necessary if the health, welfare, safety, etc., of staff and protection of Organization property is involved.

##### *Single Distributor/Source:*

Sole source purchases will be made only when solicitation of multiple vendors is not feasible and one of the following conditions apply:

- The item or service is only available from one source,
- The situation is a public emergency,
- The awarding agency approves the purchase, or
- Competition is deemed inadequate (insufficient bidders)



## **Section IV**

### **Purchasing Methods and Authority**

Policy 119: Small Value Purchase Authority

Policy 120: Emergency Purchases

Policy 121: Organization Purchases from Other Governmental  
Agencies

## **Small Value Purchase Authority**

### **Policy 119:**

The organization may permit the Program Director to authorize small purchases at the local level when the product is a one-time purchase to meet a particular need.

The authority to make small purchases may be delegated to departments and divisions. A Small Value Purchase is defined as any purchase which involves a total expenditure of less than \$500.00. Require all purchases be approved prior to committing/obligating funds.

## Emergency Purchases

### **Policy 120:**

The agency shall provide for emergency situations at all levels of agency operation. The organization purchasing system will be inclusive of emergency purchasing.

In case of any emergency arising from unforeseen causes, departments may request and receive Emergency Purchase Authorization allowing them to purchase, in the open market, the supplies, materials or equipment required for immediate delivery to that Department. Such purchases must be made pursuant to the applicable competitive bid procedure whenever possible.

## **Organization Purchases From Governmental Agencies**

### **Policy 121:**

The organization when offered or solicited may purchase supplies materials, equipment, etc., from federal, state or local governments.

Organization has been authorized to purchase supplies, materials, or equipment from governmental agencies at set or negotiated prices without competitive bidding. Private competition is precluded in all such acquisitions.

## **Section V**

### **Lease and Installment Purchases**

Policy 122: Lease and Installment Purchases

Policy 123: Multi – Year Leases and Purchases

Policy 124: Total Obligation

Policy 125: Establishment of Leases, Rentals or Installment /  
Purchase Agreements

Policy 126: Optional Purchase of Leased Items

Policy 127: Funding

Policy 128: Title

Policy 129: Taxes

Policy 130: Conflict of Interest

## Lease and Installment Purchases

### **Policy 122:**

The organization may enter into rental agreements for the purpose of meeting short term accommodations. Short term is considered one year or less and the organization does not recognize a legal distinction between a Lease Agreement and a Rental Agreement.

When used in the organization contracts, the term "Lease" or "Rental" refers to contracts by which one who owns tangible personal property grants to the organization the right to possess, use and enjoy such property for a specified period of time in exchange for periodic payments of rent Vendors should note that the organization recognizes no legal distinction between a lease agreement or rental agreement.

All contracts beyond one year shall contain a "subject to funding clause".

## **Multi – Year Leases and Purchases**

### **Policy 123:**

The organization may execute multi-year leases and installment purchases agreements for the acquisition of supplies, materials, equipment, services and facilities.

The organization, through the Chief Executive Officer, is authorized to execute multi-year leases and installment purchase agreements for the acquisition of supplies, materials, equipment or services, subject to continued funding.

## Total Obligation

### **Policy 124:**

The agreement must explicitly state the total obligation, which may be incurred by the organization during the current fiscal year and must state the total obligation that may be incurred in each succeeding fiscal year for which the agreement will be in effect.



## **Establishment of Leases, Rentals or Installment / Purchase Agreements**

### **Policy 125:**

Leases, rentals and installment purchases are viewed as special types of acquisitions. The policy concerning competitive bidding apply to all such acquisitions. Contracts may be established which provide for such acquisitions. In the event that such a Contract is agreed upon, a Purchase Order will be issued in the same manner as for any other purchase pursuant to an Agency Contract to establish the agreement.

## Optional Purchase of Leased Items

### **Policy 126:**

The organization may execute the optional purchase of leased item when it is in the best interest of the organization. The equipment purchased will be processed by the issuance of a standard purchase order.

When an executed Agreement between the Agency and a Lessor/Vendor includes equity accruals and an option to purchase the subject equipment, the equipment may be purchased by the issuance of a Change Order to execute the option, providing that the purchase is a cash transaction. Installment Purchase of such options must be accompanied by the use of the Agreement executed by the Chief Executive Officer. If the authority to purchase has been delegated to the department, and the purchase is for cash, it may issue an order directly to the Lessor/Vendor. If the authority has not been delegated, the department must direct their request to the Purchasing Agent.

## Funding

### Policy 127:

Although the organization may be receiving funds to support the payments of an agreement, the organization itself is responsible for the obligations. Therefore, all agreements should be sufficiently explored before entering to determine the basis of short and long term payments.

The funding provision used in any Agreement is intended to preclude any liability on the part of the organization for payment in the event that adequate funding ceases to exist subject to the agreement. Its exercise is contemplated only in situations where sufficiently appropriated, otherwise unobligated funds no longer exist; and it is not intended to allow a User, by the re-allocation of funds to the acquisition of other purchases, to terminate an existing agreement due to lack of funding. Moreover, while the determination of lack of funding must be left, to the sole discretion of the Chief Executive Officer, that discretion may not be arbitrarily or capriciously exercised. Given the manner in which the organization appropriates funds and the way departments budget them, a lack of funding situation should be readily apparent and easily confirmed from the department budget reports.

An exception to the funding policy is in a leasing situation when the exact length of needs is not known or a change in technology is expected. In such cases the user department will want to have options to renew the agreement at its convenience. The intent in such cases will be made clear at the time of solicitations for bids or proposals.

## **Title**

### **Policy 128:**

The Agency shall obtain title appropriately from the contractor upon completion of lease purchase agreement unless otherwise provided for in the agreement.

- 1) Leases and Rentals. The equipment is and at all times remains the sole property of the contractor. The organization shall have or acquire no right, title or interest therein except as may be provided for by equity accruals or options to purchase.
- 2) Installment Purchases. Title to the equipment or property shall vest in the Agency upon its acceptance from the contractor, subject to the terms and conditions of the Agreement and the user department's obligations thereunder.

## Taxes

### **Policy 129:**

The Agency is not an entity of government nor a government agency exempt from paying sales taxes. Therefore, all purchase made by the Agency should be taxed unless a special provision of extended privilege is granted to the Agency by the contractor due to its Quasi governmental status.

The Agency is prohibited from paying or reimbursing the Lessor/Vendor for any taxes, which may be unlawfully imposed on the equipment. The Agency will, however, pay any taxes which may be lawfully imposed on it.

## **Conflict of Interest**

### **Policy 130:**

Members of the Board of Directors and organization personnel in a management position of influence on bid selection shall not engage in the sale of products and services to the organization unless competitive bids and RFP's fail to produce a seller of the products known to be available by the board members and/or employee. In a case of this nature, the Board of Directors may approve the purchase from the board member or employee's business.

The organization must demonstrate that it widely advertised the bid and the commodity to be purchased.

## **Section VI**

### **Vendor Qualifications**

Policy 131: Application and Registration of Vendor

Policy 132: Minority Contractors and Subcontractors

## **Application and Registration of Vendor**

### **Policy 131:**

The Agency shall establish a Vendors List that is published for the purchasing department, program departments, divisions and administrative use.

- a. The Agency shall insure that the Vendors doing business with the organization are legally licensed to conduct business and provide the service in a safe and healthy environment.
- b. Vendors are expected to meet all local, state and federal legal requirements to conduct their business.
- c. Vendors are responsible for compliance with any and all applicable federal and state laws and regulations when doing business with the organization.
- d. Vendors desiring to bid on supplies, materials, equipment or services to be supplied to the Agency are required to submit the following information:
  1. Legal Business Name
  2. Address
  3. City, State, Zip Code
  4. Federal Identification Number



## **Minority Contractors and Sub-Contractors**

### **Policy 132:**

The Agency shall provide an open opportunity for minority contractors and minority subcontractors to secure primary contracts with the organization. Minority businesses should be encouraged to provide products, service, etc. for the organization.

## **Section VII**

### **The Bidding Process**

Policy 133: Selection of Bidders; Advertisements

Policy 134: Registration of Vendor

Policy 135: Time of Performance

Policy 136: Specifications

Policy 137: Postage

Policy 138: Corrections

Policy 139: Amendment or Withdrawal of a Bid

Policy 140: Alternate Bids

Policy 141: Open Specifications

Policy 142: Confidentiality of Bids

## **Selection of Bidders; Advertisements**

### **Policy 133:**

The Agency shall provide all Vendors an equal opportunity to bid on procurements. Whenever possible, the organization will make every effort to issue an invitation to bid to known vendor who are a supplier of the commodity sought.

It is the policy of the Agency to give every approved bidder an equal opportunity to bid on procurements. Whenever possible, the Agency will make every effort to issue an Invitation to Bid to known Vendor. In addition to direct mail solicitation, the organization may publish a legal advertisement in a newspaper of area wide circulation when attempting to establish organization, area wide or construction contracts, or when purchasing in the open market for requirements in excess of \$5000.

## Registration of Vendor

### **Policy 134:**

The organization shall establish a Vendors List. This list will serve as an official recognition of the Vendors the organization will be doing business with.

Vendors desiring to bid on supplies, materials, equipment or services to be supplied to the organization are required to register with the organization by submitting the following information on official letterhead.

1. Name of Vendor
2. Mailing Address
3. Contact Name and Telephone Number
4. Federal Identification Number

The information submitted on the application is confidential. this information is used to verify the Vendor's eligibility to bid to the organization and to certify minority Vendors.

## **Time of Performance**

### **Policy 135:**

The organization shall require Vendors to give a time schedule for delivery after the receipt of a purchase order. Failure to comply with the contract may cause a breach of contract providing the organization has to secure products or services from another Vendor.

The number of calendar days required for delivery after receipt of a purchase order should be shown in the space provided on the bid form. The successful bidder should maintain or have available for his own use an inventory sufficient to make delivery within the time stated, or take whatever other measures may be necessary in order to insure that delivery will be made in accordance with the contract.

## Specifications

### Policy 136:

The organization may offer specifications to Vendors when it is appropriate; however, it may also reference one or more brand names. Such reference is not restrictive unless otherwise specified

1. Detailed specifications may not always accompany an Invitation to Bid. In some instances, reference will be made to certain standard specifications. Such a reference incorporates any such standard specifications in the Invitation to Bid, and any such response to any such Invitation must then be in accordance with them.
2. In other cases, reference may be made to one or more brand names. Such reference is not restrictive unless otherwise specified and is used for descriptive purposes only. Bids on equivalent products of like quality and performance will be considered provided that the bid clearly and adequately describes the products and contains sufficient information to establish equivalence. The bidder should submit catalogue excerpts, specifications, or other materials suitable for use in the evaluation of the product offered.
3. The User Department will, in its discretion, determine whether a substitute offer is equivalent to the product or products specified. The Department may require the bidder to supply additional descriptive material, samples or other proof if needed. Failure to supply this may result in rejection of the bid.

## Postage

### **Policy 137:**

The organization will not be responsible for mail not delivered, postage due or late delivery when a bid has been mailed to the organization. Appropriate information should be put in the Vendor Manual to inform the Vendor.

## Corrections

### **Policy 138:**

The organization shall establish procedures outlining the conditions corrections may be made prior to the submission of the bid.

No erasure may be made on the bid forms. Prior to submission of bid opening, errors may be stricken and corrections entered, provided that any such strike-over or addition is initialed by the person signing the bid or his agent. No bid shall be altered or amended in any fashion after the bid opening. Negligence on the part of the bidder in preparing the bid confers no right to correct the bid after it has been opened.



## **Amendment or Withdrawal of a Bid**

### **Policy 139:**

The organization may permit a bid to be withdrawn upon request by the bidder providing it is in the best interest of the organization.

A bid may be amended or withdrawn upon request by the bidder prior to the opening date and hour. After the bid opening, the department may, in its discretion, permit withdrawal of a bid when the best interest of the organization would be served. Generally, withdrawal will be allowed only in cases where a bidder has made an honest mistake not resulting from negligence. No amendment or withdrawal will be permitted after an award has been made.

## **Alternate Bids**

### **Policy 140:**

The organization reserves the right to make an award to the alternate bidder, providing the bid reveals that more economical supplies, materials, equipment or services than those requested exist when submitted in lieu of, or in addition to, a bid for goods or services requested.

Alternate bids may be considered when submitted in lieu of or in addition to, a bid for the goods or services requested. When alternate bids reveal that more economical supplies, materials, equipment or services than those requested exist, the organization reserves the right to an award to the alternate bidder. If the alternate bid suggests widescale modifications that would result in an obvious improvement, the Department may elect to cancel the bids and resolicit bids with modified specifications.

## Open Specifications

### Policy 141:

The organization shall endeavor to use open specifications and procedures that conform to accepted trade practices whenever possible.

1. Detailed specifications may not always accompany an Invitation to Bid. In some instances, references will be made to certain standard specifications. Such a reference incorporates any response to any such Invitation to Bid. And any response to such invitation must be in accordance with them.
2. In other cases, reference may be made to one or more brand names. Such reference is not restrictive unless otherwise specified and is used for descriptive purposes only.
3. Bids on equivalent products of like quality and performance will be considered, provided that the bid clearly and adequately describes the product and contains sufficient information to establish equivalence.

## Confidentiality of Bids

### **Policy 142:**

The organization shall treat all bids whether sealed or unsealed as a confidential document and will not disclose to the public or to any vendor the content of the bid. Under no circumstances will the bid content be reviewed prior to bid opening or for RFP purposes.

## **Section VIII**

### **Evaluations of Bids and Award**

Policy 143: Rejecting of Bids

Policy 144: Award to Lowest Responsible Bidder

Policy 145: Resolving Tie Bids

Policy 146: Negotiation with Bidders

Policy 147: Rebidding

## Rejection of Bids

### **Policy 143:**

The organization reserves the right to reject any and all bids submitted in response to any Invitation to Bid or to reject any portion of any bid or to waive any informality in any bid.

The organization may at its discretion upon full examination of the bid process, response process and/or the reasonableness of content to meet bid specifications, reject any and all bids.

## **Award To Lowest Responsible Bidder**

### **Policy 144:**

The organization shall award the bid to the lowest responsible bidder providing it meets specifications, taking into account price performance and capacity.

Contracts or open market purchases will in all cases be awarded to the lowest responsible bidder. The lowest responsible bidder is deemed to be that bidder who submits a responsive bid, which meets the specifications set out in the Invitation to Bid and which is most advantageous to the organization, taking into account price, performance and capacity to perform of the bidder; quality of merchandise offered; transportation charges; and date of delivery. The lowest responsible bidder will not always be the bidder who has submitted the lowest monetary bid.

## Resolving Tie Bids

### Policy 145:

The organization will use a rating system of key procurement elements to break tie bids.

A tie bid exists when two or more bidders offer, at identical prices, products that meet all specifications, terms and conditions. In such a situation organizational policies provide three preferences which will be used to resolve tie bids whenever applicable:

1. Preference to products manufactured or produced within the State the corporation resides.
2. Preference to products sold by local vendors within the city of the organization.
3. Preference to products manufactured or sold by small businesses.

If these policies are insufficient to resolve the tie, the following will be considered:

- a. Past Performance of the Bidders
- b. Total Employment
- c. Division of the Order
- d. Flip of the Coin



## Negotiation With Bidders

### **Policy 146:**

The organization may negotiate the terms and conditions when they are unreasonable to arrive at an acceptable contract when the cost of delay outweighs the advantage of competitive rebidding.

When bids received are unreasonable as to terms and conditions and the cost of delay outweighs the advantages of competitive rebidding, the organization may negotiate with each responsive bidder to try to arrive at an acceptable contract. The need for negotiation also occurs many times in cases where the bids received are noncompetitive or where the low bid exceeds the available funds. In such cases, the negotiations will be carried out pursuant to the provisions of the organization policies.

## **Rebidding**

### **Policy 147:**

If at any time during the bidding process it is found that the integrity of the process has been comprised or that substantial errors have occurred in the bid solicitation, the Invitation to Bid will be cancelled and the procurement will be rebid.

The Chief Executive Officer should review the defects in the procurement process with the intent to allow correction if possible, however, if the Chief Executive Officer cannot achieve this the bid should be canceled.

## **Section VIII**

### **Performance**

Policy 148: Receipt By Organization

Policy 149: Payment

Policy 150: Ethics in General

Policy 151: Laws

## Receipt By Organization

### Policy 148:

The organization shall designate appropriate personnel to receive and check all orders.

1. Delivery does not constitute acceptance. All supplies, materials, and equipment delivered to any division of the organization shall be subject to inspection.
2. Items that do not meet specifications will be rejected.

## Vendor Payment

### **Policy 149:**

Vendors have every expectation to be paid on a timely basis for goods or services provided to the Agency. The Finance Office also has an obligation to monitor cash flow and ensure that the Agency given many of its cost reimbursement programs, has adequate resources on hand. Unless otherwise specified vendors will normally be paid within thirty (30) working days of the Agency's receipt of the goods and/or services it requested. Staff should be aware of the Agency's cash needs and let vendors know the payment terms at the time they are engaging in the negotiation stage of the purchasing process.

## Ethics in General

### Policy 150:

The Agency and its members shall follow a code of ethics. Employees of the Agency shall discharge their duties impartially to contribute fully to fair and open competition between vendors. Moreover, the employees shall conduct themselves in such a manner as to foster public confidence in the integrity of the Agency's purchasing standards.

All persons having procurement/purchasing responsibilities or involved in any way with the procurement system should:

1. Comply with the laws and regulations of the United States and the state of Georgia
2. Not discriminate or treat vendors unfairly by dispensing of special favors or privileges to anyone, whether for remuneration or not; never accept themselves or their families favors or benefits under circumstances which might be constructed by responsible persons as influencing the performance of their duties.
3. Not commit the organization to any private promises that may lead to unethical practices.
4. Not engage in any business with vendors either directly or indirectly, which is inconsistent with the ethical standards of your profession.
5. Never use information that is confidential in the performance of your duties as a means for making private profit.
6. Expose corruption whenever discovered.

## Laws

### Policy 151:

The organization shall insure that the Vendors doing business with the organization are legally licensed to conduct business and provide the service in a safe and healthy environment.

Vendors are expected to meet all local, state and federal requirements to conduct their business. Vendors are responsible for compliance with any and all applicable State and Federal laws and regulation when doing business with the organization. These include, but are not limited to:

- a. Equal Employment Opportunity Act
- b. Copeland "Anti-Kickback" Act
- c. Davis-Bacon Act
- d. Contract Work Hours and Safety Standards Act
- e. Clean Air Act
- f. Federal Water Pollution Control Act