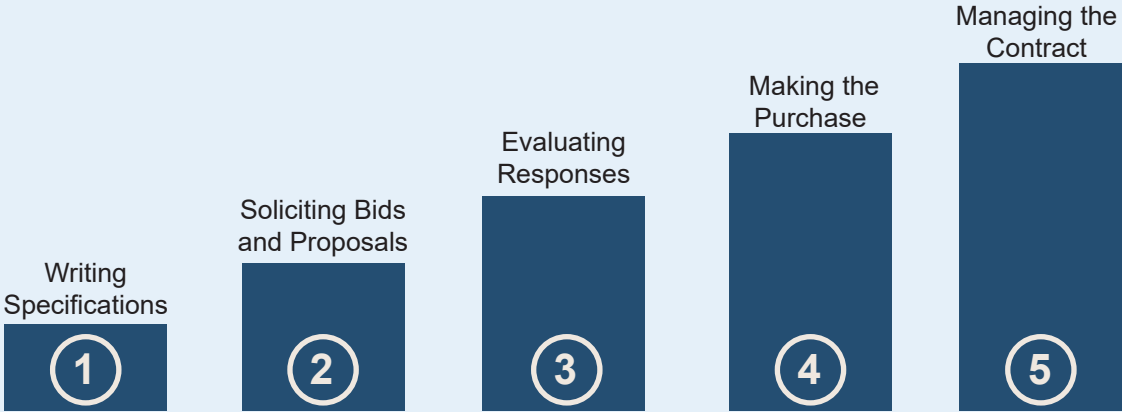


# General Procurement Standards

A multi-step process for obtaining goods and services at the best possible price.



## Full and Open Competition

- Purchasing quality goods at the lowest possible price ✓
- All potential suppliers have equal opportunity to compete

- Placing unreasonable requirements on vendors ✗
- Specifying a specific brand without “or equivalent”
- Not providing sufficient time to submit bids

## Vendors

### Responsive:

Vendor conforms to all of the terms and conditions as stated

### Responsible:

Vendor is capable of performing successfully under the terms and conditions

One of the following methods must be used:

### Informal

- Micro Purchases
- Small Purchases

### Formal

- Invitation for Bid (IFB)
- Request for Proposal (RFP)
- Noncompetitive

What is Procurement?

General Steps

Principals & Provisions

Methods

Federal Thresholds

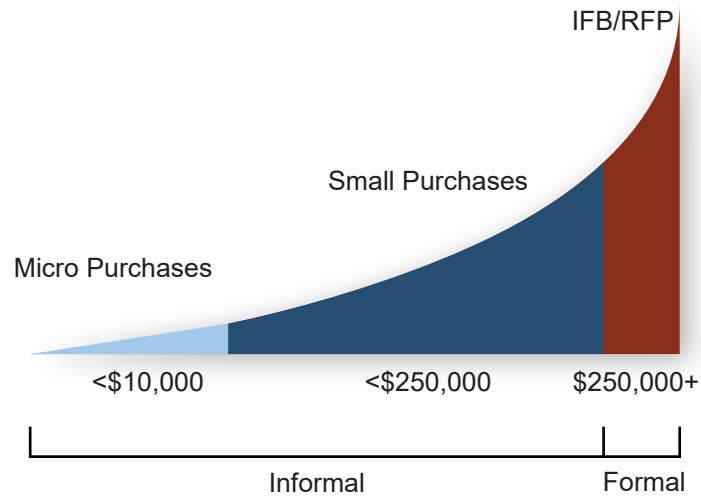
Informal Purchases

Micro Purchases

Small Purchases

# Methods

Amounts depend on federal threshold - Check with your business office for local threshold



## Micro Purchases

### Pricing

- Purchases up to \$10,000
- Up to \$50,000 with self certification
- More than \$50,000 with approval

### Purpose

To purchase supplies or services using a simplified procedure in order to minimize administrative burden and cost.

### Requirements

- Entity must distribute micro purchases equitably among qualified suppliers.
- Purchases may be awarded without soliciting competitive quotations.



## Small Purchases

### Pricing

- Purchases greater than \$10,000 and less than \$250,000

### Purpose

To purchase supplies or services using a simplified procedure in order to minimize administrative burden and cost.

### Steps

1. Written, clear specifications
2. Request quotes
3. Award Contract:
  - Responsive & Responsible
  - Lowest Price
4. Oversee Contract

Formal Purchases

IFB

RFP

Non Competitive

# Methods



## Invitation for Bid (IFB)

### Overview

- Purchases greater than \$250,000.
- Competitive Sealed Bidding.
- Results in a fixed price contract.
- Awarded to lowest price R & R bidder.

### Purpose

IFB is used when wanting to award a contract based only on price.

### Needs

1. Written, clear specifications
2. Publicly advertised & opened
3. Adequate Number of Bids

## Request for Proposals (RFP)



### Overview

- Purchases greater than \$250,000.
- Competitive Proposal.
- Results in a fixed price OR cost-reimbursable contract

### Purpose

Allows vendor to respond with a proposal.

RFP is used when other factors, as well as price, are used to determine the contract.

### Needs

1. Written, clear specifications
2. Publicly advertised
3. No public opening
4. Includes description of evaluation criteria



### Overview

- Used when an item is only available from a single source
- Used under a Public Emergency

## Non-Competitive

### Purpose

- Used when competition is inadequate or impossible OR
- All other methods are not feasible

### Requirements

Due to the nature of this method, the decision to use the Non-Competitive method must be documented and ensure that it is a consensus decision.

# Federal Statute

- Non-Federal entities, including sub-recipients of a State, must follow the procurement standards in the Code of Federal Regulations, Title 2, §200.318 through §200.327.

## Competition

- All procurement transactions for the acquisition of property or services required under a Federal award must be conducted in a manner providing full and open competition consistent with the standards of this section and §200.320.

## Invitation for Bid (IFB)

### **If sealed bids are used, the following requirements apply:**

- Invitation for bids must be publicly advertised and bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids.
- Invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond.
- All bids will be publicly opened at the time and place prescribed in the invitation for bids.
- A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder.
- Any or all bids may be rejected if there is a sound documented reason.

# Request for Proposals (RFP)

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**If competitive proposals are used, the following requirements apply:**

- Requests for proposals must be publicized and identify all evaluation factors and their relative importance.
- Proposals must be solicited from an adequate number of qualified sources.
- Entity must have a written method for conducting technical evaluations of the proposals received and for selecting recipients.
- Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered.

## Non-Competitive

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**Procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:**

- Item is available only from a single source.
- Public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation.
- Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the Entity.
- After solicitation of a number of sources, competition is determined inadequate.
- The acquisition of property and/or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold.