

Sample Procurement Procedures - Weatherization Assistance Program Procurement Toolkit (2015)

SAMPLE PROCUREMENT PROCEDURES

A. DETERMINATION OF PROCUREMENT METHODS

PURPOSE: The purpose is to establish the appropriate procurement method to be used for the goods or services to be purchased. The methods allowable comply with agency, state and federal regulation requirements.

PROCEDURES:

Program Director

1. Establish cost estimate for the purchase in the aggregate and submit to Contract Officer.

Finance Officer

2. Select the appropriate method for the procurement.
 - a. \$5,000 in the aggregate and lower will follow small purchase procedures.
 - b. \$5,000 in the aggregate, and over follow Steps C-H.
3. Submit description and cost estimate for approval.

Administration

4. Authorize purchases over \$5,000 and Program Director will authorize purchases under \$5,000.

ADDITIONAL INFORMATION:

1. In the aggregate is the total amount through single or multiple purchases of the item(s) for the program period, i.e. training books - 12 purchases per year @ \$500 per purchase is an aggregate amount of \$6,000.
2. The Finance Officer will serve as Contracts Officer.
3. Allowable methods of large procurement.
 - a. Sealed Bids
 - Advertisement of IFB
 - Conditions
 - Award must be made to lowest bidder
 - b. Competitive Proposals
 - Advertisement of RFP or RFQ
 - Conditions
 - Award of Contract based on multiple criteria.
4. Noncompetitive proposals are those where only one bid is received or only one source is solicited.
5. Noncompetitive proposals must be used only when it is infeasible under small purchase procedures, sealed bids, or competitive proposals and one of the following applies:
 - a. Only available from a single source.
 - b. Emergency exists.
 - c. Awarding agency authorizes noncompetitive proposal.

FORMS:

1. Agency cost estimate and description.
-

COST ESTIMATE AND DESCRIPTION

SERVICES/GOODS TO BE PURCHASED: _____

ESTIMATED COST: \$ _____

BASIS FOR ESTIMATION: _____

APPROVED:

Executive Director's Signature

Contract Officer's Signature

B. SMALL PURCHASE PROCEDURES

PURPOSE: To provide guidance to Program Directors making small purchases. Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than \$5,000 in the aggregate.

PROCEDURES:

Program Director

1. For purchases under \$100 in the aggregate:
 - a. At the Program Director's discretion, observe agency internal controls governing P.O.'s and payment of invoices.
2. For purchases from \$100 to \$1,000:
 - a. List description of item to be purchased on quote sheet.
 - b. Obtain a minimum of three telephone or written (includes catalogs) cost quotes for the purchase. The quotation must meet the description.
 - c. Make recommendation based on price or provide justification for not accepting low cost.
 - d. Obtain approval of Administration designee and Finance Officer.
 - e. Make purchase.
3. For purchases over \$1,000, but under \$5,000:
 - a. Develop description of item(s) to be purchased on specifications sheet.
 - b. Determine whether bids should be advertised or solicited. (If there are relatively few vendors it may save time and money to solicit bids). If it is determined that advertised bids will be obtained follow procedures C-H. Local advertisement for bids may be made when you may not have identified all possible vendors.

Administration

- c. Sign-off approval.

FORMS:

1. Cost Quotation

COST QUOTATION

DATE: _____

DESCRIPTION OF ITEM TO BE PURCHASED _____

VENDOR'S NAME _____

PERSON PROVIDING QUOTE _____

ITEM (BRAND NAME & MODEL) _____

QUOTE \$: _____

ADDITIONAL INFORMATION: _____

DATE: _____

DESCRIPTION OF ITEM TO BE PURCHASED _____

VENDOR'S NAME _____

PERSON PROVIDING QUOTE _____

ITEM (BRAND NAME & MODEL) _____

QUOTE \$: _____

ADDITIONAL INFORMATION: _____

DATE: _____

DESCRIPTION OF ITEM TO BE PURCHASED _____

VENDOR'S NAME _____

PERSON PROVIDING QUOTE _____

ITEM (BRAND NAME & MODEL) _____

QUOTE \$: _____

ADDITIONAL INFORMATION: _____

DECISION

VENDOR CHOSEN _____

ITEM CHOSEN (Brand and Model) _____

QUOTE \$ (Justify if Quote is not the lowest) _____

LOWEST _____

REQUESTED BY: _____

Date: _____

APPROVED BY: _____

Date: _____

C. BID/PROPOSAL PACKAGE

PURPOSE: To establish the process for development of a standard bid package for goods and services.

PROCEDURES:

Program Director

1. Prepare the scope of work statement and/or specifications of materials/services to be solicited.

Contracts Officer

2. Establish the solicitation timeframe which includes:
 - a. Date and time period for advertisement.
 - b. Closing date for receipt of bids/proposals.
 - c. Opening date of bids/proposals.

Program Director

3. Establish minimum requirements.
4. Establish evaluation criteria, if applicable.

Contracts Officer

5. Prepare the bid package which includes:
 - a. Cover sheet (closing and opening date)
 - b. Statement of work specifications or materials to be purchased.
 - c. Minimum requirements
 - d. Evaluation criteria
 - e. Work quality standards
 - f. Proposal format
 - g. Sample contract
 - h. Date of bidder's conference
 - i. Right of the agency to accept or reject all bids
 - j. Period of contract

ADDITIONAL INFORMATION:

1. Minimum requirements must include:
 - a. Certification regarding debarment and suspension.
 - b. Lobbying
 - c. Drug Free Workplace
2. Affirmative Action Steps must include:
 - a. Giving preference to each of the following:
 - Minority Firms
 - Women Business Enterprises
 - Labor Surplus Area Firms
 - Small Business (defined as any business whose gross are \$2,000,000 or less per year)
3. Agency shall make awards only to responsible contractors possessing the ability to perform successfully under the terms and conditions of proper procurement. Consideration must be given to such matters as contractor integrity, compliance with public policy, record of past performance and financial and technical resources.
4. Minimum requirements cannot be unreasonable or excessive.

FORMS:

1. Certification regarding debarment and suspension.
2. Certification regarding lobbying.
3. Drug Free Workplace Certification.

CONTRACTOR

CONTRACTOR'S NAME:

**Certification Regarding
Debarment, Suspension and Other Responsibility Matters
Primary Covered Transactions**

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 29 CFR Part 98, Section 98.510, Participants' responsibilities. The regulations were published as Part VII of the May 26, 1988 Federal Register (pages 19160-19211).

(BEFORE SIGNING CERTIFICATION, READ ATTACHED INSTRUCTION)

1. The prospective contractor certifies to the best of its knowledge and belief, that it and its principals:
 - a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - b. Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - c. Are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State, or local) with commission or any of the offense enumerated in paragraph (1)(b) of this certification; and
 - d. Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.
2. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

NAME AND TITLE OF AUTHORIZED REPRESENTATIVE

SIGNATURE

DATE

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal, the prospective contractor is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the Department of Labor's (DOL) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when the DOL determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the DOL may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the DOL if at any time the prospective primary participant learns its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transaction"; "debarred", "suspended", "ineligible", "lower tier covered transaction", "participant", "person", "primary covered transaction", "principal", "proposal", and "voluntarily excluded", as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the DOL for assistance in obtaining a copy of those regulations.
6. The prospective primary participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the DOL.
7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transactions", provided by the DOL, without modification, in all lower tier covered transactions and all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determined the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded From Procurement or Nonprocurement Programs.
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the agency may terminate this transaction for cause or default.

D. SOLICITATION OF BIDS/PROPOSALS

PURPOSE: To establish a standard method of advertising procurement activities to assure maximum open and free competition.

PROCEDURES:

Program Director

1. Prepare the advertisement for newspaper.
2. Prepare notice to be posted.
3. Submit to Contracts.

Contracts Officer

4. Submit advertisement to newspaper and post advertisement.
5. Secure documentation of advertisement, i.e. newspaper - tear sheet, posting signed statement from the office where it was posted.
6. Notify all individuals on the bidders list of solicitation, if applicable.

Secretary

7. Record the name of the individuals or firms requesting bid packages, the date the request was received, and the date the bid package was sent.

Program Director

8. Prepare technical information for bidders conference.
9. Facilitate bidder's conference.

Secretary

10. Provide sign-in sheet for bidder's conference and ensure all individuals sign.
11. Record minutes of bidder's conference.

ADDITIONAL INFORMATION:

1. No verbal information about the solicitation will be provided to anyone.
2. Pre-qualified bidders list is the names and addresses of firms/individuals who have submitted all information necessary to certify that they meet requirements to be responsible bidder. All firms/individuals on the list will be sent bid packages automatically.

E. RECEIPT OF BIDS/PROPOSALS

PURPOSE: To establish procedures that will be followed to assure equal treatment to all prospective bidders.

PROCEDURES:

Reception/Secretary

1. All sealed bids/proposals will be logged into the bid/proposal control sheet.
2. Each bid will be stamped, dated, time of bid received, initiated by person receiving bid.

Administration

3. Bids/proposals will be maintained in a secured location until time of opening.
4. Return all bids received/submitted after closing date, unopened to bidder including letter of explanation as to the reason it was returned.

F. EVALUATION OF BIDS/PROPOSALS AND CONTRACT AWARDS

PURPOSE: To evaluate the bids/proposals submitted, select the contractor and award the contract.

PROCEDURES:

Administration

1. Conduct bid opening (public or private).
2. For public bid openings (IFB's) the bid amounts will be announced at the opening.

Contract Officer

3. Schedule meeting of evaluation panel.

Evaluation Panel

4. Evaluate bids/proposals for compliance with all requirements.
5. Evaluate the responsive bids/proposals based on cost of criteria established in the bid package.
6. Prepare summary of points/costs for all of the responsive bidders.
7. Submit the name, the bid amount and justification for selection of the individual/firm selected for contract award to administration for approval.

Contracts Officer

8. Send the notice to contract to select contractor and secure the following information.
 - a. Certification of insurance, if applicable.
 - b. Review and approve suppliers list, if applicable.
 - c. Secure a copy of all required licenses, if applicable.
 - d. Certification regarding suspension and debarment from suppliers and subcontractors.
9. Verify that the insurance meets requirements, if applicable.
10. Secure fully executed contract.
11. Provide written notification to unsuccessful bidders.
12. Schedule debriefing conference for bidders based on individuals requests.

ADDITIONAL INFORMATION:

1. The Personnel Policies provide standards of conduct for employees/officers or agents to avoid conflict of interest.
2. Responsive bidder is a bidder who meets all requirements identified in the bid package.
3. The contract is not awarded at the time of the public bid opening.
4. A sample format for a debriefing conference is as follows (debriefing is only held at the request of the bidder):
 - a. Schedule date and time of debriefing conferences with unsuccessful contractor.
 - b. Inform unsuccessful contractor of the following:
 - Points for each criterion of unsuccessful contractors bid.
 - Dollar amount of successful contractor.

G. PROTEST PROCEDURES

PURPOSE: To provide specific actions which will be taken should a protest be filed by an unsuccessful bidder.

PROCEDURES:

Protester

1. File a written complaint using the agency specified format within ten (10) working days after notice of rejection.

Contracts Officer

2. Notify contractor that a complaint of protest has been filed.

Administration

3. Schedule the meeting of protest committee to review complaint.

Protest Committee

4. Conduct meeting to evaluate protest within ten (10) working days of the filing of the receipt of protest.
 - a. Record minutes of evaluation of protest committee meeting.
5. Issue a decision to agency administration within five (5) working days of the meeting of the protest committee.
6. Notify protester of the decision of the protest committee.

ADDITIONAL INFORMATION:

1. Protest format will contain the following:
 - Notice of protest and specific reasons for filing the protest.
 - Statement stating this is a protest letter.
 - A detailed statement of the grounds for protest.
 - A specific request for a ruling by the protest committee and a statement of the relief requested.

**If this information is not furnished, the agency may refuse to consider the protest.*
2. Protests must always be provided in writing.
3. The individuals who sit on the protest committee must be identified in writing prior to commencement of all procurement activities.
4. The contracting officer and program director should not be involved in the protest procedures other than to provide technical support to the protest committee.

H. RECORDS MANAGEMENT

PURPOSE: To detail the required information that must be maintained in the bid process, contract, and protest (if applicable) to ensure proper documentation.

PROCEDURES:

Contracts Officer

1. Establish and maintain the bid file(s) which includes:
 - a. Cost estimated and approval to proceed with the procurement.
 - b. Documentation of advertisement.
 - c. Bid/proposal package.
 - d. List of individuals attending the bidders conference (sign-in sheet).
 - e. Minutes of the bidders conference.
 - f. List of evaluation panel members.
 - g. Bids received.
 - h. Summary sheet and work papers.
 - i. Rejection letters.

2. Establish and maintain contractor files which include the following information:

- a. Bid/Proposal
- b. Notice to Contract
- c. Certificate of Insurance
- d. Licenses, if applicable
- e. Payment Requests
- f. Performance Evaluations
- g. Change Order, if applicable
- h. Contract
- i. Certifications
 - Suspension and Debarment
 - Lobbying
 - Drug Free Workplace

Administration

3. Protest File

- a. List of protest committee members.
- b. Copy of the protest committee correspondence, meeting minutes, and work papers.