



# **INTERNAL POLICIES & PROCEDURES MANUAL**

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# COUNTY OF VENTURA

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## Introduction

This Manual details the policies and procedures of GSA/Procurement Services. It is intended to serve as a training and reference tool for Procurement Services personnel. It outlines the phases of the procurement process, from the accepting of requisitions to the issuing of purchase order documents. It clarifies the responsibilities of Procurement Services and of individual departments. It also explains the legal requirements affecting Procurement Services.

The “icon key” at the right identifies icons that are used throughout this Manual to enable users to quickly identify needed information. In addition, there are a Table of Contents and Index to help the user readily find specific topics.

ICON KEY	
	<b>Procedure</b>
	<b>Checklist</b>
	<b>Hyperlink</b>
	<b>Form</b>

## **Definitions of Procurement Terms**

**Basic Delivery Order (BDO)** - BDOs are used to obtain goods or services purchased from certain vendors at a fixed price, or under fixed terms and conditions on as needed basis. Usual term is July 1 through June 30 Created as part of the payment process on blanket type master agreements.

**Best and Final Offer (BAFO)** - As provided in the Request for Proposal (RFP), offerors reasonably susceptible of being selected for award shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposals, and revisions may be permitted after submissions and before the award of the contract for the purpose of obtaining "best and final" offers. In conducting discussion, the procurement officer may not disclose information derived from proposals submitted by competing offerors. Selection must be based on only those factors identified in the RFP.

**Best Value Awards** - Best value means the best value to the County of Ventura based on solicitation evaluation criteria to measure factors beyond cost.

**Brand Name or Equal Specifications** - A specification limited to one or more items by manufacturers' names or catalogue numbers to describe the standard of quality, performance, and other salient characteristics needed to meet County requirements, and which provides for the submission of equivalent products.

**Brand Name Specifications** - A specification limited to one or more items by manufacturers' names or catalog numbers.

**Business** - Any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture, or any other private legal entity.

**Business, Local** - Any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture, or any other private legal entity, which maintains a physical, working office within the geographic boundaries of the County of Ventura. (The County of Ventura does not currently have a "buy-local preference.") Exception – see page 39 "tie bids."

**Buyer** - A professionally trained person employed by Procurement Services, authorized to obtain materials and services for County departments, in accordance with all state and local laws and internal County policies and procedures.

**Contract** - Any authorized County agreement, regardless of what it is called (purchase order, contract, etc.), for the procurement of supplies, equipment, services, or construction.

**Contract (CT)** - Reference as used in VCFMS - Used for multi-year agreements.

**Contractor** - Any person having a contract with the County.

**Construction** - As used in Public Contract Code § 20150.2, "public project" means: (a) A project for the erection, improvement, and repair of public buildings and works. (b) Work in or about streams, bays, waterfronts, embankments, or other work for protection against overflow, except maintenance, repair, or reconstruction work. (c) Supplies and materials used in maintenance, repair, or reconstruction work in or about streams, bays, waterfronts, embankments; or other maintenance, repair, or reconstruction work for protection against overflow. The provisions of this article shall not change existing law regarding inclusion or

exclusion of labor or materials used for completion of the project. Except for the erection, improvement, and repair of public buildings, the construction of dams, reservoirs, power plants, and electrical transmission lines of 230,000 volts and higher, nothing in this article shall apply to a publicly owned water, power or waste disposal system.

**Cooperative Purchases** - The Purchasing Agent may arrange for the County to enter an agreement with one or more local, county, state, federal or other public entity, school district, League of California Cities, California Communities Program, or other non-profit association or group consisting of governmental entities, in order to cooperatively purchase supplies, equipment and services.

**Cost Analysis** - The evaluation of cost data for arriving at costs actually incurred or estimates of costs to be incurred, prices to be paid, and costs to be reimbursed.

**Cost Data** - Factual information concerning the cost of labor, material, overhead, and other cost elements that are expected to be incurred, or which have been actually incurred, by the contractor in performing the contract; or that are expected to be incurred by the County in the use of the equipment or material to be purchased.

**Cost Reimbursement Contract** - A contract under which a contractor is reimbursed for costs which are allowable and allocable in accordance with the contract terms and the provisions, and a fee or profit, if any.

**Departmental Purchase Order (PD)** - The purchase order is the County's commitment for the value of the material or service ordered. A purchase order is a legally binding contract.

**Deputized Purchasing Agent (DPA)** - Employee of a County department that has been deputized by the County Purchasing Agent to perform purchasing agent functions for specific purchases in his/her department.

**Delivery Order (DO)** - DOs are used to obtain goods or services purchased from certain vendors at a fixed price, or under fixed terms and conditions on a one time basis.

**Emergency Purchase Order (EPO)** - Purchase order issued by Procurement Services in emergency situations where it is not prudent to wait to complete the entire requisition process.

**Employee** - An individual drawing a salary or wages from the County, whether elected or not; any non-compensated individual performing personal services for the County or any department, agency, commission, council, board, or any other entity established by the executive or legislative branch of the County; and any non-compensated individual serving as an elected official of the County.

**Equipment** - (See "Supplies")

**Formal Bids** - Formal bids are those that are obtained by written solicitation. The bids are received in writing by a set date and time. The bids are publicly opened by Procurement Services. The written bids and the bid summary are maintained by Procurement Services.

**Gratuity** - A payment, loan, subscription, advance, deposit of money, service, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value is received.

**Immediate Family** - A spouse, children, parents, brothers, and sisters.

**Informal Quotes** -. Informal quotes are offers made by vendors. The quotes may be verbal, electronic, or written. The buyer maintains a summary of the quotes received.

**Invitation For Bids (IFB)** -. All documents, whether attached or incorporated by reference utilized for soliciting sealed bids. Invitations for Bids (IFB) are awarded to the lowest responsible and responsive bidder (s).

**Local Business.** (See Business, Local).

**Lowest Responsible Bidder** - "Responsible" bidder is a person who has the capability in all respects to perform fully the contract requirements, and the tenacity, perseverance, experience, integrity, reliability, capacity, facilities, equipment, and credit that will assure good faith performance.

**Master Agreement (MA)** - Master Agreements are open orders with specific vendors that departments may charge against throughout the fiscal year. They generally have an estimated not to exceed amount, and terms and conditions for use. Most Master Agreements also limit the amount that may be charged per purchase. Master Agreements are issued for the term of the fiscal year (July 1 through June 30).

**Modification (MOD)** -. A written order signed and issued by the Purchasing Agent, or his designee, directing the supplier or contractor to make changes or modifications to an order. The change order may make written alteration to the specifications, delivery point, rate of delivery, period of performance, price, quality, quantity, or other provisions of the contract.

**Piggy-Back Purchases** - The Purchasing Agent may arrange for the County to enter purchase contracts with Supplier (s) for the purchase of supplies, equipment, services, including but not limited to materials, vehicles and apparatus, the pricing and terms of which have been previously established by another local, county, state, federal or other public entity, school district, League of California Cities, California Communities Program, or other non-profit association or group consisting of governmental entities.

**Price Analysis** - The evaluation of price data, without analysis of the separate cost components and profit as in cost analysis, which may assist in arriving at prices to be paid and costs to be reimbursed.

**Pricing Data** -. Information concerning prices for items substantially similar to those being procured. Prices in this definition refer to offered or proposed selling prices, historical selling prices and current selling prices. The definition refers to data relevant to both prime and sub-contract prices.

**Procurement** - The buying, purchasing, renting, leasing, trading, or otherwise acquiring of any supplies, equipment, services or construction. It also includes all functions that pertain to the obtaining of any supplies, equipment, services, or construction, including descriptions of requirements, selection and solicitation of sources, preparation, and award of contracts, and all phases of contract administration.

**Procurement Services** - Procurement Services is a division of the General Services Agency.

**Public Project/Public Works Project** - As defined in Public Contract Code § 20150.2, "public project" means: a project for the erection, improvement, and repair of public buildings and works.

**Purchase Order (PO)** - County's commitment for the value of the material or service ordered. It is a legal document.

**Qualified Products and Services List** - An approved list of supplies, equipment, services, or construction items described by model numbers, catalog numbers, or other means, which, before competitive solicitation, the County has determined will meet the applicable specification requirements.

**Rapid Acquisition Purchase Order (RAP)** - One-item orders of \$10,000 or less. Restricted use. Training required.

**Request for Proposals (RFP)** - All documents, whether attached or incorporated by reference, utilized for soliciting proposals. Requests for Proposals (RFP) are generally awarded based on several evaluation factors, including price.

**Requesting Department** - Any department, commission, board, or agency requiring supplies, equipment, services, or construction procured pursuant to the Ordinance.

**Requisition (RQS)** - A formal request for a product or service.

**Responsible Bidder or Offeror** - A person who has the capability in all respects to perform fully the contract requirements, and the tenacity, perseverance, experience, integrity, reliability, capacity, facilities, equipment, and credit which will assure good faith performance, and who has submitted a bid that conforms in all material respects to the requirements set forth in the solicitation. A Bidder will be deemed to be responsible if the Bidder:

- Has the ability, capacity, experience and skill to perform work in accordance with the bid specifications.
- Has the ability to perform the work promptly or within the time specified, without delays.
- Has equipment, facilities and resources of such capacity and location to enable it to perform the work;
- Has a record of satisfactory or better performance under prior contracts with the County or others; and
- Has complied with laws, regulations, guidelines and orders governing prior or existing contracts.

**Responsive Bidder** - "Responsive" bidder is a person who has submitted a bid that conforms in all material respects to the requirements set forth in the solicitation.

**Services** - The furnishing of labor, time, or effort by a contractor, not involving delivery of a specific product other than reports which are merely incidental to the required performance. "Services" shall include professional services.

**Service Contract (SC)** - A purchase order issued to order services.

**Specification** - Any description or scope of work of the physical or functional characteristics or of the nature of supplies, equipment, service, or construction. It may include a description of any requirement for inspection, testing or delivery of supplies, equipment, services, or construction.

**Spend Analysis** - Spend analysis is the process of collecting, cleansing, and analyzing expenditure data with the purpose of reducing procurement costs, improving efficiency and monitoring compliance. It is a component of supply chain management.

**Strategic Sourcing** - Strategic sourcing is an institutional procurement process that continuously improves and re-evaluates the purchasing activities of a company. It is one component of supply chain management.

Steps in the strategic sourcing process are:

- Assessment of current spend (what is bought and where)
- Assessment of the supply market (who are the suppliers)
- Assessment of the return on investment and/or associated risks

**Supplies** - All property, including but not limited to equipment, materials, printing, insurance, and leases of real property, excluding land or a permanent interest in land.

**Supplier List** -. A list of potential bidders, listed by NIGP commodity codes for materials and services furnished. The County's maintains an online vendor self-service registration system.



## Procurement Services Overview

### Services Provided

Procurement is the process through which requisitions are received, solicitations issued, vendors selected, procurement documents issued, and goods or services are received.

Procurement Services procures goods and services for the County by performing the following tasks: process purchase requisitions (RQS); issue procurement documents (PO, CT, SC, MA) and modifications; issue and evaluate bids, proposals, and quotations; review specifications; draft contracts; manage surplus property disposition (including sales and auctions)\*\*; provide procurement training; verify licenses and insurance coverage (as needed); maintain vendor mailing list; and assists with vendor performance issues.

One of Procurement Services' main roles is ensuring that goods and services are of high quality, available when needed, and not overpriced.

Also, taxpayers must know that public funds are spent wisely on its behalf and not for the personal benefit of government employees, officials, or their friends.

Procurement Services also manages the Convenience Copier Program, the Procurement Credit Card Program, and assists with compliance of the County's Living Wage Program and Green Procurement Policies.

**\*\* More detailed information regarding surplus property disposal can be found in the Procurement Services Surplus Property Policy and Procedures Manual.**

### Centralized Procurement

The County of Ventura has adopted a centralized purchasing system, which is under the authority of the Purchasing Agent. This means that the General Services Agency (GSA), Procurement Services Division, procures all commodities and services; except public works projects for Department of Airports, Fire Protection District, Harbor and Public Works, new construction over \$200,000, certain Board-approved items, utilities, purchases under \$200,000 and procurement card transactions.

GSA/Procurement Services is an Intergovernmental Service Fund (ISF). Departments are charged fees for the services provided. The fees for processing procurement documents, modifications, and master agreement releases are incremental based on the increasing level of service required as the amount increases. See the Budget Development Manual for current rates. Available at:

 <http://portal.countyofventura.org/portal/page/portal/ceo/publications>

Procurement Services utilizes the Ventura County Financial Management System (VCFMS). VCFMS is a comprehensive, fully integrated financial management system that is specifically designed to support standard accounting functions, including purchasing documents and encumbrances. This system allows transactions to be entered directly online, controlled by a highly structured multi-level security system comprised of online electronic approvals. Separate and very extensive system manuals and documentation on the use of the VCFMS are available online. As such, the reader may be directed to VCFMS documentation throughout this Manual. VCFMS training materials are available on the Auditor-Controller's web page on the County Intranet

### **Procurement Authority**

Procurement Services derives its authority from two sources; local and state laws. Local law encompasses Board of Supervisor resolutions and directives. The two main sources giving authority to Procurement Services to purchase goods and services on behalf of the County are the Purchasing Ordinance and the Public Contract Code.

**Purchasing Ordinance.** Board of Supervisor Ordinance #4084 was passed and adopted January 10, 1995, to govern the activities of the Ventura County Purchasing Agent. In general, it established that the Purchasing Agent shall have the duties and powers prescribed by the laws of the State of California relating to county Purchasing Agents, this Ordinance, and the Board of Supervisors. A copy of the full ordinance is included as Exhibit A in this Manual.

**State and Federal laws.** State laws that are applicable to various County procurement activities can be found in the Government Code, the Civil Code, the Business and Professions Code, Labor Code, Streets and Highways Code, Vehicle Code, Revenue and Taxation Code and the Public Contract Code - where pertinent, specific code sections are referenced throughout this Manual.

Federal law is applicable to County procurement activities any time federal funds are used for particular procurements.

### **Mission and Objectives**

#### **Mission Statement**

GSA Procurement Services will provide the County of Ventura excellent, courteous customer service while following County policies and procedures; efficient procurement services, while maintaining quality requirements, and equitable competitive vendor relations.

#### **Objectives and Standards**

- Regard public service as a sacred trust, giving primary consideration to the interests of the public agency that employs us.
- Avoid unfair practices and give all qualified vendors an equal opportunity to do business with Ventura County.
- Honor our obligations and require that obligations to our public agency be honored.

- Give prompt and courteous reception to all vendors, remembering that they are important sources of information and assistance in solving our purchasing needs.
- Refuse to accept any form of commercial bribery or gratuity and prevent any appearance of doing so.
- Receive counsel from colleagues and cooperate with them to promote a spirit of teamwork and unity.
- Behave with fairness and dignity, and demand honesty and truth in the purchasing process.
- Strive for greater knowledge of purchasing methods and the materials and services purchased.
- Purchase without prejudice, stimulate competition on all procurements, and seek to obtain the maximum value for each dollar spent.
- Maintain competitive bidding procedures as the primary, preferred method of procurement.
- Develop materials standards that afford a wide area of competitive bidding consistent with required levels of quality.
- Maintain open, public records of firms solicited, and prices quoted and paid for all items obtained for County use.
- Furnish clear indications of quality and service required in all bid solicitations.
- Perform all procurement activities in accordance with the laws and regulations of the United States, the State of California, and the County of Ventura.
- Cooperate with all organizations and individuals involved in activities designed to enhance the development of the procurement profession, remembering that our actions reflect on the entire profession.
- Support and maintain active contacts with professional organizations such as the Gold Coast Public Purchasing Group (GCPPG), the California Association of Public Purchasing Officers (CAPPO), the National Institute of Governmental Purchasing (NIGP), and the Institute of Supply Management (ISM).
- Conduct all responsibilities of this Office in a manner that will inspire good business relationships, satisfy the needs of County departments, and assure public confidence in performance of the procurement function.

### **Procurement Services Ethics**

**Procurement staff shall not obligate the County of Ventura**, financially or otherwise, by any means, including but not limited to procurement documents and contracts, **when the employee has a personal, material, financial, or other interest in the obligation.**

**Procurement staff shall not accept gratuities.** For this section only, employee is defined as an individual drawing a salary or wages from the County, whether elected or not; any non-compensated individual performing personal services for the County or any

department, agency, commission, council, board, or any other entity established by the executive or legislative branch of the County; and any non-compensated individual serving as an elected official of the County. Unsolicited non-consumable momentos valued at \$50.00 or less may be accepted (i.e., pens, paper clip holders, pencils, cups/mugs, etc.). Unsolicited consumables valued at \$50.00 or less may be accepted and shared with employees.

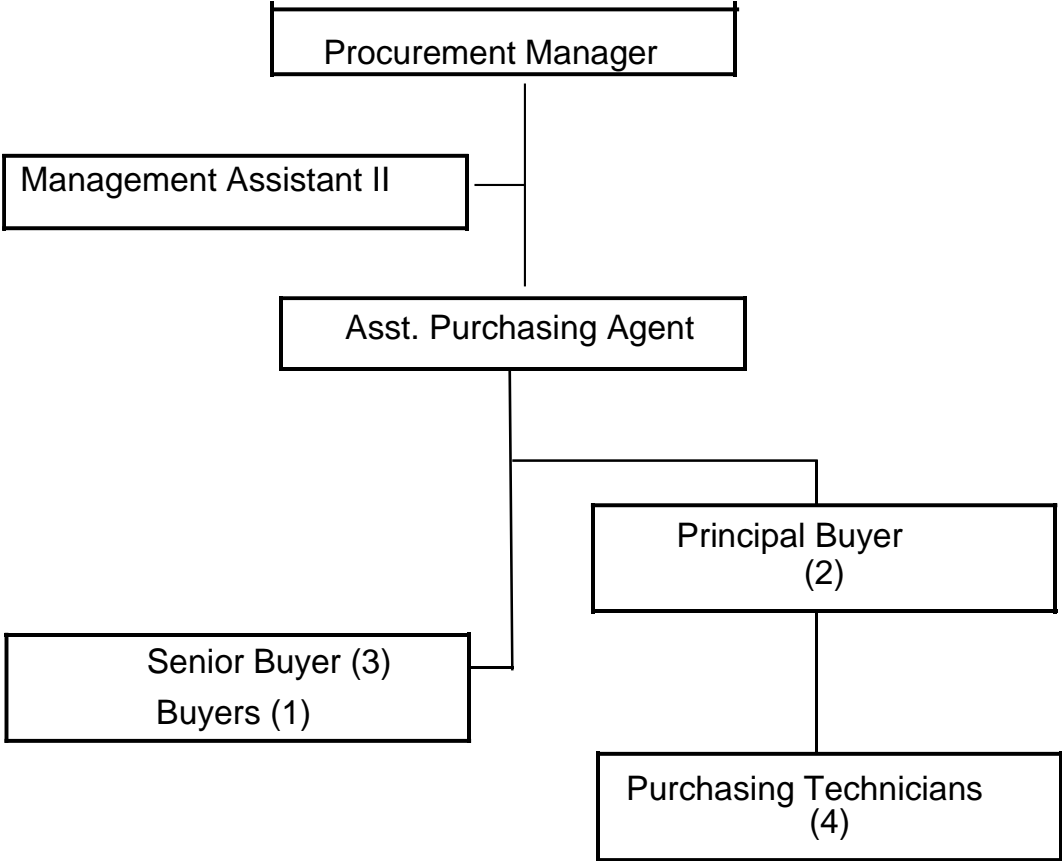
**Procurement staff shall not purchase item(s) for personal use while appearing to represent the County**, without first informing the Supplier of the personal use. The employee with his or her personal funds shall pay all such purchases. When personal purchases are made under these circumstances, separate invoices or sales receipts must be issued by the Supplier. Such invoices must bear the employee's name, home address, and phone number and may *not* be delivered to the County. Employees may *not* accept discounts, sales, reduced prices, or other benefits offered by Suppliers because of employees' relationships with the County. Exceptions: corporate discounts offered to all employees.

**Procurement staff shall not incur costs to the County for personal purposes**, such as mailing personal bills, letters, or packages, or otherwise committing the County to pay for an employee's personal expenses. Making personal phone calls, copies, or facsimiles are allowed in accordance with County policy.

**Procurement staff shall not borrow, loan, or take home County equipment or supplies for personal use**, whether for recreational use or for personal business.

**Procurement staff should avoid any implied or actual infraction of County rules and regulations**, such as receiving personal mail at County offices, using the County address or telephone number on personal checks, or any other indication that the employee might stand to gain at cost to the County.

**Procurement Services Staffing Organization Chart**



## Policies & Procedures (General)

### Bidding Policies

It is Procurement's policy to develop maximum competition for all purchases and to make awards based on the lowest responsible bid received or the most advantageous offer in the case of Requests for Proposals. In doing so, the County of Ventura procurement will provide guidance in regards to specifications including:

- Development of specifications to ensure maximum competition;
- Monitoring of specifications to ensure that they are not restrictive;
- Use of appropriate types of specifications (e.g. design, performance, brand name or equal, etc.)

#### **COMMODITIES (MATERIALS & EQUIPMENT)**

##### ***\$1 TO \$10,000 – ADMINISTRATIVE PROCESS***

Competitive bidding is not required. At the Buyer's discretion, a purchase order will be issued to the vendor recommended by the requesting agency/department.

##### ***\$10,001 TO \$60,000 – REQUEST FOR QUOTATION PROCESS (WRITTEN QUOTES)***

Competitive bidding is required. Procurement Services issues a written Request for Quotation. The number of vendors contacted varies, depending on the dollar amount of the purchase and the time available. Award is made to the lowest responsive and responsible bidder.

##### ***OVER \$60,000 – FORMAL BID AND REQUEST FOR PROPOSAL PROCESS***

Competitive bidding is required. Procurement issues either a formal sealed Invitation for Bids (IFB) or Request for Proposals (RFP), depending on the type of procurement. The number of vendors contacted will vary depending on the dollar amount of the purchase and the time available. Award is made to the lowest responsive and responsible bidder, in the case of IFBs. In the case of RFPs, award is made in accordance with the evaluation criteria, terms, and conditions stated therein.

Typically, commodity items are procured using a bid process where an award is made to the lowest responsive and responsible bidder. However, in some instances an RFP may be used.

#### **PROFESSIONAL SERVICES (NON-CONSTRUCTION)**

The County of Ventura Procurement Services will over see the competitive process for Professional Services. Professional Services are defined as follows:

*Contract requirements shall not be artificially divided to avoid bidding requirements.*

- Services that are rendered by members of a recognized profession or possessing a special skill. Such as Doctors, Lawyers, Legal Consultants, Language interpretation. Services that require special training and skills.

The following competitive guidelines will be followed:

***\$1 TO \$60,000 – ADMINISTRATIVE PROCESS***

Services with an aggregate total of \$60,000 or less do not require competitive bidding. At the Buyer’s discretion, a procurement document will be issued to the vendor recommended by the requesting agency/department.

***OVER \$60,000 – FORMAL RFPS OR BIDS***

Competitive bidding is required. Procurement Services issues either a **formal** sealed Invitation for Bids (IFB) or Request for Proposals (RFP), depending on the type of procurement. Typically, the RFP process is used for services. The number of vendors contacted will vary depending on the dollar amount of the purchase and the time available. Award is made to the lowest responsive and responsible bidder in the case of IFBs. In the case of RFPs, the award is made in accordance with the evaluation criteria, terms, and conditions stated therein.

**SERVICES (CONSTRUCTION/MAINTENANCE & REPAIR)**

- The County of Ventura uses Job Order Contracting (JOC). This allows for Procurement to use design specifications as well as performance specifications.
- A design specification details physical characteristics, materials, and product features, as well as details of the manufacturing methodology for the commodity.
- A performance specification describes the desired end result or outcome for the commodity. A specification may incorporate features of both design and performance. Specifications may be viewed on a continuum with pure performance on one end and pure design on the other.

The objective of a design specification is to meet a custom or unique requirement. A design specification is complete and limits the options of the contractor or manufacturer, placing high risk on the buying entity for design errors or omissions within the specification.

The following bid thresholds apply for construction/maintenance & repair procurements.

***\$1 TO \$10,000 – ADMINISTRATIVE PROCESS***

Competitive bidding is not required. Purchase will most likely be issued to the department’s vendor of choice, as long as all requirements are met.

***\$10,001 TO \$60,000 – REQUEST FOR QUOTATION PROCESS (WRITTEN QUOTES)***

Competitive bidding is required. Procurement Services issues a written Request for Quotation. The number of vendors contacted will vary, depending on the dollar amount of the purchase and the time available. Award is made to the lowest responsive and responsible bidder.

***\$60,001 TO \$200,000 – INFORMAL BID***

Informal bids will be solicited in accordance with the California Uniform Public Construction Cost Accounting Procedures (CUPCCAP) alternative bidding procedures, which the County adopted by Ordinance 4177, on November 10, 1998.

Procurement Services does not process construction projects over \$200,000.

**✍ Procedure - The buyer should review all incoming requisitions against bidding requirements thresholds. Detailed procedures for Request for Quotation, Bid and RFPs are provided in Chapter 4.**

## **Board Approval for Services exceeding \$200,000**

Per the Government code and County Ordinance #4084, approval of the Board of Supervisors is required for services when the aggregate cost exceeds \$200,000.

GSA will be responsible for obtaining Board approval for services used by multiple County agencies and departments.

Examples of multiple Agency/Department contracts for services include, but are not limited to:

- Temporary help
- Building maintenance
- Cellular telephones
- Office telephones
- Security
- Elevator maintenance
- Landscape maintenance
- Newspaper advertising
- Custodial Services

**✍ Procedure - The buyer should review all incoming requisitions to ensure that board limit is not exceeded. Tracking spreadsheets should be set up in the common drive I: for this purpose.**

**An annual service agreement board letter is prepared each year, before the last June board meeting, for approval of all countywide contracts that exceed the \$200,000 threshold. If needed, for countywide contracts, Procurement services will seek board approval throughout the fiscal year whenever approved dollar will be exceeded. Buyers are responsible for tracking encumbrances against the approved board limit.**

## **Exceptions to Bidding**

### **SOLE SOURCE OR SOLE BRAND PROCUREMENTS**

An exception may be granted based on two premises:

- Only a single company or organization can supply the needed product or service. As in the case of proprietary software maintenance, only the licensor of the product can provide support.
- Only a single “brand/model” will meet the department’s technical/functional requirements. For example, only the *Brand X* disinfectant meets the Green Procurement Policy requirements for non-toxicity. *Brand X* is available through several distributors. *Brand X* would be considered a “sole brand” but not a “sole source” since it is available from many sources (distributors).



Sole source requests should not be made unless the department is confident that the request is reasonable, appropriately justified to meet the County's requirements, and can withstand a possible audit. Sole source/brand purchasing minimizes or eliminates competition and should be avoided whenever possible.

If a department believes that only a specific make and model will meet its needs, it should include an objectively written explanation that details the unique features of the sole source/brand item, which states why these features are required. If other brands or models have been tested or used previously, the department should specify the brands or models tested or used, the dates they were tested or used, and why they are not acceptable.

A written justification, signed by the agency/department head must be submitted for Procurement Services' review/approval. Department should provide the written justification on the standard "Request to Waive Bidding Requirements" form available on the GSA Procurement Services' intranet website, or by calling Procurement Services at 654-3750.

### **BEST VALUE PROCUREMENT**

A 'Best Value' procurement is a method that emphasizes value over price. The best value might not be the lowest cost. An assessment of the return that can be achieved based on the total cost of ownership of the item; may include an analysis of the functionality of the item; can use cost-benefit analysis to define the best combinations of quality, services, time, and cost considerations over the useful life of the procured item

A bid waiver/justification must be completed which clearly defines the best value – items to include vendor name, part number, reasons why this constitutes a best value.

**✍ Procedure - The department completes the Request to Waive Bidding Requirement form and attaches it to the RQS. The buyer will investigate the validity of the request. Investigation should include, at the very least, an online search of similar vendors. The agency/department's functionality claims should also be researched to a reasonable degree. The amount of research conducted will depend on the dollar amount and type of service or product.**

**If the buyer is not 100% certain that a sole source will pass supervisor approval the sole source must be brought to a supervisor's attention within 3 business days of receipt.**

**Sole Source justification that exceeds \$100,000 must be approved by the Purchasing Agent.**

### **COOPERATIVE AGREEMENTS/PIGGYBACK PURCHASES/USE OF AN EXISTING AGREEMENT**

An exception may be granted if the product/service is available through the utilization of another public entity's contract (includes city, county, state, federal, school district, League of California Cities, California Communities Program, Federal GSA, Western States Contracting Alliance).

The bidding requirement may be waived when piggybacking provided that:

- The purchase contract with the Supplier (s) is the result of competitive bidding and is made in compliance with the competitive bid or proposal requirements of the participating entity or organization;
- The purchase is made within a reasonable time of the competitive bid;
- The purchase conforms to the County's specifications for the item or service; and the estimated price of the purchase is lower than that estimated for the purchase if made directly by the County, and;

- It must also meet all County policies; i.e., Living Wage Ordinance and Green Procurement.

**✍ Procedure - Buyer must document on the purchasing document that the bidding requirements are being waived due to the use of a piggyback contract. Buyer should obtain a copy of the Bid or RFP and the resulting contract and review them for compliance with this section. If the contract will be used for various agencies the documents should be kept in a contract folder. The contract folder will be referenced on any purchase documents using the piggyback contract. For one time purchases, the documentation should be filed with the requisition. Use the Checklist in the network drive.**

### **STANDARDIZATION AND/OR QUALIFIED PRODUCT LIST**

When supplies, equipment, or services are uniformly adopted or otherwise standardized, or when an item is designated to match others in use by the County, the purchase may be exempt from bidding requirements or be made with limited competition to distributors of the manufacturer of the standardized item. Compatibility issues between differing technologies will also be considered for exception.

A Qualified Products List (QPL) is a list of products identified by manufacturers' names and model numbers that are the only items that meet the minimum specifications as determined by the using entity. These products are used when quality is such a critical factor and testing so lengthy or expensive that the entity wants to stay with proven products. The list is prepared by testing products, either in the lab or in daily use. Items may be added to the list by the supplier demonstrating their quality by meeting specifications that have been defined by the using entity. Examples can be Fire Turnouts, Fire Arms and tactical safety vests.

**✍ Procedure - The department completes the Request to Waive Bidding Requirement form and attaches it to the RQS. The buyer will review the request.**

**If the buyer is not 100% certain that the bidding exception should be made, the request must be brought to a supervisor's attention within 3 business days of receipt.**

**All requests to waive bidding requirements that exceeds \$100,000 must be approved by the Purchasing Agent.**

### **EMERGENCIES**

The item(s) or services needed *are immediately necessary* for:

- The continued operation of the office or department involved; or
- Are immediately necessary for the preservation of life or property.

Technically, an emergency need is one that could not have been foreseen. Failure to submit a requisition on time does NOT constitute a valid emergency.

**✍ Procedure - The buyer must have the department complete an Emergency Justification Form if the expenditure exceeds a stated bidding threshold. For example a request for an emergency clean up service of \$20,000 would not require any further documentation since the threshold for bidding services is \$60,000.**

**The emergency must be based on one or more of the needs stated above. Emergencies estimated/totaling over \$25,000 require Department/Division Head approval/signature on the Emergency Justification form.**

**A copy of the Emergency Justification form is available on the intranet. The signed form should be kept with the requisition.**

Depending on the circumstances, the buyer should expedite the issuing of the purchase order document to the vendor. Some cases may allow only enough time to provide a purchase order number. Under those circumstances the buyer should use VCFMS (if feasible) to obtain the number. Enter as much information as is known about the emergency; vendor name, estimated cost, item or service description, name of person making the request, and accounting information. Inform the department that a requisition must follow.

### **MISCELLANEOUS EXCEPTIONS TO BIDDING**

- Formal competition has failed
- A procurement made from another unit of government
- Procurement of used item is advantageous
- Public utilities
- Legal services
- Medical services
- Nurse Registries
- Architects and Engineers (qualifications based award)

## **Confirming Orders/Unauthorized Purchases**

Except for emergencies or other authorized exceptions, **NO purchases can be made or are authorized until funds have been encumbered by the Auditor-Controller's office on a County purchase order.**

### **UNAUTHORIZED PURCHASES**

**1<sup>st</sup> violation**-a warning memorandum to department

**2<sup>nd</sup> violation**- a written explanation is required.

**3<sup>rd</sup> violation**- the requisition will not be processed & employee may be held responsible for the charges.

Usually, an unauthorized purchase is discovered when a department submits a requisition to cover a purchase (goods or services) that has already been ordered and possibly delivered sometimes indicated by invoices being referenced.

Should a department make an unauthorized purchase, the department is sent a warning memorandum. The memorandum states that unauthorized purchases do not bind the County or constitute a lawful charge against the County. The memorandum outlines the exception in case of emergency, and warns that failure to comply could result in personal liability for the charges incurred. It also warns that future violations could result in rejection of the requisition.

If a second violation occurs, a memorandum is sent stating that Procurement Services will process the requisition, after receipt of a written explanation.


If a third violation occurs, a memorandum is sent stating that Procurement Services will not process the requisition. The department is advised that the department must seek approval by the Board of Supervisors, or the employee can be personally responsible for the charges.

***✍ Procedure - Whenever a requisition is submitted where the product or service has already been ordered by the department without a purchase order, Buyers should indicate that this is a confirming order and request technicians to email the information to the Purchasing Agent.***

## **Written Contract**

Procurement Services will typically require a written contract when the cost of the services, and in some cases goods, exceeds \$25,000.

Procurement Services uses a Standard Services Contract and will provide it to departments upon request. The standard contract has been approved by County Counsel. Use of any contract other than the standard contract, or making material changes to the standard contract, will require County Counsel approval. A copy of the Standard Services Contract saved in the common drive <I:Procurement/forms/forms&templates/contractforms>

 **Procedure - Determine need for a contract.** Some routine purchases, even though high dollar, may not benefit from having a contract. Others, like medical services, will almost always have contracts even for very low dollar amount due to the risk involved.

**Buyers will either prepare a contract using the approved format or review any vendor provided contracts. Vendor contracts should be thoroughly read and marked up to comply with County contract policy as stated in the County's Administrative Manual.**

**Identify any areas of concern and send to Procurement's assigned counsel for their review and approval. Buyer will work with the vendor and County Counsel to arrive at a mutually acceptable contract.**

## Insurance Requirements

The County requires that contractors have, and maintain, certain types of insurance coverage when they enter County property to repair, install, construct, or otherwise perform services.

Insurance requirements vary depending on the type/scope of services provided. In certain cases, the contractor will need to provide insurance coverage, whether or not the contract requires the vendor to enter County property.

A Recommended Insurance Coverage Matrix has been developed to assist with the determination. A copy of the most current matrix is available at:

<http://myvcweb/index.php/quick-link-for-procurement/insurance-requirements>

Departments are responsible for obtaining and submitting proof of insurance to Procurement with their requisitions. Proof of insurance must be provided prior to the start of any work. Purchase orders for services requiring insurance will not be released until insurance certificates are on file with Procurement Services. In the case of a decentralized or deputized purchasing authority, certificates will be filed with the agency contracting for services.

The following are the most commonly required types of coverage.

- **General/Commercial Liability:** The County should be added, by endorsement, as an "additional insured."
- **Automobile Liability:** Is required if driving or traveling is required in providing the contracted services. If the vendor/contractor has employees but no vehicles registered to the business (non-owned and hired automobile liability coverage should be provided).
- **Workers' Compensation:** Contractors providing services to the County must provide proof of Workers' Compensation for all employees working on the job site. Requirement may be waived if the vendor is a sole proprietor/partner/corporate officer with no employees. Workers' compensation policies should include, a Waiver of Subrogation, which is evidenced with a policy endorsement.
- **Professional Liability (Errors and Omissions):** Is required for certain services – including but not limited to – appraisers, notaries, software programmers, auditors, lawyers, insurance agents, surveyors, dentists, doctors, nurses, counselors, engineers, etc.

**✍ Procedure - The buyer should verify that the types and level of insurance required are on file before accepting a requisition or issuing a purchase order. Insurance must remain in effect through the duration of the contract. Buyers should check the expiration dates on all certificates and identify how long in the coverage is required.**

**Require the Waiver of Subrogation endorsement for high risk contracts.**

**Bids and RFPs should have the appropriate insurance requirements written into them.**

The matrix also states the insurance coverage (dollar) limits. They are categorized as Low Risk, Standard Risk, and High Risk. Changes, or reduction, in the established thresholds are allowed with the following approvals:

- Low Risk – Agency/department head may initiate, and authorize, changes/reduction/ waiver of established requirements.
- Standard Risk – County Executive Office (CEO)/Risk Management must approve any changes/reduction/waiver of established requirements.
- High Risk – Please consult with CEO/Risk Management for assistance in determining the appropriate insurance coverage.

**✍ Procedure - The buyer should have the department complete the “[Request to Waive/Alter Vendor Insurance](#)” form. The form is available on the GSA Procurement Services’ intranet website. Once signed, by an authorized individual, the form should be kept on file.**

## **Living Wage Ordinance**

On June 24, 2014 the Board of Supervisors adopted the Living Wage Ordinance #4464.

Ordinance #4464 requires that all employers (except where specifically exempted) under contract for “services” to or for the County that: (1) involve an expenditure in excess of \$25,000, within a twelve month period; and (2) have a term of at least three months, shall comply with all applicable provisions of the ordinance.

In summary, contractors are required to:

- Pay covered employees a wage no less than the minimum initial compensation of \$10.50 per hour with health benefits, or otherwise \$12.50 per hour without.
- Provide at least 12 compensated days off per year.

Rates are reviewed annually and may be adjusted every January 1.

Some agencies and special districts are exempt from the Living Wage Ordinance.

### **Exemptions**

- Small employer employing no more than five full-time persons.
- Government Entities. Including, without limitation, cities, counties, and state agencies.
- Collective Bargaining. To the extent that any collective bargaining agreement applies to an employee who would otherwise be entitled to be paid a living wage.
- In-Home Support Service Workers.
- Service contract for expenditure that is less than \$25,000 within a twelve-month period or has a term less than three months.

- A contract subject to federal or state laws or regulations that would preclude application of the living wage requirement otherwise applicable pursuant to this ordinance.
- A contract between the County and another governmental entity.
- A contract between the County and a financial or banking institution for financial or banking services.
- A contract for professional services requiring specialized skills or licensure, including but not limited to experts, consultants, auditors, engineers, attorneys, and banking representatives.
- A contract with a non-profit corporation qualifying under Internal Revenue Code section 501(c)(3).
- Printing/Copying Services.
- Construction Contracts.

Additional information regarding the Living Wage Ordinance #4464 is available at:

<http://www.ventura.org/government-affairs/living-wage-ordinance>

**✍ Procedure - The buyer should review all incoming requisitions for applicability of the LWO. If the services being provided are subject to the LWO, the buyer will include Standard Clause ST099 on the purchase order document. Buyer will also have vendor complete the appropriate forms and forward to the CEO's office as needed.**

**If a contract/purchase order does not currently meet the LWO criteria but may in the future, the buyer should add STO97 to the purchase order document for tracking purposes.**

**Bids and RFPs should have the appropriate LWO language written into them.**

## **Green Procurement Policy**

On March 27, 2007, the Board of Supervisors reaffirmed the County's commitment to the "Green Procurement Policy" resolution (originally approved on January 15, 2002) for reusable and recycled products. The adopted policy was also integrated into the County Administrative Manual.

The policy states:

*"County Agencies, Boards, Commissions, Departments, and Offices shall reduce waste generated by County business and work practices by: reusing discarded materials, recycling waste products when feasible and cost-effective; and purchasing, whenever possible, feasible and cost-effective, recycled products ("recycled content" products) for use in the delivery of County services to the maximum extent practicable, consistent with existing applicable State and Federal laws and other Ventura County procurement policies."*

The complete policy and procedures can be found at:

<http://myvcweb/index.php/procurement-home/procurement-intranet>

In summary, agencies/departments are directed to, wherever feasible:

- Purchase and use recycled products to the maximum extent possible, without negatively impacting health, safety, or operational efficiency.
- Restructure purchasing specifications to include the use of products which contain post-consumer recycled content, are reusable, or are designed to be easily recyclable.

- Purchase recycled paper.
- Label recycled products to indicate their recycled content.
- Use life cycle cost analysis to assist in selecting a product or service.
- Purchase lubricating oil and industrial oil as directed by the California Public Contract Code 10409.
- Favorably consider the selection of recycled-content and renewable materials, products and supplies over their non-recycled-content and non-renewable alternatives in cases where availability, fitness, health and operational efficiency, quality, safety, and price of the recycled product is otherwise equal to, or better than, the non-recycled-content and/or non-renewable alternative.
- Consider less toxic alternatives when purchasing products such as pesticides and herbicides and to purchase energy-conserving products when possible.
- Implement a ten percent (10%) price preference for qualified recycled paper products.

The County will cooperate with neighboring city and county governments in an effort to develop a comprehensive, consistent, and effective procurement effort intended to stimulate the market for recycled products, reusable products, and products designed to be recycled.

The Integrated Waste Management Division (Public Works Agency) (IWMD) and Procurement Services (General Services Agency) will cooperate annually in summarizing the purchase of recycled-content products by County agencies.

Selected suppliers shall be required to report the total dollar and unit volume of recycled and non-recycled products supplied to each County department during the calendar year. This report is to be submitted to IWMD.

A variety of databases exist to assist departments with locating recycled-content products. Several of these, including the California Integrated Waste Management Board's "Buy Recycled" database, are listed on the Ventura County IWMD website:

<http://www.ventura.org/sustain/for-employees/buy-green/>

**✍ Procedure - The buyer should review all incoming requisitions for compliance with the County's Green Procurement Policy. If the services being provided are subject to the policy the buyer will review existing databases for availability of alternate products. If such products are found, the buyer will work with the requesting department to determine if the alternate product(s) will meet their needs.**

**At the very least, Buyer will add Standard Clause ST116 to all purchase order documents that lend themselves to the reporting requirements mentioned above.**

**Bids and RFPs should have the appropriate Green Procurement language written into them.**

## **Personal Services Contracts**

Personal services contracts are an accepted means for providing specialized tasks, which cannot be as effectively accomplished by the regular work force.

Consultants and independent contractors hired by the County to perform work must operate as independent contractors, so the County may avoid liability for their actions, payroll taxes, and labor relations implications, etc.

Personal services contracts, particularly those for services previously performed by County employees, must be routed through the CEO/Human Resources Division (HR) for review.

Before procuring any personal services from an individual, or a firm providing programming services, the manager requesting the personal services should review and complete the Checklist for Determination of Worker Status form. If the manager feels that the vendor serves in an “independent contractor” capacity, the completed form should then be submitted to the HR Personnel Analyst assigned to the manager’s agency.

<http://myvcweb/index.php/procurement-forms>

The completed form should be attached to the requisition. The RQS should be routed to HR for approvals. A requisition for this type of service should not be accepted unless it has the proper HR approval.

**✍ Procedure - The buyer should review all incoming requisitions for compliance with the County’s Worker Status Policy. If the services being provided are subject to the policy the buyer will make sure the the RQS has HR approval before accepting the requisition. A copy of the form will be attached to the requisition.**

## Information Technology Policy

In complying with the County Information Technology Services Department’s (ITS Computing Architecture Standards dated October 1, 2008), approval for the following items is required prior to the submission of a requisition to Procurement Services:

- Non-discretionary, non-standard hardware
- Non-discretionary, non-standard software
- The purchase of servers
- Software Maintenance Agreements under \$5,000 – first year only
- Software Maintenance Agreements over \$5,000 - yearly
- Requests for programming services
- Requests for information technology consulting

Any accounting software or software that would otherwise replicate existing ERP functionality must be reviewed and approved by the Auditor Controller.

Information technology projects over \$50,000 require Information Technology Committee/Business Technology Committee (ITC/BTC) approval.

A copy of the Information Systems, Services and Projects Procurement Policy is available at:

[http://myvcweb/images/GSA/pdf/General\\_Information/ITSD\\_PURCHASE\\_APPROVAL\\_PROCESSES\\_INSTRUCTIONS.pdf](http://myvcweb/images/GSA/pdf/General_Information/ITSD_PURCHASE_APPROVAL_PROCESSES_INSTRUCTIONS.pdf)

**✍ Procedure - The buyer should review all incoming requisitions for compliance with the County’s IT Policy. If the services being provided are subject to the policy the buyer will make sure the ITSD and/or ITC approvals have been provided before accepting the requisition. An email notification is usually provided. A copy of the email should be filed with the requisition.**

**HIPAA - need to add procedures. Use ST116 for POs with no contract. Use St118 for POs with contract that included HIPAA requirement. Added dec. 11 2013**



## Prevailing Wages

In accordance with Labor Code Sections 1770-1773, prevailing wages must be paid to all workers on a “public works” project (see Glossary for definition) when the project is over \$1,000.

When bidding on public works projects that exceed \$1,000, under the law, all bidders are expected to use the same wage rates. The California Department of Industrial Relations determines the prevailing rate of wages for specific geographic areas. Additional information is available at [www.dir.ca.gov/dlsr/pwd/index.htm](http://www.dir.ca.gov/dlsr/pwd/index.htm).

It is County policy to pay prevailing wages on maintenance work over \$1,000 for those trades covered until the labor code.

**✍ Procedure - The buyer should review all incoming requisitions for applicability of prevailing wage requirements. If the services being provided are subject to the payment of prevailing wages. The buyer will add Standard Clause ST041 to all purchase order documents that lend themselves to the requirements.**

**Bids should have the appropriate LWO language written into them.**

## Surety and Performance Bonds

### Bid Bonds

The bid bond guarantees the County that the bidder will enter into the contract if it is awarded.

Bid security shall be required for all public projects bids when the cost is estimated to exceed **\$25,000**. Bids must be accompanied by a Bid Security in the amount of not less than 10% of the amount bid in one of the following forms:

- Cash
- A cashier's check made payable to the County of Ventura
- A certified check made payable to the County of Ventura
- A bidder's bond executed by an admitted surety insurer, made payable to the County of Ventura

Upon an award to the lowest responsive and responsible bidder, the security of an unsuccessful bidder shall be returned in a reasonable period, but in no event shall that security be held by the County beyond 60 days from the time the award is made.

A bid received and not accompanied by cash, cashier's check, certified check, or approved bond will result in return of the bid without consideration.

Bid security is optional for other bids or proposals.

### Performance and Payment Bonds

The performance bond guarantees that the contractor will perform the duties assumed by entering the contract. The payment bond guarantees that the contractor will pay all suppliers and subcontractors who assist in the performance of the work.

One hundred percent (100%) performance and payment bonds are required on all public projects awarded in excess of **\$25,000**.

Performance and payment bonds are optional for other bids or proposals. In most instances, bonds are not necessary if a contractor has been selected after a thorough review of references, qualifications, and financial stability.

 **Procedure - The buyer should review the scope of work for applicability of bond requirements. Bids and RFPs should have the appropriate LWO language written into them.**

**The determination shall be made prior to issuing the RFP/Bid after review by requesting department, County Counsel, and Procurement management.**

## **Disadvantaged Business Enterprises**

While the County does not offer price preferences, it is our policy to promote the development of DBE's. Procurement Services will be glad to answer any questions and provide assistance on purchasing procedures, bid opportunities, and contract awards.

## **Grants and Federal Monies**


Federal law is applicable to County procurement activities any time federal funds are used for particular procurements. Buyers should review the specific requirements of the funding source with the requesting department.

## **Outside Legal Services**

Per the County Administrative Manual, where it is necessary, as in the case where the County Counsel has a conflict of interest, or when it is deemed desirable because specialized legal expertise is required from the private sector, outside legal counsel may be retained by contract, subject to the following limitations:

- All contracts for outside legal services in excess of two hundred thousand dollars (\$200,000) shall be approved by the Board of Supervisors.
- Contracts for such services, which do not exceed two hundred thousand dollars (\$200,000), are within the Purchasing Agent's authority, but are subject to prior written approval of County Counsel.


Compliance is provided by way of a memo from County Counsel. In cases where legal services are on a master agreement, approval documentation is required annually at master agreement annual renewal.

 **Procedure - The buyer should review incoming requisitions and master agreement renewals for legal services and request approval from County Counsel before issuing the purchase order.**

## **Lease-Purchase Agreements**

Lease purchases are a form of borrowing and must be reviewed by the Auditor-Controller's Office and the Financial Planning Committee to determine appropriateness from the perspective of the County's borrowing program and the source of funding.

All lease-purchase items to be acquired must be approved by the Chief Executive Office and be specifically identified in the approved budget. Unforeseen lease-purchase requirements identified during the fiscal year mid-year must be specifically approved by the Board of Supervisors after determination that lease-purchase is the most appropriate acquisition method of financing.

 **Procedure - The buyer should review incoming requisitions and only process lease-purchase requisitions that are accompanied by evidence of Board approval and/or Auditor Controller approval. Lease-purchases will then be processed on forms approved by County Counsel. See Ventura County Administrative Manual for more information.**


## Trade-ins

In most cases, the best method for disposal is as a trade-in when purchasing the same general replacement materials or equipment.

Should an agency or department choose this method, the following requirements will apply:

1. The transaction must be described in the vendor's quote and the purchase of the new equipment/material should be made via a separate requisition, not on a BDO, GAX, credit card, or price agreement.
2. The monetary allowance offered by the vendor is fair and equitable. Market value can be researched online through various auction sites, trade magazines, or by calling GSA Procurement Services.
3. Fair market value does not exceed \$10,000.
4. Inventory records must be updated. Non-fixed assets are subject to each agency's procedures. To remove fixed assets from inventory, complete an IC-1 form and submit to GSA Accounting at L#1010.

Trade-in situations where new product or equipment is not being purchased, the current market value exceeds \$10,000, or the vendor is offering something other than a monetary discount (i.e., offer of free future service/labor) are not authorized and must be coordinated through the purchasing agent.

 **Procedure - The buyer should review incoming requisitions for possible trade-in opportunities. The buyer will work with the requesting department to determine if trade-in is the best option. If an item is being offered as a trade-in on a purchase order the purchase order should contain as much information as possible about the trade-in item.**

**Information should include:**

- **A complete description of the item**
- **Serial number and/or the County ID tag number, if applicable**

**If a bid or quote is issued for the purchase, vendors will be asked to indicate on their responses the trade-in allowance they are willing to give. In all cases, buyers must verify that the monetary allowance offered by the vendor is fair and equitable. Market value can be researched online through various auction sites, trade magazines.**

## Requisitions

### Requisition Submittal

Almost all purchasing actions begin with the submission of a requisition (RQS). This Chapter covers the review and approval of an incoming department created and approved requisitions.

In VCFMS, the requesting agency/department creates an RQS document.

*Step-by-step diagrams for entering a requisition can be found on the GSA Procurement Services' intranet website.*

An authorized individual from the requesting department must electronically approve the RQS in VCFMS. RQS documents with proper approvals will display a PENDING status.

All backup documents (specifications, scope of work, quotes, order forms, contracts, sole source form, insurance certificates, etc.) must be attached to the RQS for Procurement Services to review.

The RQS Worklist in VCFMS is scanned daily by Procurement Services' staff for RQSs that are ready for Procurement Services' review and approval. Only RQSs in a PENDING status with full approvals will be reviewed for approval.

### Review and Approval of Incoming Requisitions

PENDING requisitions will be approved within 3 business days unless the department is notified of reason for rejecting RQS.

Requisition review and processing is assigned as follows:

- \$10,000 and under Purchasing Technicians by Agency Code
- \$10,001 and over to Buyers by commodity

***✍ Procedure – Daily review the appropriate VCFMS Worklist for documents assigned to you.***

***In general the procedures include:***

- ***Review RQS's in VCFMS on a daily basis;***
- ***Review RQS's documents for policy compliance;***
- ***Notify department of any issues – email preferred;***
- ***Then process according to bidding thresholds and policies;***
- ***Continue to issuing of proper procurement document.***

Step-by-step instructions are contained in the respective dollar level standard operation procedures (SOPs). The SOPs are separate documents available on the common drive **G:\LeanSix\SOP for RXs greater than 10k.**

## Lead Time

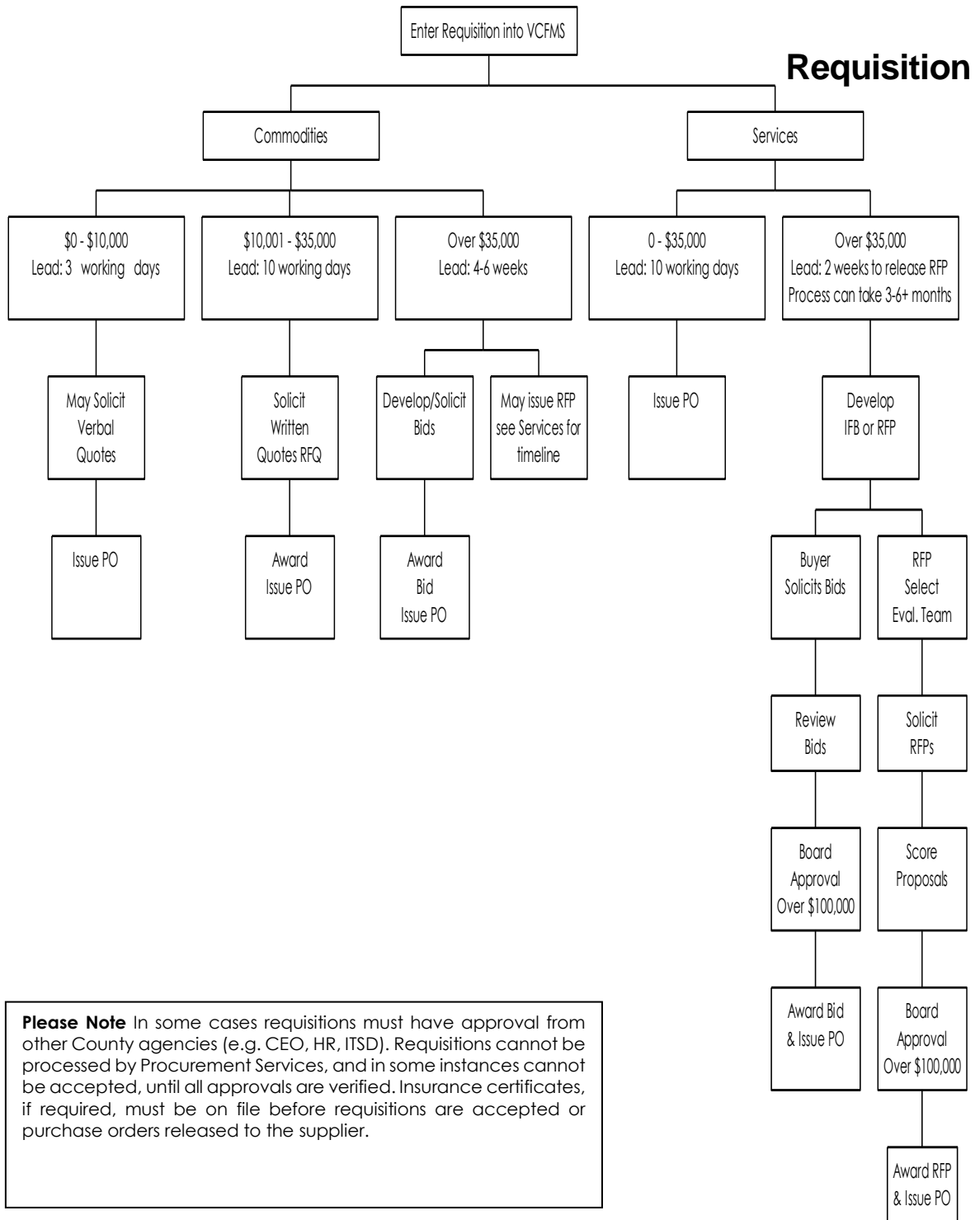
Staff shall complete processing of requisitions within the following time limits:

- **\$1- \$10,000 within 3 business days**
- **\$10,001 - \$60,000 – within ten (10) working days of receipt.** Buyer should **issue** Request for Quotation (RFQ) as needed.
- **Over \$60,000 – within four to six (4-6) weeks of receipt.** Buyer must issue formal bids or proposals with detailed specifications, as needed. RFPs should be released within 2 weeks from receipt of complete and acceptable scope of work and/of specifications from requesting department.

The above bidding guidelines may be revised based on workload; see the following overview chart.

\*\*Threshold for construction and maintenance/repair is **\$30,000**  
Processing time does not include third party approvals (Supervisor, GSA, Auditor, or Board)

# Overview of the Procurement Process



## Approval

## **Modifying /Cancelling Requisitions**

Only Departments can modify or cancel a requisition.

## Solicitation Policies and Procedures

### Administrative Process

The administrative process will typically be used for the following:

- Commodities \$10,000 and under;
- Services \$60,000 and under;
- Maintenance and Repair \$10,000 and under.

Procurement does not require competitive solicitations, for the above listed purchases, when the department has provided sufficient information (quotes, statement of work, or other documentation) necessary to proceed with issuing a purchase order.

However, should the technician (or Buyer) be aware of better sources, products, services, or the documentation provided by the department is incomplete, the requesting department should be contacted and advised that a better source exists or that additional information is needed.

**✍ Procedure - The Buyer will contact vendors informally by telephone for price quotes. The number of vendors contacted will vary depending on the dollar amount of the purchase and the time available. Award is made to the lowest responsive/responsible bidder. Buyer will edit the requisition, adding applicable standard clauses, determining insurance requirements, and distribution instructions. Once editing has been completed, a procurement document will be created.**

**Please note even though purchases under this threshold are excluded from bidding compliance all other applicable policies is still required.**

### Request for Quotation Process (RFQ)

The RFQ process will typically be used for the following:

- Commodity purchases between \$10,000 and \$60,000;
- Construction and Maintenance & Repair jobs \$10,000 to \$30,000.

Requirements shall not be artificially divided to avoid soliciting written quotations.

The Purchasing Agent may authorize the use of the written quotation for higher dollar purchases for improved efficiency, due to time constraints and/or workload.

**✍ Procedure - Quotes should be solicited using the Request for Quotation form *and* the RFQ Terms and Conditions. The Terms and Conditions must always accompany the RFQ form because they protect the County's interests and help resolve problems that may occur with the order. The RFQ and RFQ Terms and Conditions may be sent to potential bidders by email, facsimile, or mail.**

**Insofar as it is practical, no less than three businesses should be solicited to submit quotations.**



Although it is not necessary that informal quotes be received in a sealed envelope, no quote shall be handled to permit disclosure of the identity of any bidder or the contents of any quote to competing bidders until after the time for receipt of quotes. After the time for receipt of quotes, Buyer shall prepare a summary of quotes containing the name of each bidder, the number of modifications (addenda) received, if any, and a description sufficient to identify the item/services offered and the price(s). The Bid Summary shall be open for public inspection only after the time for receipt of quotes.

A **"Responsible"** bidder is a person who has the capability in all respects to fully perform the contract requirements, and the tenacity, perseverance, experience, integrity, reliability, capacity, facilities, equipment, and credit that will assure good faith performance.

A **"Responsive"** bidder is a person who has submitted a bid that conforms in all material respects to the requirements set forth in the solicitation.

**Award must be made to the lowest responsible and responsive bidder.**

**If award is made to other than the bidder offering the lowest price, a note indicating why the lowest bidder(s) does not meet specifications or is not responsible must be attached to, or documented on, the requisition**

**After Buyer reviews the quotes received, he/she should confer with the requisitioning department before making an award.**

**The original RFQ and copies of all quotes received should be attached to the requisition, and summarized on an Excel spreadsheet. Highlight or circle the lowest responsible and responsive bidder. A GR document should be created and the spreadsheet attached to the procurement folder.**

**The Buyer will then edit the requisition, where necessary, and a purchase order will be issued.**

## **Department Solicited Quotes**

While departments are encouraged to contact Procurement Services early-on in the acquisition process; some departments will still get their own pricing. Department obtained quotes must meet all County policies and regulations. Quotes not meeting established requirements will not be accepted. The Buyer may have to re-quote, resulting in a delay in processing.

In most instances, informal quotes will not be accepted for purchases over the respective formal bid threshold. These purchases are solicited by sealed bid.

If the requisitioning department has obtained prices from vendors independently of Procurement Services, the following information must be submitted with the requisition:

- Copies of all quotes received. *Quotes should have the date that prices were quoted, the name and telephone number of the salesperson that gave the quote, the quantities quoted, and description of product or service quoted.*
- Quotes must be for like items and quantities. *For example, do not have one vendor quote on 300 sq. ft of carpeting and another vendor quote on 500 sq. ft.*

***✍ Procedure - Buyer will review department quotes. Departments may not have alerted vendor to special requirements such as living wage, prevailing, or even the need for "or equal" in the specifications. Quotes must be recent and solicited from all vendors at similar times. Most quotes are only valid for a certain amount of time. Once a quote has expired, a new quote will most likely be needed. Similarly, quotes should be obtained within the same timeframe. A quote from Vendor A in January, and Vendor B in March, could be unfair to Vendor A if pricing has dropped from the time quotes were submitted. Notify your supervisor, or the Purchasing***

*Agent, if department obtained quotes are being rejected or if you are accepting department obtained quotes over the bid threshold.*

## **Formal Bid Process (Commodities \$60,000)**

Any requisition for the purchase of supplies and/or equipment (sometimes services) with an aggregate cost over \$60,000 shall be awarded by the competitive sealed bidding procedures contained in this Chapter, except as otherwise provided.

Competitive sealed bids are generally used when the product desired is simple to quantify and the County is able to determine the product or service that will meet its needs or purposes. A detailed specification is generally used to describe the goods or services desired. The Purchasing Agent may authorize the use of the written quotation for certain purchases due to time constraints or workload.

Solicit Bidders using the online vendor registration system. Insofar as it is practical, all Bidders registered online for the type of supplies or equipment being bid shall be invited to bid.

 **Procedure – Refer to G:\Procurement\Forms & templates\forms & templates\ Bid Forms\BID Checklist.doc for steps.**

**Steps include:**

- **Accept Requisition and specifications;**
- **Get bid Number;**
- **Prepare bid using appropriate template adding any special terms and conditions;**
- **Get approval from all parties;**
- **Issue bid;**
- **Set calendar reminder for bidding opening.**

### **Reminder**

Follow all Grant and Federal funding requirements. Including but not limited to:

- Identifying potential small and minority businesses and women's business enterprises when forming a list of potential vendors. Use State DBE lists if available.
- Including adequate number of qualified sources.
- Including required terms and conditions.
- Checking the "List of Parties Excluded from Federal Procurement and Nonprocurement Programs" before establishing any contracts for service to ensure that the vendor is not debarred or suspended. [ <https://www.epls.gov/> ]

Bids shall be awarded to the lowest responsible and responsive bidder, consistent with the bid's specifications.

All agreements and purchases shall be based strictly upon the face value of bids received in the usual manner. All provisions of a transaction or purchase order must appear definitely stated in the agreement or purchase order; no secret rebates, discounts, or other considerations can be accepted.

In every instance where other than the low bid is accepted, the following procedures apply:

 **Procedure - A memorandum stating, on a point-by-point basis, the reasons the low bid does not meet the specifications, and the bid recap sheet shall be forwarded to the supervisor and the Procurement Manager for review. The reasons must be complete as to detail and shall**

contain technical data as to why the product offered is unsatisfactory. The memorandum may be from the requesting agency/department.

The Purchasing Agent will notify the Deputy Director of the General Services Agency, via the agreed upon method, of the details/circumstances of the award.

## **INFORMAL BID PROCESS FOR PUBLIC PROJECTS (\$45,000 - \$175,000)**

Informal public project bids shall be solicited in accordance with the California Uniform Public Construction Cost Accounting Procedures (CUPCCAP) alternative bidding procedures, which the County adopted by Ordinance 4177, on November 10, 1998. Buyers should refer to the California Uniform Public Construction Cost Accounting Procedures Manual.

Buyers should use the Construction Project Checklist to ensure that all requirements are met. A copy of the checklist can be found on the common drive I:\Procurement\Forms&templates\Forms&Templates\Bid Forms\Bid Checklist for Construction projects\_bids.docx

**Notice of Bids/Proposals (Formerly Legal Advertising)** In accordance with California Uniform Public Construction Cost Accounting Procedures (CUPCCAP) informal procedures, it is the recommendation of this internal procedure that notices of all bids and proposals involving public works projects over \$30,000 be issued.

Newspaper publication "advertising" is not required.

1. Information must be mailed 10 days prior to pre-bid conference or bid due date.
2. Post all bids/proposals on the County of Ventura website.
3. Verify that the bid/proposal has been posted.
4. Prepare a vendor mailing list from vendors in VCFMS database and suggested sources.
5. Have your technician prepare and mail postcards.
6. Make screen prints and/or copies of postcard labels for the file.
7. Fax postcard to the following Trade Journals: (*info posted by fax machine*)
  - Daily Construction Services (fax: 310-643-1260)
  - F.W. Dodge (fax: 626-932-6189)
  - Ventura County Contractors Association (fax: 805-981-8089)

Addendums are to be prepared in the same manner.

Buyer will review the requisition and will inform the requesting department that the RQS needs to be edited.

Once review and editing has been completed, a purchase order would be created. Purchase order issuance is discussed in Chapter 4.

## **Receipt of Bids**

Formal bids may not be faxed.

**Procurement staff is to be present at the GSA Reception counter five (5) minutes prior to the close of bids.**

(For proposals, a Buyer or Tech may be present.) Buyers will receive incoming bids/proposals and conduct any public bid openings. If the assigned Buyer is not available, the buyer should arrange for

another Buyer to be present to receive bids and conduct any possible public bid openings. If Buyers are not available, the Assistant Purchasing Agent or the Purchasing Agent will assume the responsibility.

**✍ Procedure - Before going up front, check with the Management Assistant (and Tech in her absence) to see that all bids/proposals from the afternoon mail delivery have been placed in the bid/proposal folder.**

**Be sure to check for any bids already received at GSA Reception in the following places:**

- Bid Tray
- Procurement's folder in the GSA mail cart. (Bids are not to be handled as general mail. However, if they are unmarked they might be mixed with the general mail.)
- Check time at front counter

## **Late Bids**

Bids received after the date and time indicated on the bid request are considered late and will not be accepted. In accordance with California Government Code Section 53068, late bids are to be returned unopened to the bidder with a form letter. Refer late bids to the Supervisor for further information.

**✍ Procedure - Notify Purchasing Agent, or your supervisor, and prepare letter returning the unopened bid to the vendor.**

## **Withdrawn Bids**

Any bidder who wishes to withdraw his/her bid must withdraw the *entire* bid and not just a portion of it. Bidders may withdraw bids before the scheduled bid opening by providing Procurement Services with a written notice of their intention to withdraw. If the request is to withdraw the bid in person, the bidder must provide identification and sign a release.

**✍ Procedure - Notify Purchasing Agent, or your supervisor, and verify that the requestor is authorized to make this request on behalf of the vendor. Document person's name and title and return unopened bid to the vendor.**

**Any bidder wishing to withdraw his/her bid after the bid opening must send a written request to the Buyer. The request must include the reason for withdrawing the bid. Buyers must obtain approval from the Purchasing Agent before allowing a bid to be withdrawn after bid opening.**

## **Cancellation of a Bid**

Solicitations may be canceled if there are changes to be made to a bid that are substantial or would be difficult to communicate in an addendum, issue a new bid that cancels and supersedes the old bid.

**✍ Procedure - Notify your supervisor of the cancellation. Buyer should notify all bidders who received bid solicitation that the bid has been canceled. If a new bid will be issued the email or letter should explain the reason for the re-bid and anticipated release date if known. The notice should be posted on the internet as well.**

## **Tie Bids**

The following criteria are for determining who receives the award in case of tie bids. The criteria are ranked in priority, and are to be applied in this order until one can be used as the basis for award:

- Location – If only one of the vendors is located within the County of Ventura, the award shall be made to that vendor.

- Vendor last award – If both vendors are located within the County of Ventura, and if the product has been purchased in the last two years from either bidder, award to that bidder, provided his or her performance has been satisfactory.
- Past performance – Review the vendor files for both bidders. Award will be made to the vendor with the best performance record.
- Origin of product:
  - First priority: goods manufactured in County of Ventura.
  - Second priority: goods manufactured in California.
  - Third priority: goods manufactured in the United States.
  - Last priority: goods manufactured outside the United States.

 **Procedure - Explain on the bid recap sheet which of the criteria was used for breaking the tie, and why the higher ranked criteria were inappropriate.**

**Submit tie bid awards to the Purchasing Agent for approval before issuing purchase orders.**

## **Rejection of all Bids**

All bids may be rejected under one or more of the following conditions:

- All bids exceed the budgeted amount.
- The project is abandoned.
- The specifications, scope and/or terms and conditions are revised for re-bidding.

Buyers must obtain approval from the Purchasing Agent before rejecting all bids.

## **Bid Collusion**

**Recognizing Collusion:** Collusion is where one or more bidders:

- a. Make a bid that is in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation;
- b. Make a bid that is not genuine or is collusive or sham;
- c. Directly or indirectly induced or solicited any other bidder to put in a false or sham bid;
- d. Directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or that anyone shall refrain from bidding;
- e. In any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder, or to secure any advantage against the County of anyone interested in the proposed contract;
- f. Directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid.

**Types of Collusion:** There are many types of collusion. The two main types of collusion are antitrust violations and unfair trade practices, such as:

- **Antitrust Violations**
  - Price fixing among competitors;
  - Allocations of markets, customers, or territories;

- Group boycotts and concerted refusals to deal.
- **Unfair Trade Practices**
  - Locality discriminations;
  - Selling under cost;
  - Loss leaders;
  - Secret rebates.

 **Procedure - Buyers should report all possible antitrust violations and unfair competition actions to their Supervisor. Identical bids on an item costing over \$25,000 should be referred to the Purchasing Agent.**

## **Request for Proposal Process (Services over \$60,000)**

The following requirements apply to the procurement of Services (sometimes products) with an aggregate total of more than \$60,000 or any other procurement where the Buyer determines that the use of competitive sealed bidding is either not practicable or not advantageous to the County. A contract may be entered into by use of the competitive sealed proposals method. Competitive sealed proposals are generally used when the product or service desired is difficult to quantify or the County desires to have the offeror determine the best product, solution, or service delivery that will meet its needs or purposes. Rather than issue a detailed specification, an RFP uses a more general Scope of Work to describe the goods, services, or results desired.

Request for Proposals shall include a scope of work and contractual terms and conditions applicable to the procurement. It may be necessary to find and review RFPs from other agencies.

The Request for Proposals shall indicate all evaluation factors, including price, which will be used in award of a contract. The relative importance of each factor may be stated.

Insofar as it is practical, all bidders registered for the type of product or services being bids shall be invited to bid.

The Request for Proposal process allows for discussions with responsible offerors who submit proposals determined to be reasonably susceptible of being selected for award. Discussion shall be for the purpose of clarification to assure full understanding of, and conformance to, the solicitation requirements. 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 before award for obtaining best and final offers. In conducting discussions, there shall be no disclosure of identity of competing offerors or of any information derived from proposals submitted by competing offerors.

Award shall be made to the responsible offer or whose proposal is determined in writing to be the most advantageous to the County, taking into consideration price and the evaluation factors set forth in the RFP. **No other factors or criteria shall be used in the evaluation.** The RFP file shall contain the basis on which the award was made.

 **Procedure – Refer to RFP Checklist Document G: \Procurement\Forms & templates\Forms & Templates\RFP Forms, sample letters\Checklist\_RFP\_template.xls**

### **Steps include:**

- Receipt of requisition and specifications
- Proposal Preparation using appropriate template
- Issue/mailing of RFP
- Evaluation
- Negotiations

- [Contract issuance](#)

## Receipt of RFPs

RFPs may not be faxed.

Procurement staff is to be present at the GSA Reception counter five (5) minutes prior to the close of RFPs. (For proposals, a Buyer or Tech may be present.)

Buyers will receive incoming proposals. While there is no public bid opening the names of the offerors is considered public information and can be released.

If the assigned Buyer is not available, the buyer should arrange for another Buyer to be present to receive bids and conduct any possible public bid openings. If Buyers are not available, the Assistant Purchasing Agent or the Purchasing Agent will assume the responsibility.

**[✍ Procedure - Before going up front, check with the Management Assistant \(and Tech in her absence\) to see that all proposals from the afternoon mail delivery have been placed in the proposal folder.](#)**

**Be sure to check for any RFPs already received at GSA Reception in the following places:**

- [Bid Tray](#)
- [Procurement's folder in the GSA mail cart. \(RFPs are, generally, not to be handled as general mail. However, if they are unmarked they might be mixed with the general mail.\)](#)
- [Check time at front counter](#)

## Late RFPs

**RFPs** received after the date and time indicated on the bid request are considered late and will not be accepted. In accordance with California Government Code Section 53068, late RFPs are to be returned unopened to the bidder with a form letter. Refer late RFPs to the Supervisor for further information.

**[✍ Procedure - Notify Purchasing Agent, or your supervisor, and prepare letter returning the unopened response to the vendor.](#)**

## Cancellation/Rejection of RFP

Solicitations may be canceled/rejected under one or more of the following conditions:

- All proposals exceed the budgeted amount.
- The project is abandoned.
- The solutions offered do not meet the County's needs.
- It is determined that the requirements/Specifications, scope and/or terms and conditions need to be revised.

**[✍ Procedure - Notify your supervisor of the cancellation or lack of an award. If no award, Buyer should notify all offers submitting proposals. If a RFP will be issued the email or letter should explain the reason for the re-bid and anticipated release date if known. The notice should be posted on the internet as well.](#)**

## Request for Information Process (RFI)

Some purchases may lend themselves to the RFI process. The purpose of an RFI is to gather/collect written information about the availability of certain products or solutions to a particular need and help make a decision on whether there are any, or enough, vendors with the right product to warrant issuing an RFP. RFI's are often followed by an RFP.

Pricing data is not gathered at this point.

## **Request for Qualifications Process**

The request for qualifications process is used to first identify qualified vendors for a specific procurement. This process is sometimes referred to a two-step RFP process. Step 1 would be to identify potential vendors and then have only those vendors submit a priced proposal.



## Purchase Order Documents

This chapter will cover the various types of purchase order documents.

### Centralized Purchase Order (PO)

A purchase order authorizes the vendor to deliver materials or services in accordance with the terms and conditions specified thereon (or incorporated from a bid or other document by reference). It also acknowledges the obligation of the County to pay for the goods or services ordered upon their receipt and proper invoice. Unless a separate contract document is executed, the purchase order document (PO, SC, CT, MA, EPO, RAP) establishes the contractual relationship between the County and the vendor.

The purchase order is the County's commitment for the value of the material or service ordered. A purchase order is a legally binding contract. When a purchase order is issued as an acceptance of a bid, quotation, or offer, a contractual relationship is established.

Once a requisition (RQS) has been reviewed, edited, and is in compliance with all applicable county policies (including bidding requirements) a purchase order document must be created in VCFMS.

**✍ Procedure – Based upon the dollar of the respective RQS it will be reviewed by the respective buyer based on commodity code or by a technician based upon requesting department.**

**Reference the quote unless the terms and conditions make it unfavorable to do so. Include County Contract # if applicable, delivery information, term, rates/pricing and any other changes or wording as required.**

**Buyers should use the checklist located in the procurement folder as a way to, not only ensure but, communicate that compliance with various county policies has been checked. The procurement document can be created in VCFMS by the buyer or a purchasing technician.**

### Centralized Purchase Order Review and Approval

Depending upon the dollar threshold, the purchase order document will be reviewed, validated and submitted. It will enter 'workflow' and depending on the dollar amount, will be forwarded to a buyer or supervisor for approval in VCFMS.

Approval authority is as follows:

Buyers/Senior Buyers may approve purchasing documents of \$10,000 or less as part of the SOP for this threshold. A technician must have first reviewed the requisition and issued the procurement document.

Senior Buyers/Principal Buyers may approve their own purchasing documents between \$10,001 and \$60,000, at their supervisor's discretion.

The Assistant Purchasing Agent can approve all dollars levels in the absence of the Purchasing Agent and may be given independent approval authority for their own documents up to \$100,000.

**✍ Procedure – Once reviewed and approved on-line, the requisition will be forwarded into a procurement document (PO, CT, SC, MA). Requisitions not in compliance with policy or having errors, are rejected and returned to the requesting department for corrections.**

## **Master Agreements**

In general, Master Agreements (MA) are used for purchases that are made on an “as-needed” basis. Only items, or services, that are described on the MA may be purchased. Control of the use of MA is the responsibility of the buyer. MAs will usually have a set per-order limit.

The advantages of using MAs are:

They allow departments to order as-needed throughout the fiscal year without having to request a new purchase order for each purchase.

They often enable the County to qualify for lower prices by consolidating many small purchases into one annual supply agreement. Where conditions permit, prices or pricing formulas are firmly established.

MAs are generally issued annually with the term beginning July 1 and ending June 30 of the following year. However, MAs may have later starting dates or earlier ending dates, when required by special circumstances.

MAs may be issued for any period within a fiscal year, but for accounting reasons may not cross-over fiscal years.

An authorized County employee may issue a release (DO or BDO) for specific goods described on the MA and pursuant to its terms and conditions.

Aside from the VCFMS requirements for creating a procurement document the following information should also be included when creating a Master Agreement.

Naming sequence is twenty characters with the last 8 being FYXXMA0X. (XX note fiscal year and X the number of the master agreement) The first twelve characters are the name of the vendor. Add 0's if there are not enough characters in the vendors name.

- Must include pricing information if total encumbrance is over \$10,000

Standard clauses –

ST005 Subject to cancellation at any time.

ST040 Cost of any one job or item may not exceed (indicate appropriate amount)

ST46MA Annual Master Agreement Letter

## **Annual Renewal of Master Agreements**

- Uploaded to VCFMS for procurement services review and edits
- Usually uploaded by mid April

Refer to Master Agreement Renewal Memo issued annually

**Strategic Sourcing information - convenience master agreement order spend data will be reviewed and analyzed for potential bidding opportunities. Annual contracts will be targeted for bidding based on staff resources, total spend, possible return on investment, and workload.**

## **Delivery Order (DO) / Basic Delivery Order (BDO)**

Delivery Order and Basic Delivery Orders are created using the master agreement as the procurement document. The department will issue a DO or BDO instead of a requisition. The delivery order routes through department management approval prior to being routed to procurement services for approval. The basic delivery order routes through department management approvals and bypasses procurement approval. Auditor Controller will approve both delivery orders (Dos) and basic delivery orders (BDO's).

## **Document Distribution**

Once the procurement documents are printed the Student Aide or Purchasing Technicians will mail the vendor's copy (regular U.S Mail). The student aide or purchasing technicians will attach necessary documents (contracts, amendments, scope of work, etc) if needed prior to mailing. Purchase orders are to be mailed on a daily basis.

No other copies of purchase order documents are printed.

## **Bid/Contract Folder Procedure**

When the buyer deems it necessary to issue a county contract number the following steps should be followed:

Obtain a blue prenumbered folder from the LekTrieveer area. Be sure to also obtain corresponding contract form (blue contract form) located next to the contract folders. Fill out all information pertaining to your bid or contract.

Student Worker will enter ALL info from form into Access and monitor both the inventory of the folders and the information into Access.

When the folders are returned to Student Worker for distribution and filing, he/she will put the contract and retention labels on the folders and complete the information in Access for that folder, prior to filing them into the lektriever.

Student Worker is also responsible for monitoring the folders in the lektriever.

When the time comes, he/she will pull the folders that will need to go to storage. A process made easier by the retention label and information put into Access.

## **Change Orders**

Because procurement documents are legal documents that represents, or forms the basis of, the contractual relationship between the County and a vendor, any changes to that contract must be in writing, and approved by Procurement Services.

When changes are made without prior authorization of Procurement Services, payment to the vendor may be delayed while proper documentation is completed. Furthermore, the contractual rights of the County and the vendor are jeopardized by such unauthorized changes.

## **Changes to Master Agreements**

Departments are not authorized to directly create a MA modification document in VCFMS.

If a department requests an increase or decrease to a master agreement the following must be completed and emailed to the buyer listed on the master agreement.

For increases:

"INCREASE ALLOCATION FOR (agency – list your agency 3 digit code here) BY \$ (list amount of increase) to \$ (list the end total amount of the increase).

Example: INCREASE ALLOCATION FOR GSA BY \$1,000.00 TO \$2,000.00

For decreases:

“INCREASE ALLOCATION FOR (agency – list your agency 3 digit code here) BY \$ (list amount of decrease) to \$ (list the end total amount of the decrease)

Example: DECREASE ALLOCATION FOR GSA BY \$1,000.00 TO \$3,000.00

Master agreement modifications (change orders) can ONLY be processed by Procurement Services. The MA modification will enter workflow for approval by procurement services and the Auditor-Controller's office.

Once the modification has received all approvals, the vendor copy is distributed by Procurement Services.

## Changes to Non-Master Agreement Procurement Documents

All changes to one-time purchase orders and RAP purchase orders require departments to submit an online modification. Changes include, but are not limited to:

- Addition, deletion, or change of items
- Change in prices
- Change in terms and conditions

The requesting agency/department creates a modification in VCFMS. Step-by-step diagrams for entering modification can be found on the GSA Procurement Services' intranet website. Modifications require modification notes located on the HEADER page of the procurement document. All modifications will have to go through workflow for department management approval and will then route to procurement services. Note: if HR/CEO/ITS approval is required the modification will route to those departments for approval prior to being routed to procurement services

Changes to vendor ID's are not allowed on a modification documents. In order to change the vendor ID on a 'FINAL' procurement document the requesting department will have to process a requisition with the correct vendor ID. A note on the commodity line extended description referencing the previous procurement document should be added.

** Procedure – Modifications will be routed to for approvals. Buyers will review and approve modifications. Approval should be done on a daily basis. Documents should be approved within 3 business days.**

The buyer worklist in VCFMS is reviewed daily by Procurement Services' staff for RQS's that are ready for Procurement Services' review and approval.

Supporting documents, such as contracts and price lists, are attached to the procurement document for reference and support of the purchase.

Once approved by the Auditor-Controller's office, the modified procurement document is printed the following day.

**Please note: Procurement services may initiate changes without a requisition to correct any error attributed to processing errors by Procurement Staff.**

**Changes to the vendor number (TIN or Vendor ID) require that the original purchase order be canceled and a new purchase order be created.**

## Emergency Purchase Orders

Notwithstanding any other provisions of this Manual, the Purchasing Agent may make or authorize others to make emergency procurements of supplies, equipment, services, or construction items, to preserve life, health or property; upon a natural disaster; to correct or forestall a shutdown of essential public services; or other unforeseeable events, provided that such emergency procurements shall be made with such competition as is practicable under the circumstances.

**Written Determination:** An Emergency Justification form shall be submitted. A copy of the Emergency Justification form is available on the intranet. Emergencies estimated/totaling over \$25,000 require Department/Division Head approval/signature on the Emergency Justification form.

**Authorization:** An emergency purchase may be made by any person/official who is authorized to sign requisitions, ONLY when:

- The Purchasing Agent, or any of his assistants in GSA/Procurement Services who are authorized to make purchases, *are not immediately available*; and
- The item(s) purchased *are immediately necessary* for:
  - The continued operation of the office or department involved; or
  - Are immediately necessary for the preservation of life or property.

Technically, an emergency need is one that could not have been foreseen. Failure to submit a requisition on time does NOT constitute a valid emergency.

When an emergency need arises during work hours, the department may contact Procurement Services to obtain a purchase order number over the telephone. The requesting department must provide the following information at the time of the request:

- Organization number
- Vendor Name
- Description and quantity of material or service needed
- Estimated amount of purchase

Ratification: Emergency purchases shall be subsequently approved and confirmed by:

- The Purchasing Agent, or if he refuses;
- The Board of Supervisors may approve and confirm the purchase by a four-fifths vote of the members present at any of its regular meetings

Unless such purchases are approved or confirmed by either the Purchasing Agent or the Board of Supervisors, the County will not be legally responsible for the costs of the purchase. *Employees who fail to comply with these regulations run the risk of becoming personally liable for their purchases.*

## Rapid Acquisition Program (RAP)

To improve operational efficiency, GSA Procurement Services initiated the Rapid Acquisition Program (RAP). RAP will enable County Agencies/Departments to more quickly process small purchases up to \$10,000 by eliminating processing delays caused by redundant data entry. Participating Agency/Department users will receive Ventura County Financial Management System (VCFMS) authorization to create purchase order (RAP) documents for small purchases.

Please refer to the RAP Policy and Procedure Manual for a complete list of authorized and restricted uses. The manual is available at: [http://vcweb/gsa/procurement/general\\_information-rap\\_procedures.aspx](http://vcweb/gsa/procurement/general_information-rap_procedures.aspx)

The RAP program authorized the requesting department to create purchase orders in VCFMS, bypassing the online requisition process (described earlier in this chapter). These purchase orders are identified by RAP noted at the beginning of the purchase order number.

Use of the RAP program requires that the requesting agency/department obtain required approvals and insurance certificates.

RAP purchase orders must be approved, online, by an authorized individual from the requesting department and will then be routed accordingly.

**✍ Procedure – In the VCFMS RAP Worklist, Technicians will review and approve RAP documents on a daily basis.**

**RAP review and approval assignment is to the Technicians by agency.**

**Approved RAP purchasing documents must also be approved by the Auditor Controller's office. Once all approvals are applied the documents are processed overnight and are printed the next morning. Mailing of the RAP document will be done by the student aid or technician in procurement services.**

## **Purchase Order Document Printing**

Once all required approvals have been given (dept management, procurement services and audit controller) the procurement document (PO, CT, SC, RAP, MA, DO and BDO) will be printed by Business Support Services. Printed documents are dropped off by Business Support staff on a daily basis. Documents are sorted and matched with the support documentation (contracts, quotes, scope of work).

**✍ Procedure – Student aide (or Technicians) will prepare purchase order documents for mailing on a daily basis. Documents must be reviewed for any terms and conditions that require add-on forms. Buyer may request to have a purchase order document returned to them prior to mailing. Detailed mailing instructions are available in the student aide work area.**

## Vendors/Supplier Relations

### Online Vendor Registration

Procurement Services maintains an online vendor self-service registration system.

### New Vendors in VCFMS

Before a purchase order document can be issued to a given vendor they must be added to the VCFMS vendor file.

The auditor's office can add, delete or change vendor information. Records must be updated whenever there is a modification in a vendor's name or address.

### Vendor Performance

Departments should report vendor issues to Procurement Services. Doing so ensures that non-(or poor) performing vendors correct their performance or risk being barred from County business. Departments wishing to lodge a complaint about a vendor (for poor service, failure to meet specifications, etc.) may complete a Vendor Performance form. A sample form is available on the GSA Procurement Services' intranet website.

Forms should be completed by the department and returned to Procurement Services as soon as possible after the occurrence of unsatisfactory vendor performance.

Documentation of vendor performance issues is extremely important. Without it, Procurement Services will not be able to disqualify vendors

**✍ Procedure – Buying staff shall review any reported vendor performance issues. It is preferable to have the completed form. It is difficult to address vendor issues without the proper level of detail that the form provides. Contact the vendor to review the issue. Document the vendor's response. If necessary, set up a meeting with the department and the vendor. Document the results of the resolution efforts and add the complaint to the vendor's performance history file. Repeated or unresolved complaints may result in a vendor's removal from the Supplier Mailing List. Attempts at resolution should always be made unless the vendor's performance is at a level where life, property, or County's operations are in jeparody. Buyers will include their supervisor and/or the Purchasing Agent under these circumstance.**

### Debarring Of Bidders

After reasonable notice to the person or firm involved, and reasonable opportunity for that person or firm to be heard, the Purchasing Agent, or his designee, may debar a person for cause from consideration for award of contracts. The debarment shall be for a period of not more than 3 [three] years. The Purchasing Agent may suspend a person or firm from consideration for award of

contracts if there is probable cause to believe that the person or firm has engaged in any activity that might lead to debarment. The maximum suspension is up to one year. The causes for debarment include:

- Conviction for commission of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of such contract or subcontract;
- Conviction under state or federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or any other offense indicating a lack of business integrity or business honesty which currently, seriously, and directly affects responsibility as a County contractor or supplier;
- Conviction under state or federal antitrust statutes arising out of the submission of bids or proposals;
  - Violation of contract provisions, as set forth below, of a character which is regarded by the Purchasing Agent to be so serious as to justify debarment action:
  - Deliberate failure without good cause to perform in accordance with the specifications or within the time limit provided in the contract; or
  - A recent record of failure to perform or of unsatisfactory performance in accordance with the terms of one or more contracts; provided that failure to perform or unsatisfactory performance caused by acts beyond the control of the contractor or supplier shall not be considered to be a basis for debarment;
  - Any other cause the Purchasing Agent determines to be so serious and compelling as to affect responsibility as a County contractor or supplier, including debarment by another governmental entity.

The Purchasing Agent shall issue a written decision to debar or suspend. The decision shall state the reasons for the action taken and inform the debarred, or suspended person involved, of any right to have the decision reviewed by the Director of the General Services Agency.

A copy of the decision shall be mailed or otherwise furnished immediately to the debarred or suspended person or firm.

A decision, by the purchasing agent, shall be final and conclusive, unless the debarred or suspended person or firm, within 5 days after receipt of the decision, appeals the decision to the Director of the General Services Agency, whose decision shall be final. The GSA Director shall have 5 calendar days to respond.

## Rights and Duties of Bidders/Offerors/Contractors

### Rights

Bidders and offerors have the right of nondisclosure of proprietary information. No such information shall be disclosed without the prior written consent of the bidder or officer. Written disclosure consents shall be kept in the solicitation file.

In the event of a timely protest, the Purchasing Agent shall not proceed further with the solicitation or award of the contract unless the Purchasing Agent makes a written determination that the award of a contract without delay is necessary to protect substantial interests of the County.

### Duties



The unreasonable failure of a bidder or offeror to supply promptly information in connection with an inquiry with respect to such bidder or offeror may be grounds for a determination of non-responsibility with respect to such bidder or offeror. If a bidder or offeror who otherwise would have been awarded a contract is found non-responsible, the Purchasing Agent shall prepare a written determination of non-responsibility, setting forth the basis of the finding. The final determination shall be made part of the contract file and be made a public record. A copy of the determination shall be sent promptly to the non-responsible bidder or offeror.

When the Purchasing Agent determines that analysis of the proposed price is necessary to determine if it is reasonable and fair, upon request a prospective contractor shall submit cost or pricing data when the contract is to be awarded by competitive sealed proposals or by sole source procurement authority.

Contractors shall submit cost or pricing data before the pricing of any change order or contract modification, including adjustments to contracts awarded by competitive sealed bidding. Such data shall be submitted, regardless of whether the cost or pricing data was required in connection with the initial pricing of the contract, when the change or modification involves aggregate increases or aggregate decreases in costs, plus applicable profits, that are expected to exceed \$100,000.00. Anytime one or more change orders or contract modifications increasing the total aggregate amount of the service from a contractor, the change shall require the approval of Board of Supervisors.

## Vendor Protest Procedure

Procurements shall be protested in accordance with this section. Protests not complying with the provisions of this section shall not be reviewed.

**Definitions.** For the purposes of this section:

**"Interested Party,"** means an actual bidder or offeror, and any contractor or subcontractor identified by name in any bid, proposal, or response to solicitation.

**"Bid"** includes "offer" and "proposal" in the context of formal, informal or negotiated procurements.

**"Filing Date" or "Submission Date"** means the date of receipt by the Purchasing Agent.

**"Days"** means calendar days.

Protests shall be made in writing to the Purchasing Agent within five (5) days after the protestor knows or should have known of the facts giving rise thereto. A protest is considered filed when received by the Purchasing Agent. Protests filed after five (5) days shall not be considered.

Protestors may file a protest on any phase of solicitation or award including, but not limited to: specification preparation, award, or disclosure of information marked confidential in the bid or offer.

To expedite handling of protests, the envelope should be labeled "Protest." The written protest shall include as a minimum, the following:

- The name and address of the protestor;
- Appropriate identification of the procurement, and, if a contract has been awarded, its number;
- A statement of reasons for the protest; and
- Supporting exhibits, evidence, or documents to substantiate any claims unless not available within the filing time, in which case the expected availability dates, shall be indicated.

When a protest has been filed within five (5) days, and before any award has been made, the Purchasing Agent shall make no award of the contract until the protest has been settled unless the

Purchasing Agent makes a determination that the award of the contract without delay is necessary to protect substantial interests of the County.

 **Procedure - Buyers must forward all protests to the Purchasing Agent.**

The Purchasing Agent shall make a decision on a protest as expeditiously as possible after receiving all relevant, requested information. The Purchasing Agent, or a designee, shall promptly issue a decision in writing. The decision shall:

State the reasons for the action taken;

And, if need be

Inform the protestant of its right to appeal to the GSA Director.

A copy of the decision under this section shall be mailed or otherwise furnished immediately to the protestant and any other party intervening.

A decision under this section shall be final and conclusive, unless fraudulent,

or

Any person adversely affected by the decision commences an action in court;

or

Any person adversely affected by the decision files an appeal with the General Services Agency Director.

If an action concerning the protest has commenced in court, the Purchasing Agent shall not act on the protest but refer to the protest to County Counsel.

Appeals: The GSA Director shall have 5 working days to respond to any appeal. The GSA Director's decision shall be final.

## MISCELLANEOUS

### Bid Listing Report

Procurement Services maintains a bid listing report. This report monitors the status of current and future bids, RFPs, and sale notices. The file is located in the common drive I:\Procurement\Lists&logs\BIDLOG.xls.

 **Procedure – Buyers must update their bid/rfp status at least every Tuesday before 4:30.**

**Between 4:30 and 5:00, the Management Assistant emails the report to the GSA Deputy Director, Procurement Services Manager, and GSA Reception.**

### Agency Document/Correspondence Standards

It is the policy of the General Services Agency to use standardized formats for written communications emanating from the Agency. The purpose of the format and writing standards is to increase readability and thereby improve the effectiveness of written communications.

The GSA Director will usually sign and ***always*** review all written correspondence addressed to elected officials, CEO, Assistant CEO, County Counsel, Agency/Department Heads, and similar dignitaries of State and local government.

Document standards guidelines can be found on common drive I:\Procurement\forms & templates\forms & templates\Administrative Forms\Document Standards Format 10.11.11.pdf

 **Procedure – Format all correspondence according to GSA standards.**

### Cash Receipts

**Any, and all, monies collected for surplus sales or public records requests shall be handled by the Management Assistant.**

 **Procedure – see Management Assistant’s desk procedures.**

### Public Records Requests

The California Public Records Act (“CPRA”) was enacted by the Legislature to further the concept of government accountability.

The CPRA allows the public access to inspect and obtain copies of most public records. It also provides specific, limited circumstances in which a public entity may refuse to produce requested records.

Procurement information shall be a public record to the extent provided in Government Code §6252 and shall be available to the public as provided in that statute. *Some* of the requirements of

Government Code Section 6252 are summarized below to provide a brief overview of the California Public Records Act as it may pertain to procurement records.

For more information, please refer to the County of Ventura Guide to the Public Records Act at: [http://vcweb/policies/policystandard\\_pdf/55.pdf](http://vcweb/policies/policystandard_pdf/55.pdf)

We must assist the requestor in identifying records and information that are responsive to the request stated.

Requests for “County of Ventura” records should be redirected to the Clerk of the Board or CEO’s office. A courtesy notice should be given to these office’s.

Under certain conditions, and or certain types of records it may be justifiable to deny a request.

Always, consult with County Counsel about grounds for denial, and provide written notification of the denial to the requestor.


We Have 10 days to respond. We don’t necessarily have to provide the records – within 10 days – we have to respond to the request in some way.

- Providing the records
- Respond that we don’t have/hold the records – redirect to another agency
- Respond that we have the records however we need X days to research/fulfill the request and the cost to provide the records (if applicable).

The amount is a charge per page equal to the current per page copy rate approved by the Board of Supervisors (currently 3 cents per page, double-sided 6 cents). Mailing and shipping costs may also be charged.

There shall be no charge for the first two hours of employee time expended. If more than two hours, the actual cost of the time employees spent in locating, retrieving, reviewing, preparing, copying, and furnishing the records, provided, however, that the actual cost shall be calculated using the lower of: (1) the hourly cost recovery rate of the employees responding to the request for public records, as set by the Board of Supervisors, or (2) \$24.00 per hour. Time shall be calculated by rounding to the nearest one-quarter of an hour.

Agency and department heads, and their delegates, are authorized to waive collection of the charge for providing copies of public records if the total cost of fulfilling a request does not exceed \$15.00, and the burden of collection outweighs the benefit derived. Procurement will waive the collection is under \$15.00.

** Procedure – Notify Procurement Management of all requests for public information. Determine whether the records are available. Prepare a response to the vendor using appropriate sample response letter and invoice. Invoices are used whenever the cost exceeds \$15.00. The Management Assistant will prepare invoice and process any payments received.**

**Always, check with County Counsel if you are uncertain how to handle a request for public records. Non-disclosable information must be redacted from the documents before they are copied. Some contracts require that we notify the other party prior to releasing copies, check first.**

**Letters can be found on the common drive I:\Procurement\ Public Records Request Response**

**After payment is received from requestor, provide the information.**

If denying a request, the denial must set forth the reasons for the denial of access to the record. If the request is in writing, the denial must also state the names and titles or positions of persons responsible for the denial. Provide a copy of the denial to the County Executive Office.