

VHSA Proposed Procurement Policy

1. Purpose

The purpose of this policy is to ensure that goods and services are obtained in a cost-effective manner and in compliance with federal regulations.

2. Scope

This policy applies to VHSA Officers and any agent authorized to initiate purchases.

3. Responsibility

The VHSA Coordinator is responsible for determining whether a purchase is allowable and will ensure purchases are in accordance with this policy. The VHSA Officers will provide decision support and the Vermont Office of Highway Safety will serve as the final repository for purchase transaction records.

4. No Conflict of Interest

All Board members and agents of the VHSA are expected to use good judgment, to adhere to high ethical standards, and to act in such a manner as to avoid any actual or potential conflict of interest. A conflict of interest occurs when the personal, professional, or business interests of a Board member conflict with the interests of the organization.

5. Overview

The Alliance requires buyers to perform some measure of cost/price analysis when making purchases.

Buyers shall avoid purchasing unnecessary items. All vendor bids and quotations must be evaluated on the basis of product quality, technical compliance with specifications, total cost, and the vendor's acceptance of the Alliance terms and conditions.

- The vendor selection process for goods and services valued at less than \$3,000 need not be documented and stored as part of the transaction record.
- The vendor selection for purchase of goods and services in excess of \$3,000 and up to \$20,000 require three competitive **quotes**.
- The vendor selection for purchase of goods and services in excess of \$20,000 requires a Request for Proposal (RFP) be prepared and 3 written competitive bids obtained.

6. Vendor Selection and Bidding Requirements

Buyers shall consider the following before making a vendor selection:

- Does the vendor provide the best mix of quality, service and price for the specified need?
- Does the vendor qualify as a small, disadvantaged, minority or women-owned business? Qualifying vendors should be given preference to the extent practical and economically feasible.

7. Obtaining Competitive Bids

Solicitations for goods and services shall provide the following:

- a. A clear and accurate description of the technical requirements for the material, product, or service desired. The description shall not be designed to limit competitive solicitation from multiple vendors.
- b. Requirements that the bidder must fulfill and all other factors to be used in evaluating bids and proposals.
- c. A description of the technical requirements in terms of functions to be performed or performance required, including the range of acceptable characteristics or minimum acceptable standards.
- d. The specific features of "brand name or equal" descriptions that bidders are required to meet.
- e. To the extent practical, that products and service be dimensioned in the metric system of measurement.
- f. Preference, to the extent practical and economically feasible, for products and services that conserve natural resources and protect the environment and are energy efficient.
- g. Positive efforts shall be made to utilize small-business, minority-owned firms and women's business enterprises, whenever possible.

8. Non-Competitive Vendor Selection

Occasionally, a buyer is unable or chooses not to competitively bid the requirements. These situations are characterized as sole or single source transactions.

Sole Source:

No other vendor capable of fully meeting the requirements exists.

Single Source:

Alternative vendors exist in the competitive market, but the buyer chooses to solicit a bid from only one particular vendor because of technical requirements (precision, reliability) or past performance by other vendors (poor service, availability of parts).

Buyers must fill out a Sole Source Selection Form and write a narrative justification for the non-competitive procurement.

9. Documentation Requirements for all Procurements

All correspondence (e-mails etc.) with vendors/subcontractors must be a part of, and included in, the Grant file located at the Vermont Office of Highway Safety.

Small Purchases ≤ \$3,000: Buyers shall solicit competitive bids to the maximum extent practicable at the discretion of the Program Director. Documentation is not required.

Procurements ≥ \$3,000: and ≤ \$20,000: Quotations & bids may be requested and received orally. A price analysis must be performed and documented using the Vendor Selection Form.

Procurement s ≥ \$20,000: Quotations/proposals must be requested in writing via a formal Request for Quote (RFQ) or Request for Proposal (RFP) or equivalent that clearly set forth all requirements to be evaluated. (A description of the essential elements of an RFQ or RFP are detailed in the. A price, cost, or proposal analysis must be completed.

10. Requests for Quotes (RFQs) and Requests for Proposals (RFPs)

RFQs are used for non-complex procurements (e.g., hourly rate consulting agreements, and procurements for materials) while RFPs are typically used for soliciting proposals for negotiated, complex contracts. The RFQ or RFP is prepared by the Program Director and should include:

- a. purpose
- b. general information, including any deadlines
- c. statement of work, specifications, requirements, milestones and deliverables
- d. bid/proposal preparation and submission instructions
- e. evaluation criteria
- f. award notification
- g. instructions for budget and estimated pricing
- h. any special terms and conditions
- i. required vendor certifications

11. Sole Source Procurements

A sole source procurement is a non-competitive vendor selection and should be used as a last resort, only when a buyer is unable to competitively bid the requirements. In addition to a price/cost justification, sole source procurements always require the reason(s) for not competing the requirement, which must be documented on the Vendor Selection Form

VENDOR SELECTION FORM

Subcontractor / Vendor Name:

- This form must be used to document the selection of vendors for all purchases of \$3,000 or more.
- Section I must always be completed in entirety.
- Procurements of \$20,000 and over require a RFQ or RFP and written proposals, which must be included with this form.

Section I.

Basic Information: Complete for all procurements of \$3000 and over:

Grant Name: _____

Grant Contact Name: _____

Purpose of Procurement:

Service or Item Description:

Vendor Selected: _____ Price: _____

Section II. Competitive Selection: Same item or services priced by several vendors. Record oral or written quotations below, and attach copies of any RFQs/RFPs and bids/quotations to this SSF as required by the Procurement Policies and Procedures.

a. Vendor A: _____ Price: _____

b. Vendor B: _____ Price: _____

c. Vendor C: _____ Price: _____

Explanation for selection:

Section III: Sole Source Procurement: Choose one or more reasons below and attach a written explanation supporting the reason(s) chosen.

_____ At least three quotations/proposals were requested and only one response was received

_____ Unique or prior experience, expertise, professional stature or key personnel

_____ Proprietary item with unique requirements or "brand name"

_____ Extreme Urgency – insufficient time to conduct a competitive source selection due to the extreme urgency of the requirement (nature of urgency must be fully documented in file).

Section V: Signatures: Buyer is responsible for obtaining signatures.

Program Director (required):

Printed Name Signature Date

Procurement Administrator (required for \geq \$3,000):

Printed Name Signature Date

Executive Director (required for \geq \$20,000):

Printed Name Signature Date

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