

## **SECTION II: PROCUREMENT POLICY**

Idaho Code Title 67, Chapter 28 specifies the procurement law that applies to local governments including cities, counties, and highway districts. The Code of Federal Regulations, Part 200 specifies the procurement procedures under federal awards.

The COMPASS Procurement Policy incorporates both the Idaho Code and CFR requirements, using the more restrictive requirements wherever the requirements diverge. The specific procurement steps are described below.

Funds for the proposed expenditure must be appropriated in the UPWP. The expenditure may be specifically identified, such as for professional services to support a task, or generally identified, such as office supplies. If the UPWP does not include appropriation for the item, the purchase may not be completed without authorization from the Board.

Program managers are authorized to procure items (other than employee salaries and benefits) included in their program budget in the UPWP. Professional service agreements and contracts may only be signed by the Executive Director.

The procurement process for the item depends on the type and amount of the expenditure.

The steps for procurement are as follows:

- 1) Verify that funds for the proposed expenditure are appropriated in the UPWP.
- 2) Determine the type and amount of the proposed expenditure and follow the steps for that category.

### **Purchases under \$10,000**

Purchases less than \$10,000 are considered micro-purchases. A bidding process may be used, but is not required for, purchases under \$10,000. To the extent possible, COMPASS will distribute such purchases equitably among qualified suppliers.

Purchases of services where the total value of the contract is less than \$10,000 do not require a professional services agreement or contract. A letter agreement may be used, but is not required for, purchases of services under \$10,000.

### **Purchase of services or property valued at more than \$10,000 where price is not the sole determining factor in vendor selection**

COMPASS will use a request for proposal (RFP) process for the procurement of services or property when fixed specifications might preclude the discovery of a cost-effective solution, a specific problem is amenable to several solutions and/or price is not the sole determining factor for selection.

Factors that may be considered in the evaluation of vendors in a request for proposal process include, but are not limited to:

1. An innovative solution that is offered
2. Unique product feature
3. Price
4. Vendor experience in the market
5. Financial stability of a vendor

6. Differences among vendors in their ability to perform contract requirements in a timely or efficient manner
7. Ability to meet product specifications
8. Product quality
9. Product performance records
10. Past performance by a vendor
11. Future product maintenance or service requirements
12. Product warranties

The request for proposal will include the following, at a minimum:

1. Instructions of the process
2. Scope of work for the services or property contemplated
3. Selection criteria
4. Contract terms
5. Scoring methodology apply relative weights to factors considered
  - a. Price must always be included as one of the factors considered

For awards of more than \$100,000, COMPASS will prepare an independent cost estimate prior to the issuance of the solicitation.

Proposals must be solicited from an adequate number of qualified sources. COMPASS will advertise the request. Minority businesses, women's business enterprises, and labor surplus area firms appropriate to the RFP will be identified from the Idaho Transportation Department's (ITD) database of Disadvantaged Business Enterprises (DBE) and invited to submit proposals.

Proposals will be scored by a minimum of two individuals, one of whom will be the program manager. Additional individuals may be included on the scoring team, as identified by the program manager. These individuals may be from COMPASS or from other entities, provided no conflicts of interest exist as described in Idaho Code Title 67, Chapter 28. Proposals are ranked based on the selection criteria and scoring methodology published in the RFP. The Executive Director approves the ranking of the proposals.

The program manager or the Executive Director will negotiate the agreement with the highest ranked proposer. If unable to negotiate a satisfactory agreement, the program manager or Executive Director will move to negotiations with the next-highest-ranked proposer.

Purchases of services or property valued at more than \$10,000 require a written agreement or contract with the vendor. The Director of Operations prepares the contract for the Executive Director's signature. The Board has delegated authority to the Executive Director to sign contracts on behalf of the agency.

**Purchases of services or property valued at less than \$100,000 but more than \$10,000 where vendor selection is based solely on price.**

Purchases of more than \$10,000 but less than \$100,000 fall under the Simple Acquisition Threshold. Program managers must request written informal bids from at least three vendors for purchases of services (such as janitorial services) or property (such as vehicles or equipment) valued at less than \$100,000 but more than \$10,000, when the award is made based on price. Efforts to obtain at least three bids must be documented.

The request for bids should include:

- Description of the services or property to be purchased in sufficient detail to allow prospective bidders to understand what COMPASS seeks to procure
- Method for bid submission
- Due date and time for bid submission
- Minimum of three business days to respond to bid request

The Board has delegated authority to program managers to select winning bidders for those expenditures specifically identified in the UPWP for their programs. Program managers approve the winning bid or all bids are rejected and the process starts again.

Purchases of services or property valued at more than \$10,000 require a written agreement or contract with the vendor. The Director of Operations prepares the contract for the Executive Director's signature. The Board has delegated authority to the Executive Director to sign contracts on behalf of the agency.

**Purchases of property or services valued at more than \$100,000 where vendor selection is based solely on price.**

Purchases of property or services where the total purchase amount or value of the contract is more than \$100,000 require a competitive sealed bid process when vendor selection is based solely on price. COMPASS may use a request for proposal process for purchases of property or services valued at more than \$100,000 as described above, when fixed specifications might preclude the discovery of a cost-effective solution, a specific problem is amenable to several solutions, and/or price is not the sole determining factor for selection

For awards of more than \$100,000, COMPASS will prepare an independent cost estimate prior to the issuance of the solicitation.

Bids must be solicited from an adequate number of qualified sources. COMPASS will advertise the request. Minority businesses, women's business enterprises, and labor surplus area firms appropriate to the RFP will be identified from the Idaho Transportation Department's (ITD) database of Disadvantaged Business Enterprises (DBE) and invited to submit proposals.

Two notices soliciting bids, as appropriate, must be published in the Idaho Statesman, with the first notice at least two weeks before bid opening and the second notice at least one week prior to bid opening.

The notice must state the property or services sought and instruct prospective bidders how to obtain the specifications, bid forms, instructions, contract documents and other information.

If a competitive bid process was conducted, the sealed bids are opened in public at the date, time, and place specified in the bid materials.

The program manager or the Executive Director may approve the winning bid when a competitive bid process was conducted, provided that the lowest bidder is selected. The Director of Operations prepares the contract with the lowest bidder for the Executive Director's signature. The Board has delegated authority to the Executive Director to sign contracts on behalf of the agency.

If COMPASS chooses to award a bidder other than the lowest bidder in a competitive bid process, the bids are presented to the Board and the Board selects the winning bidder. If the Board chooses a bidder other than the lowest bidder, the Board must document the

reasons for the selection, the record must reflect the reasons for selection of a bidder other than the lowest bidder, and those reasons must be communicated to all bidders.

Purchases of services or property valued at more than \$10,000 require a written agreement or contract with the vendor. The Director of Operations prepares the contract for the Executive Director's signature. The Board has delegated authority to the Executive Director to sign contracts on behalf of the agency.

**Purchases of services or property valued at more than \$10,000 by non-competitive proposals**

In rare instances, COMPASS may purchase services or property valued at more than \$10,000 under non-competitive proposals. Non-competitive proposals may be used only when one or more of the following conditions apply:

1. The item is available only from a single source.
2. There is an emergency requirement that does not permit the delay that would result from a competitive process.
3. The federal awarding agency has expressly authorized a non-competitive proposal in response to a written request from COMPASS.
4. After soliciting a number of sources for proposals, competition is determined to be inadequate.

Compliance with the applicable conditions supporting non-competitive proposals must be clearly documented in the contract records.