

# Procurement Potpourri

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FORUM2014

# Sole Source

- Unless otherwise exempted, sole source procurements for non-technology goods and services over \$50,000 must be approved by DGS/DPS prior to commencement of the actual procurement using the Sole Source Procurement Approval Request form.
- The form requires responses to four questions.

# Sole Source (Con't)

- Question 1—Explain why this is the only product that can meet the needs of the agency.
- Question 2—Explain why this vendor is the only practicably available source from which to obtain this product.

# Sole Source (Con't)

- Question 3—Describe why the price is considered reasonable.

## PRICE REASONABLENESS DETERMINATION

Comparison(s) with:

Price previously paid;

Prices of functionally similar items;

Prices paid by other customers;

State estimates;

GSA, Commercial catalogs, published list prices;



# Sole Source (Con't)

– OR –

Analysis of price to unit variations;

Cost analysis of the elements comprising price.



# Sole Source (Con't)

- Question 4—Describe the efforts that were made to conduct a non-competitive negotiation to get the best price possible.

## NEGOTIATIONS:

Price

Price Firmness

FOB Point

Freight Costs

Payment Terms/Options



# Sole Source (Con't)

## NEGOTIATIONS:

Delivery/Response Time

On-Site Training

Terms and Conditions

Maintenance (E.g. On-Site, Telephonic, PPM, etc.)

Minimum Order Waiver

P.O. accepted as contract in lieu of contractor form



# Sole Source (Con't)

Other things to consider:

- This form has your name on it, and the agency head/designee approves it. It is, therefore, a reflection of you and your entity.
- Since you are sending it to DGS/DPS, it is assumed you agree with all stated on the form and agree it is accurate and reasonable—and that all the questions are answered thoroughly and completely.

HOWEVER.....





# Sole Source (Con't)

- If this is not the case: DO NOT SUBMIT IT.
- You have the right and the responsibility to seek further clarification/information from the end user. Remind the end user it is best to completely answer the questions, so you will not have to return it to them.
- If you do not think the answers to all four questions pass muster, it is all but certain that DGS/DPS will not either!

## Sole Source (Con't)

- The key is to answer all questions clearly, completely, and with SPECIFIC details.
- THERE IS NO NEED to try to justify the worth of the program/good/service. It is not DGS/DPS' role to make that determination.



# Emergency

Emergency procedures may be used to purchase only that which is necessary to cover the requirements of the emergency.

Efforts may be directed to finding a source and directing that source to proceed for an emergency purchase required to protect personal safety or property.

For other types of emergencies, however, competition should always be sought to the maximum extent practicable. An agency may procure materials, equipment or supplies above its delegated authority with the advance written approval of DGS/DPS.



# Emergency (Con't)

Prepare a written determination for signature by the agency head or designated representative indicating the nature of the emergency, the reason for selection of the particular contractor and include such determination with the file.

Procurement planning can reduce the need for using emergency procedures. This can be accomplished by keeping a current list of local sources of goods and services that might be needed in an emergency. Information on rates and charges should be established and agreed upon in advance.

“On call,” “as needed” annual contracts for various services may be competitively bid to expedite action, ensure adequate support, and reduce the cost of meeting emergency requirements—in advance of the need for the good/service.



# Set Aside Reminders

Procurements under **\$10,000** shall be set-aside for micro-businesses.

Procurements from **\$10,000** to **\$100,000** shall be set-aside for DSBSD-certified small businesses (including micro-businesses)—and shall include a tiered award clause.

Determine the dollar threshold for the life of the contract when considering set-asides.



# eVA



All purchase transactions, regardless of funding source, governed by the *VPPA without regard to agency specific* exemptions, shall be processed through eVA except possibly for the goods/services listed in *APSPM* Section 14.9 (b), entitled “Optional Use of eVA.” All other orders must be placed through eVA (*APSPM*14.11).



# Small Purchase Charge Card (SPCC)

Charge card purchases shall be processed through eVA unless the purchase is exempt from processing through eVA in 14.9 b.

Example: Exemption 17: Over the counter charge card purchases that are made at the site of the sale and picked up by the individual card holder (i.e., SPCC, Voyager) are *not* required to be entered into eVA.

Example: An order for box lunches over the phone must be entered in eVA after receipt of goods and invoice.



# Quick Quote

Award to lowest *responsive, responsible* bidder.

Each bid is evaluated to determine if it is responsive to the Quick Quote.

The lowest responsive bidder is then evaluated to determine if the firm is responsible.





# Quick Quote (Con't)

## Responsive

Responsiveness relates to compliance with the provisions of the solicitation, including specifications and terms and conditions. Failure to comply with the requirements set forth in the Quick Quote may result in a bid being declared nonresponsive.

A vendor who fails to provide prices for all categories of labor in the pricing schedule of a time and materials service contract is considered nonresponsive.

Vendors who provide multiple prices for performing a service where a single price was solicited are also nonresponsive.

If a bid is found to be nonresponsive, a notation as to why it is nonresponsive shall be made and signed by the buyer/contract officer and be included in the contract file.

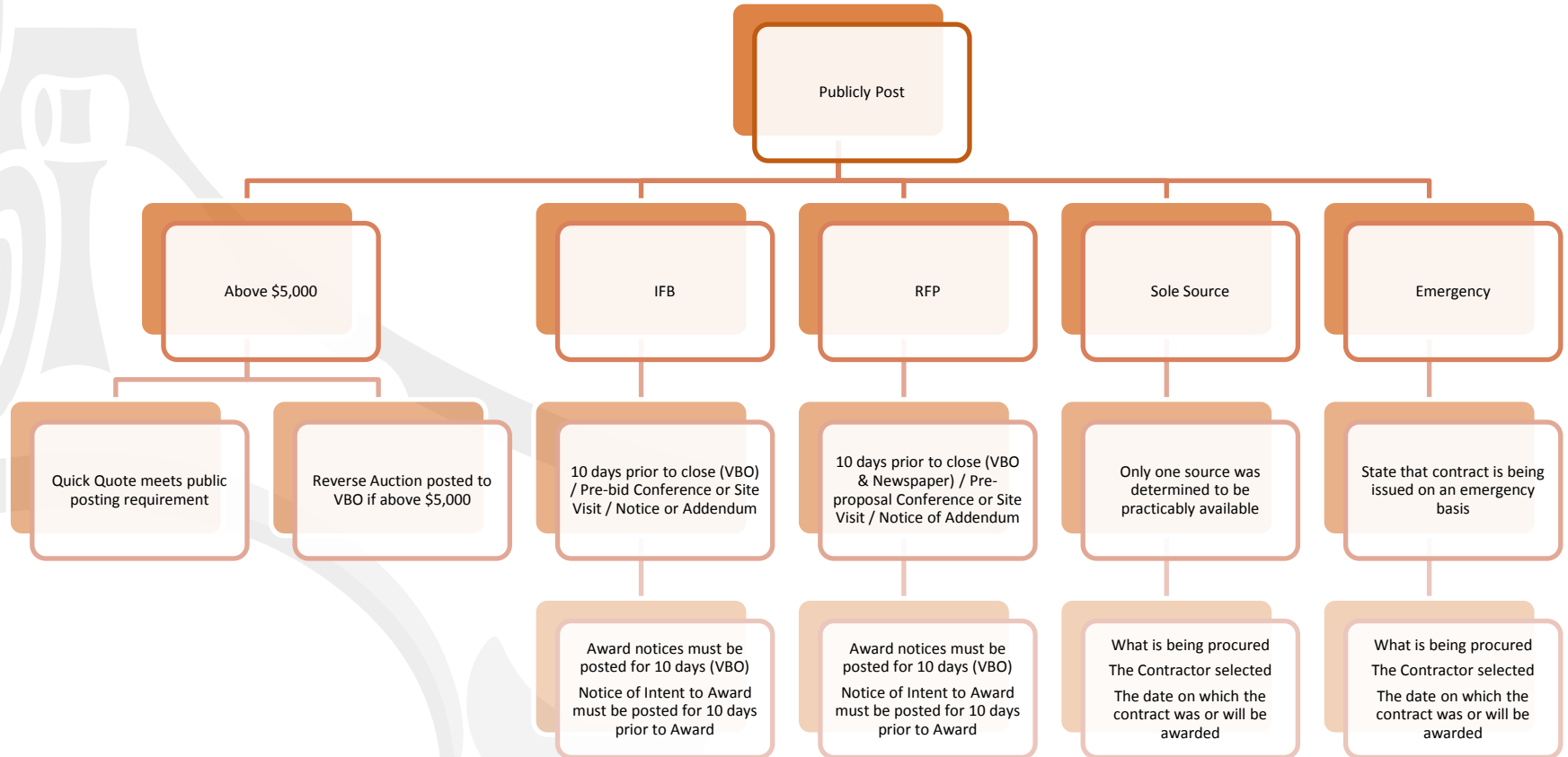
## Responsible

In determining a responsible vendor, a number of factors, including but not limited to the following, are considered. The vendor should:

- a. be a regular dealer, supplier, or when required in the solicitation an authorized dealer of the goods or services offered;
- b. have the ability to comply with the required delivery or performance schedule, taking into consideration other business commitments;
- c. have a satisfactory record of performance;
- d. have a satisfactory record of integrity; and
- e. have the necessary facilities, organization, experience, technical skills, and financial resources to fulfill the terms of the purchase order or contract (see *Vendors Manual*, 3.7).



# Posting Requirements



# Buyers

- Stand Up for Yourself
- Show your value to the entity
- Get your seat at the table, and insert yourself into the planning process
- Educate management
- Audit end users for compliance



# Questions

