

Buchanan County

PROCUREMENT POLICY

PURPOSE

The purpose of this procurement policy is to ensure that sound business judgement is utilized in all procurement transactions and that supplies, equipment, construction and services are obtained efficiently and economically and in compliance with applicable federal and state law and executive orders and to ensure that all procurement transactions will be conducted in a manner that provides full and open competition. These procedures will ensure that all solicitations incorporate clear and accurate descriptions of the technical requirements for the goods or services being procured. Chapter 26 and Section 331.341 of the Iowa Code will be followed on all applicable purchases. All other appropriate sections of the Iowa Code shall also apply.

APPLICATION

This policy applies to the procurement of all supplies, equipment, and construction and services of and for Buchanan County that include any federal program funding. In regards to any such federal programs, all procurement will be done in accordance with 2 CFR; Part 200. Chapter 26 and Section 331.341 of the Iowa Code will be followed on all applicable purchases. All other appropriate sections of the Iowa Code shall also apply. When federal requirements conflict with local or state requirements, the federal requirement, or most restrictive requirement will be followed.

POLICY

METHODS OF PROCUREMENT

Procurement under grants shall be made by one of the following methods, as described herein: (a) micro-purchase procedures; (b) small purchase procedures; (c) sealed bids (formal advertising); (d) competitive proposals; (e) noncompetitive proposals.

A. Micro-Purchase Procedures 200.320(a).

Micro-purchase procedures are allowed for the acquisition of supplies or services,, the aggregate dollar amount of which does not exceed the micro-purchase threshold - \$3,000 (as set in Federal Acquisition Regulation at 48 CFR Subpart 2.1). To the extent practicable, micro-purchases must be distributed equitably among qualified suppliers. Micro-purchases may be awarded without soliciting competitive quotations if Buchanan County considers the price to be reasonable. (200.67).

B. Small Purchase Procedures 200.320(b)

Small purchase procedures are relatively simple and informal procurement methods that are sound and appropriate for the acquisition of services, supplies, or other property, costing in aggregate not more than \$100,000 (\$150,000 for federal programs – (200.88)). If small purchase procedures are

used for procurement under a grant, price or rate quotations shall be obtained from an adequate number of qualified sources.

C. Sealed Bidding (formal advertising) 200.320(c)

In sealed bids (formal advertising), sealed bids are publicly solicited and a firm-fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction, if the conditions in paragraph (c)(1) of this section apply.

- (1) In order for sealed bidding to be feasible, the following conditions should be present:
 - (i) A complete, adequate, and realistic specification or purchase description is available;
 - (ii) Two or more responsible bidders are willing and able to compete effectively for the business; and
 - (iii) The procurement lends itself to a firm fixed contract and the selection of the successful bidder can be made principally on the basis of price.
- (2) If sealed bids are used, the following requirements apply:
 - (i) Bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids, the invitation must be publically advertised;
 - (ii) The invitation for bids, including specifications and pertinent attachments, shall clearly define the items or services needed in order for the bidders to properly respond to the invitation for bids;
 - (iii) All bids shall be opened publicly at the time and place stated in the invitation for bids;
 - (iv) A firm fixed contract award shall be made by written notice to that responsible bidder whose bid, conforming to the invitation for bids, is lowest. Where specified in the bidding documents, factors such as discounts, transportation costs, and life cycle costs shall be considered in determining which bid is lowest. Payment discounts may only be used to determine low bid when prior experience of Buchanan County indicates that such discounts are generally taken; and
 - (v) Any and all bids may be rejected if there is a sound documented reason.

D. Competitive Proposals 200.320(d)

Procurement by competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded, as appropriate. Competitive proposals are generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:

- (1) Requests for proposals must be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals must be considered to the maximum extent practical;
- (2) Proposals must be solicited from an adequate number of qualified sources;
- (3) Buchanan County shall have a written method for conducting technical evaluations of the proposals received and for selecting recipients;
- (4) Contracts must be awarded to the responsible offer whose proposal is most advantageous to Buchanan County, with price (other than architectural/engineering) and other factors considered; and
- (5) Buchanan County may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and

reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.

E. Noncompetitive Proposals 200.320(f)

Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used when one or more of the following circumstances apply:

- (1) **One Source:** the item is available only from a single source;
- (2) **Exigency/Emergency:** the public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
- (3) **Awarding Agency Approval:** the Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from Buchanan County; and
- (4) **Inadequate Competition:** after the solicitation of a number of sources, competition is determined inadequate.

CONTRACTING WITH SMALL AND MINORITY BUSINESSES, WOMEN'S BUSINESS ENTERPRISES, AND LABOR SURPLUS AREA FIRMS (200.321)

Buchanan County will take affirmative steps to assure, to the greatest extent possible, that contracts are awarded to qualified small and minority firms, women's business enterprises, and labor surplus area firms whenever they are potential sources. These affirmative steps must include:

- A. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
- B. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- C. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
- D. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;
- E. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
- F. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (a) through (e).

CONTRACT PRICING (200.323)

- A. The cost plus a percentage of cost and percentage of construction cost method of contracting shall not be used.
- B. Buchanan County shall perform some form of cost/price analysis for every procurement action, including contract modifications, amendments, or change orders. Buchanan County shall make an independent estimate prior to receiving a bid or proposal.
- C. Buchanan County shall negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. In determining a fair and reasonable profit, Buchanan County must consider the complexity of the work to be performed, the risk

borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance and the industry profit rates in the surrounding geographical area.

PROCUREMENT RECORDS (200.324)

Buchanan County shall maintain records sufficient to detail the significant history of procurement, including the rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price. Furthermore:

- (a) Buchanan County must make available, upon request of the Federal awarding agency or pass-through entity, technical specifications on proposed procurements where the Federal awarding agency or pass-through entity believes such review is needed to ensure that the item or service specified is the one being proposed for acquisition.
- (b) Buchanan County must make available upon request, for the Federal awarding agency or pass-through entity pre-procurement review, procurement documents, such as requests for proposals or invitations for bids, or independent cost estimates, when:
 - 1. Buchanan County's procurement procedures or operation fails to comply with the procurement standards in this Part;
 - 2. The procurement is expected to exceed the Simplified Acquisition Threshold and is to be awarded without competition or only one bid or offer is received in response to a solicitation;
 - 3. The procurement, which is expected to exceed the Simplified Acquisition Threshold, specifies a "brand name" product;
 - 4. The proposed contract is more than the Simplified Acquisition Threshold and is to be awarded to other than the apparent low bidder under a sealed bid procurement; or
 - 5. A proposed contract modification changes the scope of a contract or increases the contract amount by more than the Simplified Acquisition Threshold.
- (c) Buchanan County is exempt from the pre-procurement review in paragraph (b) of this section if the Federal awarding agency or pass-through entity determines that its procurement systems comply with the standards of this Part.
 - 1. Buchanan County may request that its procurement system be reviewed by the Federal awarding agency or pass-through entity to determine whether its system meets these standards in order for its system to be certified. Generally, these reviews must occur where there is continuous high-dollar funding, and third party contracts are awarded on a regular basis;
 - 2. Buchanan County may self-certify its procurement system. Such self-certification must not limit the Federal awarding agency's right to survey the system. Under a self-certification procedure, the Federal awarding agency may rely on written assurances from Buchanan County that it is complying with these standards. Buchanan County must cite specific policies, procedures, regulations, or standards as being in compliance with these requirements and have its system available for review.

AWARDED CONTRACTS

- A. Buchanan County will not award a contract to a party listed as debarred, suspended, or otherwise excluded in the System for Award Management (SAM). www.sam.gov (200.213)
- B. Contracts awarded shall contain the applicable contract provisions described in 2 CFR 200.326 and Appendix II to Part 200.

C. Buchanan County will maintain written standards of conduct covering conflicts of interest and must provide for disciplinary action to be applied for violations of such standards as defined in 2 CFR 200.318 (c) (1).

Passed and adopted this 7th day of January, 2019.

Attest:

Donald B. Shonka
Donald Shonka
Chairman, Board Supervisors

Cindy Gosse
Cindy Gosse
County Auditor