

## Procurement

<b>Objective:</b>	To establish a consistent procurement policy and procedures for all Tompkins County departments.	<b>Policy/Procedure Number:</b>	06-07
<b>Reference:</b> (All applicable federal, state, and local laws)	General Municipal Law, Article 5-A, Sections 103 and 104; Tompkins County Charter, Article 6; Finance Law Section 163-165; NYS Correction Law Section 186; GSA Federal E-Government Act of 2002, Section 211, PL 107-347; Local Preparedness Acquisition Act, PL 110-248; National Defense Authorization Act of 1994, Section 1122, PL 103-160; John Warner National Defense Authorization Act of 2007, Section 833, PL 109-364; Federal Supply Act of 2010, PL 111-263; Tompkins County Local Law No. 2 of 2019; Davis-Bacon Act; Housing and Urban Development Act of 1968, Section 3; 24 CFR § 135.5	<b>Effective Date:</b>	April 30, 2002
		<b>Responsible Department:</b>	Finance
		<b>Modified Date (s):</b>	June 2019; March 2020
		<b>Resolution No.:</b>	2019-129
		<b>Next Scheduled Review:</b>	June 2024

**Legislative Policy Statement:** All employees whose responsibilities include procurement are charged with strict adherence to all applicable Federal, State, and Local General Municipal laws and regulations. County employees who have the authority to purchase on behalf of Tompkins County are charged with ensuring that the highest standards of ethics are adhered to while exercising their best judgement in procuring goods and services.

### General Information:

#### I. Definitions:

**Aggregate** - Purchases of the same or similar commodities, materials or services for all departments of the County (i.e. hand tools, copy paper) purchased within a twelve (12) month period. The twelve (12) month period begins on the date of purchase.

**Award** - Any mechanism, signed by a contracting officer, providing funds or other resources to an offeror that permits expenditure of such funds or use of such resources.

**Best Value** - A procurement method that looks at multiple factors when selecting vendors or contractors such as quality, service, and expertise in addition to cost.

**Blanket Purchase Order** - A document issued by the Division of Purchasing for internal use, authorizing the procurement of goods and/or services which is intended for multiple purchases from the same vendor during a set period of time and a set maximum amount of money that may be spent.

**Bids** - A public competitive process for which pricing is submitted either through a "sealed bid" or secure electronic system to allow for the purchase of specified goods, services, and equipment.

**DBE (Disadvantaged Business Enterprise)** - A for-profit small business that is (1) at least fifty-one percent (51%) owned by one or more individuals who are both socially and economically disadvantaged or, in the case of a corporation, in which fifty-one percent (51%) of the stock is owned by one or more such individuals; and (2) whose management and daily business operations are controlled by one or more socially and economically disadvantaged individuals who own it.

**MWBE (Minority & Woman owned Business Enterprises)** - A business enterprise with a minimum of fifty-one percent (51%) owned by one or more minority group members or with a minimum of fifty-one percent (51%) owned by one or more women,

who have been certified as minority-owned or women-owned by the Empire State Development's Division of Minority and Women-Owned Business Development.

**IFQ (Invitation for Quotation)** - A type of solicitation used typically with small-dollar contracts or purchases but may be used for commercial items up to an agency's prescribed dollar limit. They are typically used to obtain pricing for a specific number of well-defined items.

**Operational Emergency** - Exists when a piece of County equipment is not operating or is malfunctioning, and the function which it performs is vital to the department's day-to-day operation. Incidents that can be controlled by employees or maintenance personnel in the immediate/affected facility or area are not operational emergencies.

**P-Card (Purchasing Card)** - A form of a company charge card that allows goods and services to be procured.

**Piggyback** - Utilizing a contract let by any governmental entity within the United States.

**Procurement** - The act of obtaining or buying goods and services. The process includes preparation and processing of a demand as well as the end receipt and approval of payment.

**Professional Services** - Services generally rendered that require specialized or technical skills, expertise, knowledge, certification, or licensure which may include physicians, engineers, attorneys, etc.

**Public Emergency** - Exists when declared by the County Administrator due to an occurrence or imminent threat of the life, health, and/or safety of County residents or County employees.

**Public Work** - Services for labor and material to provide construction, maintenance, repairs or renovation to buildings and infrastructure owned by the County and in the best interest of the public.

**RFP (Request for Proposal)** - A competitive process used for choosing a company or an individual to provide professional services. All terms and pricing are negotiable during the RFP process.

**RFQ (Request for Qualifications)** - A method used to search for qualified contractors or consultants to perform specific services. Pricing is not submitted during the RFQ process and is only requested after the person or firm that is the most qualified to fulfill the need has been selected.

**SDVBE (Service-Disabled Veteran Business Enterprise)** - A business enterprise with a minimum of fifty-one percent (51%) owned by one or more service-disabled veterans, which has been certified as service-disabled veteran owned by the OGS Division of Service-Disabled Veterans' Business Development.

**Sole Source** - An item or service that is available from one source only where no substantial equivalents or competition exists. An item or service cannot be created as a sole source by developing restrictive specifications.

## **II. Policy:**

**A.** The Director of Finance or their designee shall have responsibility for all County purchasing and bidding, maintaining current inventory, and valuation of infrastructure and fixed assets.

- B.** The Director of Finance or their designee, through the Division of Purchasing, is charged with maintaining purchasing procedures that eliminate unneeded steps but maintain adequate and appropriate controls so that costs for acceptable quality and the risks of collusion are minimized.
- C.** It is the policy of Tompkins County to provide equal opportunity to all qualified suppliers. The principle of public purchasing is to obtain goods and services equitably through open competition at the least cost to the taxpayer while serving the interest of the County.
- D.** County procurement shall operate in full view of all County departments and the public.
- E.** Tompkins County reserves the right to postpone bid openings for its own convenience and to make changes to the specifications.
- F.** All bids under the County capital program must be awarded by the County Legislature on recommendation of the appropriate Legislative program committee. Other bids and requests shall be awarded by the Director of Finance or their designee.
- G.** The Legislative program committee to which the department that is purchasing and/or contracting goods and/or services reports, shall be provided with a written statement of the nature of the goods and/or service being procured, the highlights of the terms, and the price of the goods and/or service. Any other information about bidding and contracts that is requested by members of the program committee shall be provided in an expeditious and clear manner.
- H.** Per NYS General Municipal, State and Local laws, the County may award a Bid to a vendor and/or contractor offering the “Best Value” to the County. “Best Value” allows the County to participate in bids let by National Cooperatives and other government agencies that have awarded contracts through this method if it proves to be in the best interest of the County and County taxpayers.
- I.** The Director of Finance and affected Department Head(s) involved or designee(s) are responsible for the immediate procurement of goods or services needed, adhering to the emergency procedures in cases where a public emergency has been declared by the County Administrator.

### **III. Procedure:**

#### **A. County Finance – Division of Purchasing Functions**

1. Issue and encumber purchase orders which meet the criteria and standards set forth herein and are approved by the Department Head(s) and the Director of Finance or their designee(s). The Division of Purchasing may suggest the purchase of alternate items or services which meet the needs of the departments but are known to be more cost effective.
2. Advise and direct departments in matters related to procurement methods, purchasing policies, and bid requirements. The Division of Purchasing may assist departments in obtaining informal quotes, proposals, and requests for professional services.
3. Solicit formal competitive bids for departments according to legal requirements.

4. Review and approve office supply orders for County departments.
5. Manage inventory of County-owned real property.
6. Maintain purchasing procedures.
7. Maintain Bid Appeal Procedures – Awards, Bids, and Selection of Proposals

#### **B. Department Head Responsibilities**

1. Responsible for reasonably anticipating the total annual expenditure for materials and services expected to be purchased for use by their department. These anticipated expenditure totals shall dictate the procurement method to be used in accordance with the policies and procedures outlined in *Tables A, B, & C* below.
2. Maintain oversight to ensure that all goods, materials and contractors perform in accordance with the terms, conditions, and specifications.
3. Aggregate annual purchases of items or services shall not be intentionally separated to circumvent the expenditure limit for any required purchasing procedure.

#### **C. Federal and State Grant Administration Procedures**

1. Tompkins County does not have a centralized grants department, therefore it is the responsibility of each department obtaining a grant to administer and be familiar with all grant documents and requirements.
2. The Department Head or designee responsible for the grant will ensure compliance with State, Federal, or other requirements linked to funding sources for specific projects and programs including but not limited to MWBE participation, Davis-Bacon, Federal or State labor standards, conflicts of interest, and equal employment opportunity hiring.
3. When U.S. Department of Housing and Urban Development funding assistance for construction or rehabilitation projects create a need for new employment, contracting, or training opportunities subject to Section 3 (as defined in 24 CFR § 135.5) requirements, Tompkins County shall integrate Section 3 requirements as detailed in Tompkins County Section 3 Participation Plan.

#### **D. Emergency Procurement**

1. In the case of a public emergency as declared by the County Administrator, goods and services exceeding the bid limits may be procured without competitive bidding.
2. The Director of Finance is hereby authorized to award bids during such a declaration of emergency. Notification of such awards shall be provided in writing to the County Legislature, the County Attorney, and the County Administrator.
3. In cases where an emergency situation exists and a part, repair person and/or services are needed to make equipment operational and can be obtained immediately, the Department Head(s) involved or designee(s) should do the

vendor research, locate the part or service needed and place the order. The Department Head then should call the Division of Purchasing the same day and give them the information necessary to issue a confirming purchase order.

#### **E. Best Value**

1. All awards may be made to a vendor and/or contractor offering the “Best Value” to the County.
2. “Best Value” award is not authorized for construction related bids.
3. The Director of Finance or their designee will have the final approval when using “Best Value” and determine when its use would be appropriate and which criteria to use.
4. Award Criteria

In determining the “Best Value” for the County, the purchase price and whether the goods or services meet specifications are the most important considerations. However, the Director of Finance or their designee may consider other relevant factors, including but not limited to:

- Installation costs;
- Life cycle costs;
- Quality and reliability;
- Delivery terms;
- Cost of employee training associated with a purchase;
- Effect of a purchase on productivity;
- Indicators of probable supplier performance under the contract such as past supplier performance, the supplier's financial resources and ability to perform, the supplier's experience or demonstrated capability and responsibility;
- Ability to provide reliable maintenance agreements and support;
- Ability to comply with state, federal, or other requirements linked to funding sources for specific projects including but not limited to MWBE participation, Section 3, Davis-Bacon, previous violation of federal or state labor standards, conflicts of interest, and equal employment opportunity.
- Business Enterprise status (e.g. DBE, MWBE, SDVBE);
- Other factors relevant to determining the best value for the County in the context of a particular purchase, including the status of the vendor as a Tompkins County based business.

#### **F. Piggybacking**

Per NYS General Municipal Law, Counties may purchase materials, equipment, supplies, or contracts for services using contracts let by any governmental entity within the United States only if the following criteria are met:

1. The letting entity has specifically included language in their specifications allowing for piggybacking;
2. The successful bidder(s) agree to extend the bid pricing; and

3. The item(s) the County is purchasing is exactly the same as those bid and awarded by the originating entity.

**Table A**

<b>Purchasing Policy and Procedure for Procurement of Materials and Supplies</b>	
<b>Purchase Amount</b>	<b>Purchasing Procedure</b>
Under \$3,000.00 per single item	<p>Departments shall obtain one (1) to two (2) quotations. Purchase order not required.</p> <p>Quotes shall be kept on file at the Department but must be made available to the Division of Purchasing if requested.</p> <p><b>Emergency purchases</b> made at the direction of the Department Head prior to payment processing shall be indicated on the voucher or the P-Card receipt(s) with a short explanation.</p>
Between \$3,000.00 to \$9,999.00 per single item	<p>Departments shall obtain at least two (2) written quotations inclusive of all charges. Copies are to be submitted to the Division of Purchasing.</p> <p>Purchase order is required. Division of Purchasing shall determine if the P-Card can be used for the purchase.</p> <p><b>Emergency purchases</b> made at the direction of the Department Head prior to obtaining a purchase order shall be indicated in the description portion of the purchase order with a short explanation.</p>
Between \$10,000.00 to \$19,999.00 per single item	<p>Departments shall obtain three (3) written quotations inclusive of all charges.; Copies to be submitted to the Division of Purchasing.</p> <p>Purchase order is required. Division of Purchasing shall determine if the P-Card can be used for the purchase.</p> <p><b>For Emergency purchases</b> made prior to obtaining a purchase order, the Department Head (or designee) shall <u>email</u> an explanation to the Division of Purchasing in addition to indicating "emergency purchase" on the purchase order.</p>

	<p><b>Note:</b> If time allows, two (2) quotes will be obtained for emergency purchases over \$10,000.00.</p>
Over \$20,000.00	<p><b>Competitive sealed bids are required by NYS law</b> for all purchases of any single item costing over \$20,000.00 or aggregate purchases over \$20,000.00 of any single item or type of items (ex: tires) made within the twelve (12) - month period commencing on the date of purchase.</p> <p>Departments shall submit technical specifications and other criteria as required to the Division of Purchasing. The Division of Purchasing will develop the bid document and solicit bids according to legal requirements. <b>Bid awards to be made by the Director of Finance or their designee unless otherwise directed by the County Legislature.</b></p> <p><b>Emergency purchases and sole source</b> requests must be made in writing <b>to the Purchasing Coordinator</b> to be routed to the County Administrator's Office.</p> <p><b>Note:</b> If time allows, two (2) quotes will be obtained for emergency purchases over \$10,000.00.</p>
<p><b>Note:</b> Exceptions to all the above procurement requirements are purchase contracts with vendors holding a NYS OGS Contract, Tompkins or other authorized Piggyback Contract as defined by General Municipal Law 103, Preferred Source, or documented Sole Source.</p>	

**Table B**

<b>Purchasing Policy and Procedure for Procurement of Public Works and Building Service Contracts</b>	
<b>Contract Amount</b>	<b>Purchasing Procedure</b>
Under \$ 7,500.00	<p>The Department shall obtain at least one (1) written proposal inclusive of all charges. Requirements must be clearly identified in the proposal. Copies of proposal shall be retained by the department and be made available to the Division of Purchasing upon request.</p>

	<p>Purchase order is required. Purchasing will determine if P-Card can be used.</p> <p><b>Emergency purchases</b> made at the direction of the Department Head prior to obtaining a purchase order shall be indicated in the description portion of the purchase order with a short explanation.</p>
<p>Between \$7,500.00 to \$19,999.00</p>	<p>The Department shall obtain at least two (2) written proposals inclusive of all charges. Requirements must be clearly identified in the proposal. Copies of the proposal shall be provided to the Division of Purchasing.</p> <p>Purchase order is required. Purchasing will determine if P-Card can be used.</p> <p><b>For Emergency purchases</b> made prior to obtaining a purchase order, the Department Head (or designee) shall <u>email an explanation</u> to the Division of Purchasing in addition to indicating "emergency purchase" on the purchase order.</p> <p><b>Note:</b> If time allows, two (2) quotes will be obtained for emergency purchases over \$10,000.00.</p>
<p>Between \$20,000.00 to \$35,000.00</p>	<p>The Department shall obtain three (3) written proposals. Requirements must be clearly identified in the proposal. Copies of the proposal shall be provided to the Division of Purchasing.</p> <p>Purchase order is required. Purchasing will determine if P-Card can be used.</p> <p><b>For Emergency purchases</b> made prior to obtaining a purchase order, the Department Head (or designee) shall _email an explanation to the Division of Purchasing in addition to indicating "emergency purchase" on the purchase order.</p> <p><b>Note:</b> If time allows, two (2) quotes will be obtained for emergency purchases over \$10,000.00.</p>
<p>Over \$ 35,000.00</p>	<p><b>Competitive sealed bids are required by NYS law for all public works or building service contracts exceeding \$ 35,000.00 in aggregate.</b></p>



	<p>Technical specifications shall be submitted to the Division of Purchasing for development of a formal bid.</p> <p>If an architect/engineering firm is retained to develop the bid document, the firm must submit the final document to the Division of Purchasing for review and approval prior to the advertisement for <del>bids</del></p> <p>Bid award recommendation to be made by the Department Head and/or professional consultant in consort with the Division of Purchasing. Bid Award by the Director of Finance or their designee unless otherwise directed by the County Legislature.</p> <p><b>Emergency purchases and Sole Source</b> requests must be made in writing <b>to the Division of Purchasing</b> to be routed to the County Administrator's Office.</p> <p><i>Note:</i> If time allows, two (2) quotes will be obtained for emergency purchases over \$10,000.00.</p>
<p><b><i>Note:</i> Exceptions to all the above procurement requirements are purchase contracts with vendors holding a NYS OGS Contract, Tompkins or other authorized Piggyback Contract as defined by General Municipal Law 103, Preferred Source, or documented Sole Source.</b></p>	

**Table C**

<b>Purchasing Policy and Procedure for Procurement of Professional Services (RFP's)</b>	
<b>Purchase Amount</b>	<b>Purchasing Procedure</b>
<p align="center">Under \$10,000.00 per occurrence or annually.</p>	<p>Departments shall obtain one (1) to two (2) proposals. Contract is required. Proposals should accompany the contract. Purchase order not required.</p> <p><b>Emergency purchases</b> made at the direction of the Department Head prior to payment processing shall be indicated on the voucher or on the P-Card receipt(s) with a short explanation.</p>
	<p>Departments shall obtain two (2) proposals. Contract is required. Proposals should</p>

<p>Between \$10,000 and \$50,000 per occurrence or annually</p>	<p>accompany the contract. Purchase order required.</p> <p><b>Emergency purchases</b> made at the direction of the Department Head prior to payment processing shall be indicated on the voucher or on the P-Card receipt(s) with a <u>short</u> explanation.</p>
<p>\$50,000+ per occurrence or annually</p>	<p>Competitive RFP or RFQ to be issued by the Division of Purchasing.</p> <p>Technical specifications shall be submitted to the Division of Purchasing for development of a formal bid.</p> <p>Contract and Purchase Order is required.</p> <p><b>Emergency purchases</b> made at the direction of the Department Head prior to payment processing shall be indicated on the voucher or on the P-Card receipt(s) with a short explanation.</p>