

Big Bend Community Based Care Policy & Procedure

Series: 1300: Financial Management

Policy Name: Procurement of Goods and Services

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Policy

Big Bend Community Based Care, Inc.'s (BBCBC's) purchasing policy is to promote sound purchasing management and to render the greatest value for BBCBC purchasing dollars in a manner that is motivated by fair and open competition. BBCBC strives to accomplish this as economically as possible, within acceptable standards of quality and service, while utilizing professional ethics and best business practices throughout the process.

Procedure

A. Scope.

1. BBCBC will seek to procure commodities and/or services that are responsive to the needs of the children, adults and families in care. Procurement of these items will be in accordance with state and federal laws.
2. BBCBC will plan and coordinate purchases to ensure that quality products and/or services are obtained in a timely manner from responsible agencies on a competitive basis. BBCBC recognizes that fair and open competition is a basic tenet of public procurement and that competition reduces the appearance and opportunity for favoritism and inspires public confidence.
3. All procurements must be allowable and necessary for BBCBC operations. BBCBC will avoid purchasing unnecessary or duplicative commodities or services.

B. Definitions.

1. **Applicant/Bidder.** A vendor, provider, or contractor that provides information to BBCBC in an effort to be selected to fulfill procurement.
2. **Commodity/Good/Product.** A tangible article of trade or commerce, a product as distinguished from a service.
3. **Contract.** A written agreement between BBCBC and a vendor/provider/contractor for the doing or not doing of something specified which is enforceable by law.
4. **Exempt Procurement/Purchase.** Contractual Services and Commodities which are not subject to competitive procurement. (*See subsection 287.057(3)(e), Florida Statutes (F.S.)*).
5. **Micro-purchase Threshold.** Any purchase less than Ten Thousand Dollars (\$10,000.00).
6. **Small purchase.** Any purchase greater than the micro-purchase threshold and up to Two Hundred Fifty Thousand Dollars (\$250,000.00).
7. **Large purchase.** Any purchase larger than the small purchase.
8. **Simplified Acquisition Threshold.** Any purchase less than Two Hundred Fifty Thousand Dollars (\$250,000.00).

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9. **Service Provider.** Sub-recipients who are paid for the provision of services for children, adults, families, and specific mental health or substance abuse services that meet a specific objective identified for a client being served. See *BBCBC OP 700-718, Service Provider Subcontracting*.
10. **Network Provider.** Vendors who are paid for the provision of professional services for children, adults, families, and specific mental health or substance services that meet a specific objective identified for a client being served. See *BBCBC OP 700-709, Provider Recruitment and Network Development*.
11. **Service.** The performance of any duties or work for another; helpful or professional activity.
12. **Vendor.** A dealer, distributor, merchant or other seller providing goods or services that are required for the conduct of a Federal or State program. These goods or services may be for an Organization's own use or for the use of the beneficiaries of the Federal or State program.
13. **Subrecipient.** A non-Federal or non-State entity that receives a sub award from a pass-through entity to carry out part of a Federal program or State project; but does not include an individual that is a beneficiary of such program.
14. **Cost/Price Analysis.** The process of examining each element of the estimated or actual cost of a contract performance to determine the probably cost to BBCBC.

C. Procedure.

1. General Considerations for All Procurement.

- a. Whenever possible, products or materials with recycled content will be procured in accordance with the provisions of Section 403.7065, F.S.
- b. Whenever possible, products or materials should be procured with Prison Rehabilitative Industries and Diversified Enterprises, Inc. (PRIDE) in accordance with Chapter 946, F.S.
- c. The Department of General Services of the State of Florida, the Federal Government and various units of local governments in Florida award bids for products on an annual basis. This process usually results in a volume discount for the governmental entity. In some cases, when these contracts are awarded, the vendors extend these prices to other governmental entities and BBCBC is eligible to take advantage of this discount. BBCBC may, at its discretion, purchase from a vendor extending State of Florida Contract, Federal GSA Contract, PRIDE, RESPECT, Florida Association of Counties, National Association of Counties or other Governmental Contract established prices in lieu of obtaining its own bids on any particular item.
- d. Contracts shall be made only with responsible sub recipients/vendors who possess the potential ability to perform successfully under the terms and conditions of the proposed procurement. Consideration shall be given to such matters as sub recipient/vendor integrity, record of past performance, financial and technical resources or accessibility to other necessary resources essential to deliver the service(s) or product(s) being procured. BBCBC reserves the right to make this determination based on its staff's expertise, system of care requirements, etc.
- e. Where appropriate, an analysis is made of lease and purchase alternatives to determine which would be the most economical and practical procurement.
- f. All lease/rental agreements required the approval of the Chief Financial Officer and/or the Chief Executive Officer of the Agency.
- g. All sub recipients are required to verify the employment eligibility of all current and prospective employees through the E-verify system. E-Verify is a federal program administered by the

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Department of Homeland Security and the Social Security Administration that allows employers to electronically check the identity and work eligibility of hired employees.

- h. BBCBC will maximize the use of state residents, state products, and other Florida-based businesses in fulfilling its mission.
 - i. For detailed information BBCBC's Conflict of Interest policy, see *BBCBC OP 1300-1325, Conflict of Interest*.
 - j. BBCBC will take all necessary steps to assure that minority firms, women's business enterprises and labor surplus area firms are used when possible. For detailed information on BBCBC's Minority Business Development Plan, see *BBCBC OP 1300-1343, Minority Business Development Plan*.
 - k. For more information on BBCBC's procurement of service providers/network provider services see *BBCBC OP 700-709, Provider Recruitment and Network Development*.
- 2. Vendor/Sub Recipient Determination.** A determination will have to be made if goods or services are provided by a "vendor" or "sub recipient". This determination will be documented on a sub recipient and vendor determination form.
- 3. Procurement Documentation.**
- a. BBCBC will maintain a procurement file describing the actions taken and decisions made during "all" procurement processes. At a minimum, the files should contain the following documentation:
 - i. Basis for contractor selection;
 - ii. Justification for lack of competition when competitive bids or offers are not obtained;
 - iii. Basis for award cost or price;
 - iv. Sub recipient and Vendor Determination;
 - v. If an individual, a determination memo of either an employee or independent contractor status; and
 - vi. If an independent contractor, a completed W-9 form.
 - b. It is further recommended that the following items be included in the procurement file when available:
 - i. Documentation of all individuals involved in the process (writing solicitation, evaluating and awarding);
 - ii. Copy of the solicitation document;
 - iii. Documentation of all posting activities;
 - iv. Record of all correspondence including letters of intent, official questions and answers, and/or minutes of solicitation conference;
 - v. Copies of bids/proposals/offers;
 - vi. Record of the evaluation/scoring;
 - vii. Copy of the notification of award;
 - viii. Basis for the contract price (cost/price analysis).

4. Purchase Orders.

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- a. Requests for Non-service subcontracts, Non-network provider subcontracts goods, and service require the submission of a Purchase Order. The Purchase Order is to be completed in full and include the date, source of the supplier, the quantity, stock numbers when available, the quoted price, the program/department requesting the purchase and the appropriate approvals.
 - i. Any BBCBC employee (a requestor) may originate a Purchase Order. The requestor completes the Purchase Order and the Program Director or designee must approve the request by signing and dating the form. All purchases are based on valid, budgeted, approved requests that are properly executed as to price, quantity, quality and selected vendor.
 - ii. The requestor submits the approved Purchase Order to the Fiscal Assistant for assignment of a number. The Fiscal Assistant signs (Purchaser) the approved Purchase Order. Purchase Orders are numbered in sequential order and maintained on Purchase Order Log.
 - iii. The Fiscal Assistant then submits the original copy (white) to the vendor to initiate the order. The first copy (yellow) is retained by the requestor until the order has been filled and then submits to accounting to be matched with the invoice as received. The second copy (pink) is maintained with the Purchase Order Log as a numerical control with the Receptionist. The final copy (goldenrod) is submitted to accounting pending receipt of the requestor's copy (yellow) and invoice.
5. **Micro Purchases of Goods and Services (Non-Service Subcontracts and Non-Network Provider Subcontracts).** Micro Purchases of Goods and Services (Non-Service Subcontracts and Non-Network Provider Subcontracts) are those that are less than Ten Thousand Dollars (\$10,000.00). BBCBC will distribute these purchases among qualified suppliers. These purchases do not require soliciting competitive quotations.
6. **Small Purchases of Goods and Services (Non-Service Subcontracts and Non-Network Provider Subcontracts).**
 - a. Purchases greater than the micro-purchase threshold and Two Hundred Fifty Thousand Dollars (\$250,000.00) (simplified acquisition threshold) are considered small purchases and fall within the simplified purchasing threshold. For these purchases, simplified and informal procurement methods will be followed.
 - b. BBCBC will obtain price/rate quotes from what it considers an adequate number of qualified sources, but no less than two (2).
7. **Large Purchases of Goods and Services (Non-Service Subcontracts and Non-Network Provider Subcontracts).**
 - a. For every purchases in excess of the simplified acquisition threshold of Two Hundred Fifty Thousand Dollars (\$250,000.00), BBCBC will conduct a cost or price analysis, including when modifications are made to contracts. This estimate will be, at a minimum, made before receiving bids or proposals.
 - b. Depending on the circumstance, purchases greater than the simplified purchase threshold will be based on one of the following methods:
 - i. By sealed bids.
 - a) Bids will be solicited from an adequate number of known suppliers, but no less than two (2), as determined by BBCBC, providing them sufficient response time prior to the date set for opening the bids and will be advertised on the BBCBC website.

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- b) Invitation to bid will include any specifications and pertinent attachments, and will define the terms or services in order for the bidder to respond properly.
 - c) Sealed bids will be opened at a time and place prescribed in the invitation for bid.
 - d) Firm fixed price contract awards will be made in writing to the lowest responsive and responsible bidder.
 - e) Any or all bids may be rejected if there is a sound documented reason.
 - ii. By competitive proposals through a Request for Proposal (RFP), Request for Qualifications (RFQ) or an Invitation to Negotiate (ITN) process.
 - a) The RFP, RFQ or ITN will be solicited from an adequate number of known suppliers, but no less than two (2), as determined by BBCBC and will be advertised on the BBCBC website and will identify evaluation factors and their relative importance.
 - b) Evaluation of responses will be supported by written method of technical evaluation process.
 - c) Awards will be based on the firm that will be most advantageous to the program, with price and other factors considered.
8. **Non-competitive Purchases of Goods and Services (Non-Service Subcontracts and Non-Network Provider Subcontracts).**
 - a. Goods or services are only available from a single source.
 - i. If cost exceeds Two Hundred Fifty Thousand Dollars (\$250,000.00), BBCBC will first engage in a cost/price analysis.
 - b. The purchase is for an emergency that would not permit a delay resulting from competitive solicitation.
 - i. Given the nature of the industry, that BBCBC operates in and the need to initiate services swiftly for clients, emergency purchases may be authorized for the procurement of services without competition. This shall be necessitated by an immediate danger or imminent need to ensure safety or welfare of clients served.
 - ii. Authority to approve emergency procurements for BBCBC is only the CEO or designee.
 - c. The Federal awarding agency or State or pass-through entity expressly authorizes noncompetitive proposals in response to a written request;
 - d. Goods or services are exempt from competitive procurement pursuant to subsection 287.057(3)(e), F.S.;
 - e. After solicitation of a number of sources, competition is deemed inadequate by BBCBC.