

PENSACOLA STATE COLLEGE
MANUAL OF PROCEDURES

Procedure Title:	Federal Grant Purchasing	<u>Number</u> 543
Related Policy:	Grant Administration – 6Hx20-5.015	<u>Page</u> Page 1 of 5

I. Purpose

To establish procedures for procurements made with funds from federally funded grants and contracts.

II. Procedure

A. Procurement Standards and Performance

Pensacola State College has developed procurement procedures that comply with State and local laws and will utilize these procedures when procuring with Federal Grant funds as they conform to Federal Law. The following are in addition to these procedures.

All procurement transactions under this procedure shall be conducted in a manner providing full and open competition. Examples of restricting competition include:

1. Placing unreasonable requirements on contractors to qualify to do business;
2. Requiring unnecessary experience or excessive bonding;
3. Permitting noncompetitive pricing practices between firms or between affiliated companies;
4. Permitting noncompetitive contracts to consultants on retainer contracts;
5. Permitting organizational conflicts of interest;
6. Specifying only a brand name product install of an equal product to be offered and describing the performance of other relevant requirements;
7. Acting arbitrarily in awarding contracts;
8. Awarding based on local, geographic preferences; or
9. Precluding potential bidders from qualifying during the solicitation period.

B. Procurement Methods

1. Pensacola State College utilizes the following procurement methods when procuring with Federal Grant funds.
 - a. Micropurchase Method is used to obtain supplies and services valued less than the micropurchase threshold as defined in 48 CFR Subpart 2.1 (hereinafter “micropurchase threshold”) without quotes or formal solicitation.
 - b. Small Purchase Method is used to obtain supplies and services (other than construction) valued between the micropurchase threshold to

Category 2 as defined in s. 287.017, Fla. Stat., (hereinafter “Category 2”). It is preferred to utilize cooperatively bid contracts. A list of these contracts is maintained by the Purchasing and Auxiliary Services Department. If not available through a cooperative contract, quotes shall be obtained as follows:

- i. Purchases greater than the micropurchase threshold amount - \$5,000 requires adequate number of quotes, established as a minimum of 2 quotes.
 - ii. \$5,000.01 to the Category 2 amount requires 3 quotes. (If purchase is exempt by State law, adequate number of quotes required, established as a minimum of 2).
- c. Sealed Bidding is used to obtain supplies and services above Category 2. (If purchase is exempt under State Law, sealed bidding is not required for purchases less than \$150,000. An adequate number of quotes will be required, established as a minimum of 2 quotes). Alternatively, sealed bids are not required if utilizing a cooperatively bid contract. The process for sealed bidding:
- i. Consists of public advertisement for bids and provides sufficient time for bidders to respond before the date set for the bid opening;
 - ii. Must be solicited from an adequate number of known suppliers;
 - iii. Includes the specifications which define the items or services in enough detail to allow the bidders to properly respond;
 - iv. Allows the awarding of a firm, fixed-price contract made to the lowest responsive and responsible bidder;
 - v. Allows any and all bids to be rejected if there is a sound documented reason;
 - vi. When specified, transportation and life cycle cost shall be considered; and
 - vii. Follows State Law for bid protesting procedures.
- d. Competitive Proposal Solicitation is used to obtain supplies and services when sealed bidding is not appropriate.
- i. Instances when sealed bidding is not appropriate include:
 - aa. Procurements when complete, adequate and realistic specifications are not available;
 - bb. Two (2) or more responsible bidders not available;
 - cc. The procurement does not lend itself to contract award based on price; or
 - dd. Procuring architectural or engineering services.
 - ii. Process of Competitive Proposal Solicitation:
 - aa. Must be publicized;
 - bb. Must identify all evaluation factors and each factor’s relevant importance;
 - cc. Must be solicited from an adequate number of qualified sources;

- dd. Must be evaluated based on the criteria specified in the solicitation document; and
- ee. Award is made to the responsible firm whose proposal is the most advantageous to the program, with price and other factors considered.
- e. Single Source Procurement, also called a noncompetitive proposal, does not require additional quotes, sealed bidding, or competitive proposals. Single source procurement can only be approved when one of the following circumstances applies:
 - i. Item is only available from a single source;
 - ii. After solicitation or competition is attempted, determination is made if there is not enough competition available for a competitive procurement;
 - iii. Public exigency or emergency; or
 - iv. Awarding agency authorized noncompetitive proposals.
- f. Time and Material Contracts shall only be utilized when no other procurement method is suitable. Contracts must include a ceiling price that the contractor exceeds at its own risk. Further, the College will not award cost plus percentage contracts, where the bidder is paid a percentage of the contract price on top of the cost of the contract itself.

C. Procurement Requirements

1. Pensacola State College complies with the following requirements when procuring with Federal Grant funds.
 - a. Contract Cost and Price Analysis is required procurements in excess of the Simplified Acquisition Threshold, including contract modifications. Before receiving bids or proposals, the requesting department must provide sufficient information about the requirements of the procurement so the Purchasing Department can perform an independent price estimate. Purchasing must negotiate profit as a separate element of the contract, considering complexity of work to be performed, risk born by the contract, contractor's investment, amount of subcontracting, quality of contractor's past performance, and industry profit rates. Purchasing Department may choose to submit the procurement documentation to the awarding agency for review.
 - b. Small and Minority Owned Firms are encouraged to participate in the solicitation process. Steps to assist in the encouragement include:
 - i. Placing qualified, small, minority, and women owned business on solicitation lists;
 - ii. Assure qualified, small, minority, and women owned business are solicited whenever they are potential sources;
 - iii. Divide total requirement into smaller tasks or quantities to permit maximum participation by qualified, small, minority, and women owned business;

- iv. Establish delivery schedules which encourage participation by qualified, small, minority, and women owned business;
 - v. Use the services and assistance of the Small Business Administration and Minority Business Development Agency of the Department of Commerce; and
 - vi. Request price contractors, if subcontracts are used, to take the same steps listed above.
- c. Debarred/Suspended Vendors will not be permitted contracts. Before awarding a contract, Purchasing checks the Excluded Parties List system website (www.sam.gov) to ensure the vendor is not an excluded party.
- d. Bonding shall be required for construction contracts exceeding \$150,000 as follows:
- i. Bid guarantee of 5% of the bid price; and
 - ii. Payment and Performance bond in the amount of 100% of the contract price.
- e. Conflict of Interest restricts employees engaged in the selection, award, and administration of federally funded procurements from also being an employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated, has a financial or other interest in or tangible personal benefit from a firm considered for a contract.
To ensure potential conflicts of interest are addressed:
- i. Policy 6Hx20-4.024 outlines, "The acceptance by employees of gifts or premiums from College vendors is prohibited."
 - ii. In sealed bid solicitations utilizing federal funds, bidders are required to submit a federal attestation form.
 - iii. New vendors are required to acknowledge no conflicts of interest exist as outlined in s. 112.313, Fla. Stat.
- f. Contract Administration is maintained through regularly monitoring of contracts to ensure each vendor is complying with their contract terms to ensure performance goals are achieved.
- g. Contract Provisions are included with the College issued purchase order.
- h. Lease Options are considered when appropriate if determined as a possible more economical approach.
- i. Procurement of Recovered Materials is encouraged when practicable and does not limit competition. Steps to assist in encouragement include:
- i. When the price of an item exceeds \$10,000 or if the value of the quantity acquired by the preceding fiscal year exceeded \$10,000, the College will seek to procure only items containing the highest percentage of recovered/recycled materials practicable, while maintaining a satisfactory level of competition.
 - ii. In developing plans, drawings, work statements, specifications, or other product descriptions, the College will consider, as appropriate, a broad range of factors including: elimination of virgin material requirements, use of biobased products; use of recovered materials; reuse of product; life cycle cost;

- recyclability; use of environmentally preferable products; waste prevention; and ultimate disposal.
- iii. Procuring solid waste management services that maximize energy and resource recovery.
- j. Retention of Records for solicitation documents are maintained for a minimum of (5) years. This can be accomplished through an electronic record.

Responsible Official: Director, Purchasing and Auxiliary Services

President's Signature:

Date: 02/21/2017

