

PROCUREMENT POLICY
EFFECTIVE July 1, 2018

I. PURPOSE OF PROCUREMENT POLICY

The purpose of this Procurement Policy is to establish the guiding principles for the procurement of equipment, supplies, materials, goods and services. This Policy provides the framework for the establishment and maintenance of procurement procedures necessary to:

- (a) Maintain a procurement system of quality and integrity;
- (b) Maximize the value of dollars expended in purchasing;
- (c) Avoid unnecessary or duplicative purchases;
- (d) Ensure that adequate and meaningful competition is achieved for procurements;
- (e) Ensure fair and equitable treatment of parties who come in contact with the procurement process;
- (f) Ensure compliance with applicable State and Federal authority.

This Policy and associated procedures supersedes all prior related policies and procedures as of its adoption.

II. SCOPE

Purchases made with funds from all sources are subject to this Policy. That includes, but is not limited to, all grants from federal, state, county, local and private grant makers, including contract funding or pass-through funding. In addition, any general or special conditions contained in contract or grant agreements must also be observed in so far as they affect procurements. This Policy is intended to harmonize State and Federal authority whenever possible. In the event of a conflict between the provisions of this Policy and the requirements of an applicable State or Federal statute or regulation, the applicable statute or regulation shall prevail.

Further, this Policy sets forth internal guidelines for the benefit of C4HCO and its officers, directors, workforce members (as defined in the Workforce Member Handbook) and agents and does not confer any right or other benefit on any third party. The provisions of this Policy may not be used by any third party in any action or other proceeding against C4HCO or its interests.

Deviations from this Policy are strongly discouraged. All deviations must arise from situations such as a public exigency, public emergency or special circumstances reviewed by the Board.

III. PROCUREMENT AUTHORIZATION AND OVERSIGHT

The level of staff and Board approval required for procurements is governed by the Finance Policy's Authorization Matrix. Changes to the Authorization Matrix require Board approval. Responsibility for oversight and application of the Procurement Policy and associated procedures shall reside with the Finance Department, the identified procurement contract manager and General Legal Counsel. The Finance Department is responsible for maintaining, amending, and revising this Policy and associated procedures as needed to meet legal or technical requirements necessary to assure that the procurement system continues to meet high standards of professionalism.

IV. CODE OF CONDUCT

C4HCO shall follow applicable organizational policies regarding open records and confidentiality during the procurement process. The officers, directors, workforce members and agents of C4HCO shall follow the organization's Conflict of Interest Policy during the procurement process. No officer, director, workforce member or agent shall participate in the selection, award or administration of a procurement if a real or apparent conflict of interest would be involved. Such a conflict would arise when the officer, director, workforce member, or agent, any member of his or her immediate family, his or her partner or an organization that employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an agreement or successful procurement. Workforce members shall neither solicit nor accept gratuities, favors, or anything of monetary value from vendors, contractors or parties to sub-contracts. Workforce members may accept unsolicited gifts of nominal value (subject to existing C4HCO policies) but must be alert to situations that might impair their independence or objectivity in dealing with others. Officers, workforce members, directors and agents of C4HCO are subject to disciplinary action for violation of these standards.

VII. PROCUREMENT PRINCIPLES

Subject to practicality, economic feasibility and the application of prudent business practices procurements shall comply with the following principles:

- ✓ In all Procurements, C4HCO shall avoid practices that are restrictive of competition. These practices include, but are not limited to:
 - Allowing contractors that develop or draft specifications, requirements, statements of work, invitations for bids, or requests for proposals to compete for such procurements;
 - Using unreasonable requirements on firms in order for them to qualify to do business;
 - Requiring unnecessary experience and excessive bonding or insurance coverages; and
 - Specifying only a brand name product instead of allowing an equal product to be offered and describing the performance of other relevant requirements of the procurement.

- ✓ Use of the appropriate procurement method based on the type of procurement. Approved methods, as outlined in the applicable authority are procurement by:
 - Micro-purchases procedures;
 - Small purchases procedures;
 - Sealed bids;
 - Competitive proposals; and/or

- Non-competitive proposals.
- ✓ Monitor contract performance and payments during the course of an agreement.
- ✓ Competitive solicitations shall clearly set forth all requirements that the bidder shall fulfill in order for the bid to be evaluated by C4HCO.
- ✓ Competitive awards shall be made to the bidder whose bid is responsive to the solicitation and is most advantageous to C4HCO, with price, quality and other factors considered.
- ✓ C4HCO shall maintain such records as are necessary to sufficiently document a procurement; including (as appropriate):
 - The rationale for the method of procurement;
 - The rationale for the selection of contract type;
 - The basis for the contract price; and
 - Information regarding cost/price review and analysis.
- ✓ Document method for conducting technical evaluations of proposals received in response to a request for proposals and for selecting recipients of contract awards in response to a request for proposals.
- ✓ Avoid purchasing unnecessary or duplicative items.
- ✓ Utilization of qualified small businesses, minority-owned firms, and women's business enterprises.
- ✓ Use of products and services that conserve natural resources and protect the environment and are energy efficient.
- ✓ The type of procuring instruments used (e.g. fixed price contracts, time and materials as appropriate, cost reimbursable contracts, purchase orders and/or incentive contracts) shall, as determined by C4HCO, be appropriate for the particular procurement and for promoting the best interests of C4HCO for the project involved. C4HCO shall not use the "cost-plus-a-percentage-of-cost" or "percentage of construction cost" methods of contracting.
- ✓ Contracts should be made only with responsible contractors who have the demonstrated ability to perform successfully under the terms and conditions of the proposed procurement.
- ✓ Consideration shall be given to such matters as contractor integrity, record of past performance, financial and technical resources and accessibility to other necessary resources.