

NORTH CENTAL ENTERPRISE REGION

PROCUREMENT POLICY – November 22nd 2011

I. METHODS FOR PROCUREMENT

Procurements shall be made using one of the following methods: (a) small purchase procedures, (b) competitive sealed bids, (c) competitive negotiations,

A. Small Purchases

Purchases which cost between \$1,000 and \$5,000 will require three over-the-telephone quotations of rate, price, etc. A memorandum will be prepared setting forth the date calls were made, parties contacted and prices obtained. For purchases of less than \$1,000, efforts will be made to get the lowest and best price, but written records of such efforts are not necessary.

Purchases of supplies, equipment and services which cost between \$5,000 and \$15,000 will require written estimates but no advertisement is required. North Central Enterprise Region will solicit written responses from at least three vendors, and if no such responses are available, a statement explaining the procurement will be prepared and filed.

B. Competitive Sealed Bids

Bidding will be employed when detailed specifications for the goods or services to be procured can be prepared and the primary basis for award is cost. When the cost of a contract, lease or other agreement for materials, supplies, equipment or contractual services, other than those personal or professional, exceeds \$15,000, an Invitation for Bids (IFB) notice will generally be prepared. This notice will be published at least once in the Prince Albert Herald, the official newspaper of general circulation in the Prince Albert Region. This newspaper notice will appear not less than seven (7) days and not more than twenty-one (21) days before the due date for bid proposals. The NCER may also solicit sealed bids from responsible prospective suppliers by sending them a copy of such notice.

The IFB will include a complete, accurate and realistic specification and description of the goods or services to be procured, , the location where bid forms and specifications may be secured, the time and place for opening bids, and whether the bid award will be made on the basis of the lowest price or the lowest evaluated price.

Sealed bids will be opened in public at the time and place stated in the IFBs. The bids will be tabulated by the NCER at the time of bid opening. The results of the tabulation and the bid procurements will be examined for accuracy and completeness by the CEO who will make recommendations to the NCER. In addition, the CEO shall determine that all firms are responsive and responsible. Based upon the selection criteria, the NCER will make the decision as to whom the contract shall be awarded. After the bid award is made by the NCER, a contract will be prepared for execution by the successful bidder.

The NCER may cancel an Invitation for Bid or reject all bids if it is determined that such is in the best interests of the NCER. Bidders will be notified in writing of such cancellation or rejection. NCER may allow a vendor to withdraw a bid if requested at any time prior to the bid opening. Bids received after the time set for bid opening shall be returned to the vendor unopened.

C. Competitive Negotiations

NCER will use competitive negotiations, for contract amounts over \$15,000, upon determination that:

1. Specifications cannot be made specific enough to permit the award of a bid on the basis of either the lowest bid or the lowest evaluated bid price (in other words, bidding is not feasible).
2. The services to be procured are professional in nature where expertise are require to perform a comprehensive evaluation.

With the exception of certain professional services (outlined in Part D) competitive negotiations will proceed as follows:

- a. Proposals will be solicited through newspaper advertisement; additionally, a Request for Proposal

(RFP) may be prepared and mailed to qualified vendors. The newspaper advertisement must be published at least seven (7) days and not more than twenty-one (21) days before the date for receipt of the proposals. The RFP will describe services needed and identify the factors to be considered in the evaluation of proposals and the relative weights assigned to each selection factor. The RFP will also state where further details regarding the RFP may be obtained. The RFP will call attention to the same regulations discussed in the bidding process. Requests for proposals will always include cost as a selection factor.

- b. Award must be made to the offeror whose proposal is determined by the NCER to be the most advantageous to NCER. Evaluations must be based on the factors set forth in the Request for Proposal and a written evaluation of each response prepared. The review committee consisting of NCER Staff and appropriate stakeholders may contact the firms regarding their proposals for the purpose of clarification and record in writing the nature of the clarification. If it is determined that no acceptable proposal has been submitted, all proposals may be rejected. New proposals may be solicited on the same or revised terms or the procurement may be abandoned.

For the procurement of certain professional services, an alternative to RFPs may be used. NCER may publish a Request for Qualifications. RFQ's are handled in a similar method to RFP's with the exception that cost is not a factor in the initial evaluation. The CEO will evaluate the responses and rank them by comparative qualifications. The highest scoring person or firm will be contacted and the CEO will negotiate cost. If the CEO is unable to negotiate a satisfactory cost arrangement, the second highest scoring person or firm will be invited to negotiate. The CEO will maintain a written record of all such negotiations.

D. Noncompetitive Negotiations

Noncompetitive negotiations may be used for procurements in excess of \$15,000 when bidding or competitive negotiations are not feasible. NCER may purchase goods and services through non-competitive negotiations when it is determined by the NCER that competitive negotiation or bidding is not feasible and that:

1. The product or service can be obtained only from one qualified source, or
2. The contract is for the purchase of time sensitive items purchased on a weekly or more frequent basis, or
3. Only one satisfactory proposal is received through RFP or RFQ.

Procurement by noncompetitive negotiation requires the strictest attention to the observation of impartiality toward all suppliers.

Bids will be accepted only from those contractors who have a proven record of ability to successfully complete the scope of work being bid. References will be requested along with the contractor's bid proposal. Any contractors submitting a bid must produce (along with his/her bid documents) written proof of liability insurance and worker's compensation coverage. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance and financial and technical resources in awarding contracts.

II. CONTRACTS

Generally, all procurement in excess of \$5,000 will be recorded and supported by a written contract. Where it is not feasible or is impractical to prepare a contract, a written finding to this effect will be prepared and some form of documentation regarding the transaction will also be prepared. All contracts will contain language which allows the NCER the opportunity to cancel any contract for cause. Said cause shall include (but not be limited to) demonstrated lack of ability to perform the work

specified, unwillingness to complete the work in a timely fashion, cancellation of liability insurance or worker's compensation, failure to pay suppliers or workers, unsafe working conditions caused by the contractor, failure to keep accurate and timely records of the job, or failure to make those records available to the NCER (on request) or any other documented matter which could cause a hardship for the NCER if a claim should arise or the work not be completed on schedule at the specified cost.

III. DOCUMENTATION

All source documents supporting any given transaction (receipts, purchase orders, invoices, RFP/RFQ data and bid materials) will be retained and filed in an appropriate manner. Where feasible, source documents pertinent to each individual procurement shall be separately filed and maintained. Where it is not feasible to maintain individual procurement files, source documents will be filed and maintained in a reasonable manner (examples include chronologically, by vendor, by type of procurement, etc.). Whatever form of documentation and filing is employed, the purpose of this section is to ensure that a clear and consistent audit trail is established. At a minimum, source document data must be sufficient to establish the basis for selection, basis for cost, (including the issue of reasonableness of cost), rationale for method of procurement and selection of contract type, and basis for payment.

IV. CODE OF CONDUCT

A. Conflict Of Interest

No NCER employee, consultant, elected official, appointed official or designated agent of NCER will take part or have an interest in the award of any procurement transaction if a conflict of interest, real or apparent, exists. A conflict of interest occurs when the official, employee or designated agent of NCER, partners of such individuals, immediate family members, or an organization which employs or intends to employ any of the above has a financial or other interest in any of the competing firms.

NOTE: These rules apply to all named parties and shall be effective for the period of service and for one year after leaving said position (or office, in the case of elected officials).

B. Acceptance of Gratuities

No NCER employee or designated agent of NCER shall solicit or accept gratuities, favors or anything of monetary value from contractors, potential contractors, subcontractors or potential subcontractors.

Adopted by the NCER this ____ day of _____, 2011.

(NAME)

(TITLE)

(NAME)

(TITLE)