

Procurement Procedures

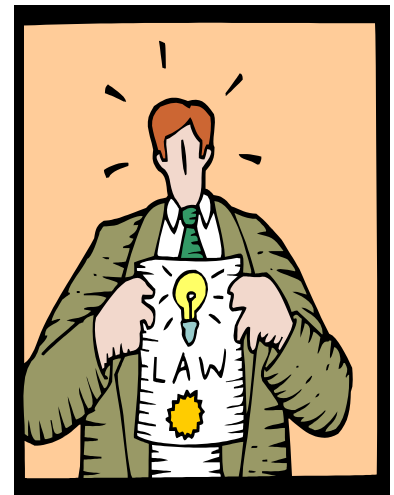


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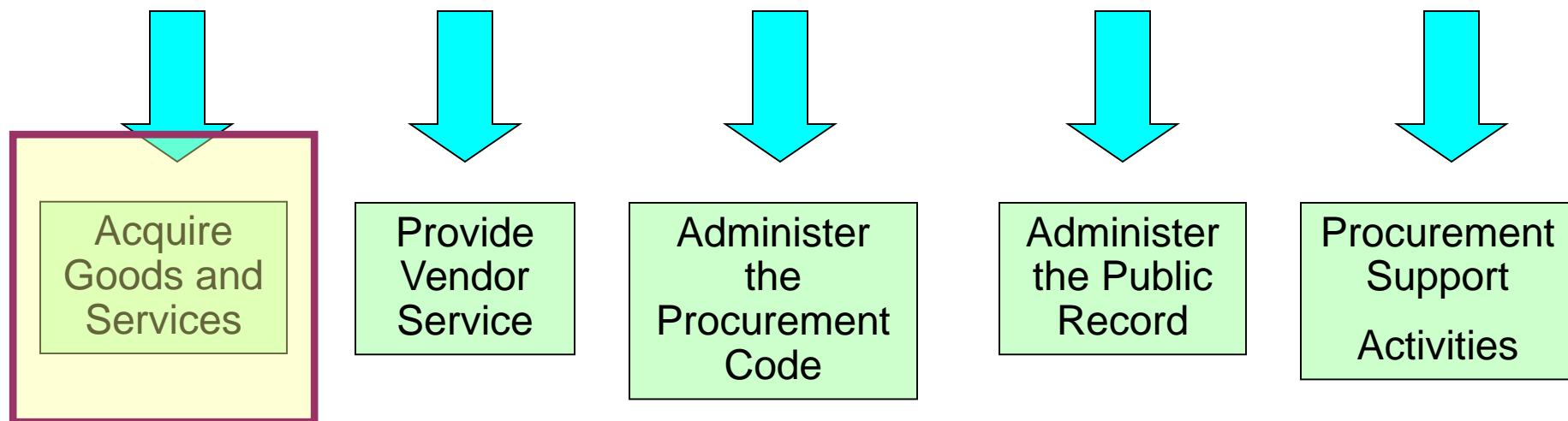
Background

- Procurement Code
- Procurement Regulations
- Best Practices
- Methods of Procurement
- Types of Procurements



State Purchasing Purpose

Perform Purchasing Activities in Accordance with the State Procurement Code and Ensure the Acquisition Process provides “Best Value”



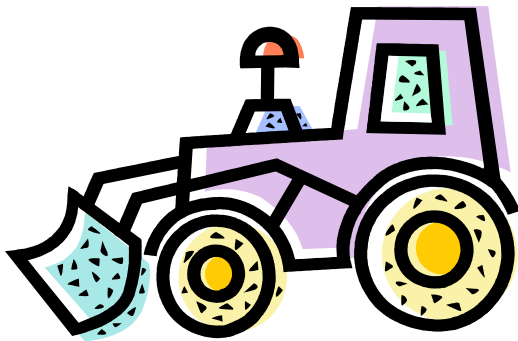
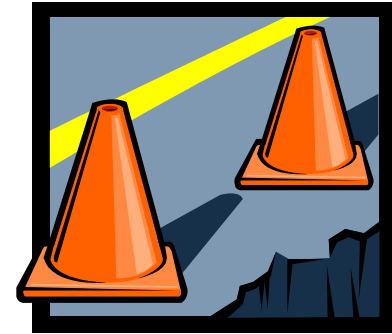
Legal Methods of Procurement

- Competitive Acquisition
 - Invitation to Bid
 - Request for Proposal
- Sole Source
- Emergency
- Cooperative Agreements
 - Mirror of General Services Agreements
 - Mirror of Cooperative Agreements (WSCA)



Types of Procurements

- Tangible Goods
- Services
- Professional Services
- Hybrids



Procurement Dollar Thresholds

- **Tangible Goods, Services & Hybrids**
 - <\$10,000 Best Obtainable
 - \$ 10,000-\$20,000 Three Valid Quotes
 - >\$20,000 Formal Procurement
- **Professional Services**
 - <\$50,000 Best Obtainable
 - >\$50,000 Formal Procurement

Competitive Acquisition

- Preferred Method
- Establishes Market Price
- Must be Fair and Open
- Higher Level of Effort
- Methods
 - Invitation To Bid
 - Request for Proposal



Competitive: Invitation To Bid

- Used for Commodity Items and Services with Many Sources
 - Fastest Competitive Turn-around
 - Public Opening and Reading
 - Information Publicly Available upon Opening
 - Bid Tabulation
 - Evaluation (Meets Specifications and Mandatories)
 - Award
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Invitation to Bid Requirements

- Completed User Request
 - Refined Specifications/Statement of Work
 - Requisition
 - Ten (10) Day Notice Period
 - List of Potential Vendors
 - Applicable Commodity Code(s)
 - Advertisement-3 Papers or 1 Paper
 - Public Opening
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Competitive: Request for Proposal

- Used for Complex Procurements
- Judgment Decisions
- Most Time Consuming Method of Procurement
- Required for Professional Services
- Evaluation Committee
- No Public Opening
- Public Viewing After Award

Request For Proposal Requirements

- Completed Authorization Form
 - Requisition
 - Ten (10) day Notice Period
 - Three (3) Newspapers or One (1)
 - One Page Notice
 - Applicable Commodity Codes and Potential Vendor List
 - Final RFP
 - No Public Opening
 - Evaluation Committee
 - Evaluation Scoring and Report
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Sole Source Procurement

- Used Where Only One Provider Exists
- Least Desirable Method
 - Single Vendor; No Competition
 - No Negotiation Position
 - No Control on Costs, Terms or Conditions
- Documentation Required
- Short Term if Possible

Sole Source Requirements

- Request and Justification
- Validation Letter from Vendor
- Requisition
- Quote from Vendor
- Documentation of Sole Source Justification; May Include Google Search



Emergency Procurement

- Used When Threat to Life, Property, Public Well-being
- Immediate Response Required
- No Dollar Threshold
- Documentation Developed Afterward
- Frequently Abused



Cooperative Agreements

- General Services Administration Agreements
 - Authorized to Mirror by Procurement Code
 - Used for Short Periods, Limited Use
 - Pricing May be Less Competitive Based on Volume
- Other Cooperative Agreements
 - Western States Cooperative Alliance
 - Other Cooperatives

Cooperative Agreement Requirements

- State Purchasing Agent Approval
 - Participation in Procurement
 - Advertisement
 - RFP Development
 - Evaluation
 - Request for Agreement Usage
 - Requisition
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Protests and Procurement Violations

- Protests
 - Happen
 - Follow Process and Document and Vast Majority Ruled in Your Favor
 - Procurement Violations
 - Work Outside of Contracts (Verbal Commitment or Unauthorized) i.e. No Purchase Order in Place
 - Inability to Pay
 - Explanation Letter
 - Potential Audit Required
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Resources

- State Purchasing Website
 - Purchasing Guide
 - RFP Procurement Guide
 - <http://www.generalservices.state.nm.us/spd/index.html>
- NASPO
- NIGP
- NMPPA
- NCMA