

Hawkeye Area Community Action Program, Inc. Policy & Procedure	Policy # 102
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Procurement Policy	Effective: 05/01/10
APPROVED BY: HACAP Board of Directors	Revised: 4/22/21

Policy Statement

HACAP's policy on procurement will comply with Office of Management and Budget's Uniform Guidance 2 CFR Part 200 and other Agency Administrative Rules.

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Standard Operating Procedure

Applicability

Agency rules are written to comply with Uniform Guidance/Administrative Rules and Agency-deemed prudent business practices. Wherever a conflict exists between the Agency rule and program regulations, general conditions or special conditions for any contract or grant administered by the Agency, the more restrictive rule will apply.

Description

HACAP shall avoid purchasing items that are not necessary for the performance of the activities required by a Federal award.

Where appropriate, an analysis shall be made of lease and purchase alternatives to determine which would be the most economical and practical procurement for the Federal government. This analysis should only be made when both lease and purchase alternatives are available to the program.

There will be some form of cost or price analysis shall be made for all procurement. Price analysis may be made in various ways, including comparison of price quotations submitted or market prices. Cost analysis is the review and evaluation of each element of cost to determine reasonableness, allocation, and whether it is allowable.

Ordinarily purchasing is controlled by the Program to which an activity is assigned. The Program is responsible for placing orders for goods, services, and equipment. Judgments are based on necessary approvals submitted on purchase requisition forms.

Obligations for acquisitions of real property must be initiated by the Board of Directors. Ongoing obligations for rent-lease agreements, purchase of service contracts, subcontracts, insurance, licenses, and any other contractual commitment must be initially executed by the CEO or approved designee.

Approval Process

1. Purchases (PO's or Credit Card) must be approved by a Budget Manager or their designee and sent the Business Office for approval prior to purchasing. Once the employee or Budget Manager receives a PO number or Credit Card Authorization number from the Business Office the item can then be purchased.

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- Budget Manager or designee shall certify the necessity allowability, fund availability, and bid compliance.
- Property Manager, Budget Manager, or other designee shall certify that there is no available like item on premises or available from free or reduced cost public sources.
- All electronic equipment must be approved by the CEO or Deputy Director prior to purchasing.

2. Regular Purchases: The following is a list of personnel authorized to approve expenditures and the maximum dollar level for a single purchase order:

- Up to \$4,999.99 – Budget Manager or approved designee
- Up to \$99,999 – CEO or approved designee
- Over \$100,000 – Board of Directors

3. The following is a guide in determining when competitive quotations shall be obtained. The following limits include the total unit cost of the item or total cost of the order, including any shipping, handling, or delivery charges.

4. In addition to the requirements below, any contracted services that will require Davis Bacon compliance should be approved by the Business Office prior to obtaining the quotes.

- Orders with a single unit cost under \$2,500: Purchased at best price based on the personal judgment of the Budget Manager with appropriate signature approvals.
- Orders with unit costs between \$2,500 - \$5,000: Budget Manager will obtain three (3) telephone, internet, or catalog quotes and record prices quoted, date, time, and firm quoting. The Budget Manager shall select the lowest quote unless justified in writing, with appropriate signature approvals.
- Orders with unit cost between \$5,001 - \$25,000: Written quotations (to include internet and catalog pricing) are obtained from three (3) or more suppliers. The Budget Manager shall select the lowest quote unless justified in writing with appropriate signature approvals.
- Orders with unit or total cost of \$25,000 or more:

Requests For Proposals (RFP) from three (3) or more suppliers are required. These RFPs are publicly solicited (either in writing to vendors or through advertising). The RFPs must be mailed or hand delivered to HACAP, opened in the presence of a member of the Business Office, dated, and signed. No faxed proposals will be accepted. Proposals submitted after the submission deadline will be date stamped and remain un-opened and ineligible for consideration. A firm-fixed-price contract

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(lump sum or unit price) is awarded to the responsible bidder whose bid, conforming to all the material terms and conditions of the invitation best fits the agencies needs. Noncompetitive proposals will only be considered in situations where competition is deemed inadequate (insufficient bidders) or the item being purchased falls into one of the four categories listed below:

- **Uniqueness.** The good or service being obtained can only be requested from one manufacturer and no other manufacturers make or provide comparable products or services that will meet your needs.
- **Technical specifications.** A highly technical piece of equipment can be deemed "sole source purchase" if the technical aspects/training of the piece of equipment are required and necessary for your work
- **Compatibility.** A piece of equipment can be a "sole source purchase" due to its compatibility with existing equipment/infrastructure.
- **Approval.** The awarding agency approves the purchase.

1. Exceptions to these bidding procedures may be made for the following:

- a. Raw food and food supply orders: Food orders for kitchens and Child Centers shall be made by each Kitchen Supervisor from a list of vendors approved by the Manager. Food orders will be consolidated into one purchase order per month per vendor. Authorization levels will be estimated based on estimated servings, planned menus and vendor sales flyers. The selection of a specific vendor will be made daily or weekly by the Kitchen Supervisor based on actual price. The selection of food items will be made daily or weekly based on actual stock on hand at time of purchase and adjustments to planned menus.
- b. Reduced rate items: Purchase of items at special reduced rate near or below wholesale arrived at through negotiation or as part of a donated match may be approved on a case-by-case basis by the CEO or approved designee.
- c. Funding agency has a preferred vendor.
- d. HACAP's Weatherization and LiHEAP programs will follow the purchasing procedures of the Department of Human Rights of the State of Iowa.

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Required Solicitation of Quotations from Vendors

Solicitations for goods and services (requests for proposals or RFPs) should provide for all of the following:

1. A clear and accurate description of the technical requirements for the material, product or service to be procured. Descriptions shall not contain features which unduly restrict competition.
2. Requirements which the bidder/offeror must fulfill and all other factors to be used in evaluating bids or proposals.
3. Technical requirements in terms of functions to be performed or performance required, including the range of acceptable characteristics or minimum acceptable standards.
4. The specific features of "brand name or equal" descriptions that bidders are required to meet when appropriate.
5. The acceptance, to the extent practical, of products and services dimensioned in the metric system of measurement.
6. Preference, to the extent practical, for products and services that conserve natural resources and protect the environment and are energy efficient.
7. Preference for recycled products pursuant to EPA guidelines.
8. A description of the format, if any, in which proposals must be submitted, including the name of the person to whom proposals should be sent.
9. The date by which proposals are due.
10. Required delivery or performance dates/schedules.
11. Clear indications of the quantity (ies) requested and unit(s) of measure.

Evaluation of Alternative Vendors

Vendors shall be evaluated on a weighted scale that considers the following criteria (in no particular order):

1. Adequacy of the proposed methodology
2. Skill and experience of key personnel
3. Demonstrated experience

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4. Other technical specifications designated by department requesting proposals
5. Compliance to admin requirements of the request for proposal (format, due date, etc.)
6. Vendor's financial stability
7. Vendor's demonstrated commitment to the nonprofit sector
8. Results of communications with references supplied by vendor
9. Ability/commitment to meeting time deadlines
10. Cost
11. Minority- or women-owned business status of vendor
12. Other criteria (to be specified by department requesting proposal)
13. Proposals received with translations using the metric system.

Not all of the preceding criteria may apply in each purchasing scenario. However, the program responsible for the purchase shall establish the relative importance of the appropriate criteria prior to requesting proposals and shall evaluate each proposal on the basis of the criteria and weighting that have been determined.

On Requests for Proposals, once a vendor has been selected and approved by the Budget Manager the Chief Financial Officer will certify that the correct procedures were followed and the Human Relations Director will certify that the RFP meets grant compliance requirements.

Once the above requirements have been met the Program Manager can submit the final selection to the CEO for approval prior to entering into a contract.

Purchasing Forms

In order to purchase an email listing the following must be submitted to the Business Office:

1. Approval from the appropriate Budget Manager or designee
2. Name of vendor item is to be purchased from
3. Total cost of order
4. Line item to which the purchase will be charged to
5. Whether the purchase will be a PO or on someone's credit card
6. Quotes if applicable

Once the above information is received by the Business Office, a PO or credit card authorization will be submitted back to the purchaser or Budget Manager. In the event that the particular line item is overspent, approval from the CEO or approved designee will be needed to purchase the items.