

October 14, 2011

MEMORANDUM

TO: Purchasing Offices
Departments, Institutions, Agencies
Commonwealth of Virginia

FROM: Ron Bell
Director

SUBJECT: Procurement Information Memoranda (PIM) #98-029

Enclosed is PIM #98-029, effective October 14, 2011, representing changes to the September 1998 edition of the *Agency Procurement and Surplus Property Manual (APSPM)*. The Summary of Changes below is in the order of the changes to the *APSPM*. All changes to the *APSPM* are incorporated into a web-based *APSPM*, which is downloadable from the eVA website at <http://www.eva.virginia.gov>. The full *APSPM* version containing changes as a result of this PIM will be posted to the website. The location of text changes is indicated by an arrow in the margin (→) with the corresponding PIM #98-029 number identified next to the changes. All arrows indicating previous changes are removed. Appendix C contains a log recording the PIM number and date of revision. This memorandum and the corresponding PIM #98-029 should be filed in the back of the Appendix C log.

APSPM Cite	Summary of Changes
1.2 a.	Allows agencies to request an increase in delegated procurement authority from \$50,000 to \$100,000 if they certify compliance with the <i>Code of Virginia</i> , § 2.2-1110.
1.2 c.	Clarifies that agencies are delegated unlimited authority to procure goods for retail sales.
1.4 c.	Increases small purchase threshold for certain bulk purchases from \$50,000 to \$100,000.
1.4 e.	Increases small purchase threshold for copyrighted material from \$50,000 to \$100,000.
1.5 b.	Changes exception to competitive requirements limit for certain items from \$50,000 to \$30,000.
1.5 b. (18)	Adds #18.
1.5 c.	Deleted.
1.5 e.	Deleted.
1.5 f.	Deleted.
1.5 g.	Deleted.
Annex 1-A	Adds a new form for agencies to request increased general delegation from \$50,000 to \$100,000 if they certify compliance with the <i>Code of Virginia</i> , § 2.2-1110.
Annex 1-B	Combines old Annex 1-A with Annex 1-B and creates a new form to be utilized by agencies requesting unlimited delegated procurement authority.
2.1	Clarifies that agencies may not establish a term contract for the same or similar goods or services available from a DGS/DPS state contract.
3.2 a.	Changes the minimum amount requiring bid bonds from \$100,000 to \$500,000.
3.2 a. (2)	Changes maximum amount where agencies have the option of requiring bid bonds from 100,000 to \$500,000.
3.2 a. (3)	Adds statement that contractors must be prequalified if bond requirements are waived between \$100,000 and \$500,000.
3.2 b. (1)	Changes minimum amount requiring performance and payment bonds from \$100,000 to \$500,000.
3.2 b. (3)	Changes maximum amount where agencies have the option of requiring payment and performance bonds from \$100,000 to \$500,000.
3.2 b. (5)	Adds statement that contractors must be prequalified if bond requirements are waived above \$100,000 up to \$500,000.
3.2 c.	Changes minimum amount requiring bonds on non-transportation related construction projects from \$100,000 to \$500,000.
3.5 a.	Changes threshold for contract modifications to \$50,000 instead of small purchase limit.
3.5 b	Adds that requests to exceed 25% shall be submitted to the Deputy Director of DPS.

3.7	Clarifies that agencies that utilize cooperative procurements must comply with this section. Removes duplicative language.
3.7 b.	Clarifies that the Commonwealth's General Terms and Conditions apply to cooperative contracts. Precludes agencies from utilizing other cooperatives when DGS/DPS contracts exist for the same or similar goods or services.
3.7 c.	Requires DGS/DPS approval before using cooperative contracts, including national cooperatives, not awarded by a Commonwealth agency.
3.7 d.	Adds information on how sponsoring agencies can post cooperative contracts on eVA.
3.7 e.	Revises GSA section.
3.14 a.	Adds price-matching reciprocal preference.
3.18	Requires public bodies to post IFBs, RFPs, addenda, and sole source and emergency award notices on eVA VBO.
3.18 a.	Requires posting on eVA VBO for written informal solicitations over \$5,000 when not utilizing Quick Quote.
3.18 b.	Requires 10 day posting on eVA VBO for IFBs, newspaper optional.
3.18 c.	Requires 10 day posting on eVA VBO for RFPs, newspaper posting also required.
3.18 d.	Removes \$50,000 limit for posting award notices.
Annex 3-A	Changes \$50,000 purchase threshold to \$100,000 on procurement methods flowchart.
Annex 3-B	Revises Summary of Procurement Policies to make the small purchase threshold \$100,000 instead of \$50,000 and changes competitive sealed bidding and competitive negotiation threshold to over \$100,000 instead of over \$50,000.
4.2	Changes selection of procurement method threshold from \$50,000 to \$100,000.
4.5	Adds requirement for agencies and institutions to deny prequalification to contractors who do not register with E-Verify, effective 12/01/2013.
4.15	Revises small purchase procedures for bookstore, commissary, canteen, gift shop, and similar retail outlet purchases.
4.17 a. & b.	Clarifies that agencies may purchase used equipment using noncompetitive negotiation up to \$30,000.
4.24 h. & i.	Changes minimum amount requiring bid, performance, and payment bonds for construction services from \$100,000 to \$500,000.
Annex 4-E	Deleted.
5	Changes small purchase threshold from \$50,000 to \$100,000. Adds posting requirements for small purchases exceeding \$5,000.
5.1	Changes threshold from \$50,000 to \$100,00 for determining procurement method.
5.1 a.	Deletes section regarding oral or written quotes.
5.1 b.	Deletes section regarding written quotes.
5.6	Changes unsealed bidding threshold from \$50,000 to \$100,000.
5.6 a.	Changes unsealed bidding threshold from \$50,000 to \$100,000. Allows use of unsealed bidding for complex procurements if agency expects to issue addenda.
5.6 c.	Changes eVA VBO posting requirement from \$50,000 to \$5,000.
5.7 a.	Changes unsealed proposal threshold from \$50,000 to \$100,000.
5.7 a. (2)	Changes eVA VBO posting requirement from \$50,000 to \$5,000.
5.7 b. and b. (1)	Changes unsealed best value threshold from \$50,000 to \$100,000.
5.7 b. 8	Removes VBO advertising reference in this section.
5.7 b. 9	Adds eVA VBO advertising requirement over \$5,000.
5.8	Changes threshold for purchases for research and academic support from \$50,000 to \$100,000 or delegated authority, whichever is less.
Annex 5-A	Changes threshold for small purchases from \$50,000 to \$100,000 in flowchart.
Annex 5-E	Changes unsealed bidding threshold for small purchases from \$50,000 to \$100,000.
Annex 5-F	Changes unsealed proposal threshold for small purchases from \$50,000 to \$100,000.
6	Changes competitive sealed bidding threshold from \$50,000 to \$100,000.
Annex 6-A	Changes competitive sealed bidding threshold from \$50,000 to \$100,000.
Annex 6-B STEP Four, C.	Requires posting of all IFBs on eVA VBO. Deletes reference to Quick Quote.

Annex 6-B STEP Four, D.	Replaces Public Posting procedure with Advertising procedure.
7.2 g.	Changes request for proposal threshold from \$50,000 to \$100,000.
Annex 7-A	Changes competitive sealed proposal threshold from \$50,000 to \$100,000.
Annex 7-B STEP Three, III	Requires posting of all RFPs on eVA VBO.
Annex 7-B STEP Three, IV	Revises Advertising requirement.
Annex 7-B STEP Ten, III, A.	Technical correction changes Offeror B's maximum evaluation points from 5 to 25.
8.2	Adds "Unless otherwise authorized in this chapter" to beginning of section.
8.5	Requires posting of all sole source award notices on eVA VBO. Adds newspaper as optional posting place. Adds code reference.
8.7	Adds section on Alternative Procurements.
Annex 8-F	Adds example Notice of Contract Award form to be used for Alternative Procurements.
9.3 b.	Requires posting of all emergency award notices on eVA VBO. Adds newspaper as optional posting place. Adds code reference.
Annex 9-A STEP Seven	Changes posting requirement on flow chart to remove \$50,000 threshold.
Annex 13-D	Adds Cooperative Procurement as a proposed procurement method on the Procurement Exemption Request form.
14	Requires agencies to use eVA at the point of requisitioning for all procurement actions and to integrate their ERP where necessary to capture data and to eliminate or avoid duplicate or manual data entry in agency systems unless otherwise authorized in writing by the Division or in accordance with the provisions of the Restructured Higher Education Financial and Administrative Operations Act.
14.5	Revises posting requirements for small purchase competitive requirements
14.5 e.	Renames section from Quick Quote to Unsealed Bidding. Allows use of unsealed bidding for complex procurements if agency expects to issue addenda.
14.5 e. (2)	Adds sub section to provide guidance on using unsealed bidding.
14.5 g.	Changes statement to read that Quick Quote <u>shall not</u> be used to solicit competition for requirements over \$100,000.
14.9 b. 11(ii)	Adds exclusion from eVA for the award of contracts by agencies to charitable organizations in accordance with the provisions of APSPM 8.7, Alternative Procurements.
14.9 b. 16	Removes DPS contract number for Express Delivery services.
Appendix A Glossary and Acronyms	Updates the definition of Competitive Sealed Bid to remove the dollar threshold for sealed bidding procedures.
Appendix B Section I, U	Updates General Term and Condition U. ANNOUNCEMENT OF AWARD to revise award notice posting requirements.
Appendix B Section I, X	Updates General Term and Condition X. eVA BUSINESS-TO-GOVERNMENT VENDOR REGISTRATION to eliminate the vendor registration fee and adjust the vendor transaction fee.
Appendix B Section II, 59	Updates Special Term and Condition 59. eVA BUSINESS-TO-GOVERNMENT CONTRACTS AND ORDERS to adjust the vendor transaction fee and clarify invoice and payment schedule.
Appendix B Section II, J	Updates Special Term and Condition J. to allow the use of AWARD TO OTHER THAN THE LOWEST PRICED BIDDER in unsealed solicitations over \$50,000.
Appendix B Section II, K	Updates Special Term and Condition K. to allow the use of AWARD TO OTHER THAN THE HIGHEST RANKING OFFEROR(S) in unsealed solicitations over \$50,000.
Index	Adds Alternative Procurement.

To print a copy of the manual, save it to your hard drive or network and print from there. Printing directly from the website may result in lost formatting. If you should have questions about the changes, please contact Suzanne Swinson at 804-225-3354 or suzanne.swinson@dgs.virginia.gov

- 1.2 a. **Goods.** The general delegation threshold for the purchase of goods including printing is \$50,000. Requirements over the agency's delegated authority shall be forwarded to DGS/DPS for processing. Purchases from state contracts are unlimited except for limitations on specific contracts.

Agencies and institutions utilizing DGS' central electronic procurement system beginning at the point of requisitioning for all procurement actions including, but not limited to, technology, transportation & construction, unless otherwise authorized in writing by the Division (*Code of Virginia*, § 2.2-1110) may request an increase in delegated procurement authority as follows:

- The agency or institution may request its delegated procurement authority be increased to \$100,000 utilizing the AGENCY/INSTITUTION REQUEST FOR \$100,000 DELEGATED PROCUREMENT AUTHORITY FOR GOODS AND PRINTING form, Annex 1-A.
- The agency or institution may request unlimited authority for the procurement of goods but must meet standards established by DGS/DPS. Unlimited authority must be requested by submitting the AGENCY/INSTITUTION REQUEST FOR UNLIMITED DELEGATED PROCUREMENT AUTHORITY FOR GOODS AND PRINTING form, Annex 1-B. All requests must be signed by the Agency Head and will be reviewed for conformance with published standards.

All agency level purchase transactions should be initiated through the use of a requisition. DGS/DPS will not accept requisitions estimated to be \$5,000 or less. Between \$5,000 and the agency's delegated procurement authority, the agency has the option of forwarding requisitions to DGS/DPS for processing or handling them locally. For information concerning increased delegated procurement authority, call 804-786-1600.

- 1.2 c. **Purchase of Goods for Resale in State Operated Bookstores, Commissaries, Canteens, Gift Shops, and Similar Retail Outlets.** Agencies are delegated unlimited authority for direct procurement of items for retail sale such as books, magazines, novelties, paper, pens, pencils, pre-packaged edibles, school supplies, souvenirs, tobacco products, toiletries, and wearing apparel (see 4.15).

- 1.4 c. **DGS/DPS has delegated the authority to agencies and institutions to make bulk purchases of the following listed commodities.** Up to \$100,000, use small purchase procedures (see Chapter 5); over \$100,000 use the applicable method of procurement. However, bulk purchases of commodities used in road and highway construction and maintenance, and aggregates shall not be made by online public auctions (*Code of Virginia* § 2.2-4303.I).

<u>CC#</u>	<u>COMMODITY</u>		
040-All	Animal and Livestock	45-84	Slurry Seal
325-All	Animal Feed, All types	750-07	Borrow and Soil
335-All	Fertilizer, All types	750-21	Cement, Truckload Lots
390-All	Foods, Perishable	750-35	Crushed Stone
540-78	Sawdust	750-56	Lightweight Aggregate, all types
595-All	Wood Chips & Bark, etc.	750-63	Local Option Materials, Gravel, Nonpotable Water, Pit Run, Sand, etc.
675-All	Poisons, Agriculture		
690-All	Poultry, Live	750-70	Ready-Mix Concrete
745-07	Asphalt	750-77	Sand and Gravel
745-14	Asphaltic Concrete, Cold Laid	750-95	White (Hydrated) Lime
745-21	Asphaltic Concrete, Hot Laid	770-06	Aggregate, Gravel, Marble, etc.
745-70	Road Oil		Seed, Sod, etc.
745-77	Rock Asphalt, Cold Mix		

- 1.4 e. **Purchase of Copyrighted Books and Copyrighted Audio-Visuals.** The purchase of copyrighted material such as books, written publications, standardized tests, answer sheets, and copyrighted audio/audio-visual film, diskettes, compact discs, and tapes are not required to be requisitioned through DGS/DPS. Up to \$100,000 use small purchase procedures, over \$100,000 use the applicable method of procurement.

1.5 **Exceptions to Competitive Requirements.** DGS/DPS has determined that competition normally is either not practicable or available for purchases of the following goods or services, and purchase through DGS/DPS is not mandatory; however, one quote must be obtained and documented.

- a. Purchases up to \$5,000.
- b. The following selected categories of goods and services up to and including \$30,000:
 - (1) Books, pre-printed materials, reprints and subscriptions (e.g., print or electronic), pre-recorded audio and video cassettes, compact discs, slide presentations, etc., when only available from the publisher/producer.
 - (2) Academic/research consulting services.
 - (3) Purchases of used equipment including used equipment purchased at a public or online auction (see 4.17).
 - (4) Honoraria, entertainment (speakers, lecturers, musicians, performing artists).
 - (5) Training that is specialized, proprietary, not typically available to the general public for which competition is generally unavailable, off-site, and requires a registration fee. Contact the Department of Human Resource Management, Training Manager, at 804-225-2016, to ascertain if the training being requested is available through an existing contract or another source.
 - (6) Royalties and film rentals when only available from the producer or protected distributors.
 - (7) Professional Organizational Membership dues.
 - (8) Writers.
 - (9) Artists (does not include graphic artists); original works of art; and original, or authentic antique period art frames (does not include newly created replacement or reproduction frames).
 - (10) Photographers other than for graduations and yearbooks, e.g., for official photographs/portraits.
 - (11) Contributions and donations made by a university.
 - (12) Advertisements such as in newspapers, magazines, journals, radio, television, etc.
 - (13) Utility charges.
 - (14) Conference facilities (to include conference support and related lodging and meals) only when the use of a specific facility is directed by an outside donor, sponsor, or organization (see 4.16 for the purchase of conference facilities under all other conditions).
 - (15) Accreditation fees and academic testing services.
 - (16) Exhibition Rental Fees for exhibitions of historical artifacts or original works of art. (The rental fee may include charges other than the rental of the exhibition, such as transportation costs.)
 - (17) Rare and historic manuscript, printed and photographic materials (e.g. books, ephemera, maps, manuscripts, photographs, and prints) that are one of a kind or exist in very limited supply.
 - (18) Purchases for testing or evaluation (limited to purchases of quantities considered necessary for complete and adequate testing).
- c. Deleted.

- d. Purchases from the federal government, other states and their agencies or institutions, and public bodies. Care must be exercised to be certain that the price is fair and reasonable.
- e. Deleted.
- f. Deleted.
- g. Deleted.

Annex 1-A

**COMMONWEALTH OF VIRGINIA
DGS/DIVISION OF PURCHASES AND SUPPLY**

AGENCY/INSTITUTION REQUEST FOR \$100,000 DELEGATED PROCUREMENT AUTHORITY FOR GOODS AND PRINTING

The Division of Purchases and Supply (DPS) is responsible for ensuring that state procurement activities in the Commonwealth meet the requirements of the *Virginia Public Procurement Act (VPPA)*, the regulations implemented by the Division, and procedures that are consistent with the Agency Procurement and Surplus Property Manual (APSPM). As a part of this responsibility, DPS will grant agencies and institutions that agree to the standards set forth below, an increase to \$100,000 from the general delegation of \$50,000 for procurement of goods and printing. These standards must be maintained for the agency or institution to retain the increased delegated procurement authority. The intent of these standards is to assure that agencies and institutions are utilizing the Commonwealth’s enterprise electronic procurement system, eVA, beginning at the point of requisitioning for all procurements actions including, but not limited to, technology, transportation, and construction (*Code of Virginia* § 2.2-1110). DPS will use these standards to consider all requests.

Accordingly, the below-named agency or institution (“Agency”) hereby requests that its delegation of procurement authority for goods and printing be increased to \$100,000. To qualify for this increased delegation of authority, the Agency hereby agrees to the following standards:

1. The Agency has and will continue to use eVA, the Commonwealth’s electronic procurement solution, beginning at the point of requisitioning and in accordance with all requirements set forth in *Code of Virginia* § 2.2-1110.A, as well as those set forth in Chapter 14 of the *Agency Procurement and Surplus Property Manual (APSPM)*.
2. The Agency will use eVA Quick Quote to the maximum extent practicable for small purchases up to \$100,000. This includes using eVA to issue purchase orders for Quick Quote procurements.
3. The Agency will use eVA VBO to publicly post all solicitations, solicitation addenda, and award notices including sole source and emergency as required by *Code of Virginia*, §§ 2.2-1110, 2.2-4301 and 2.2-4303). This also includes:
 - a. Small purchase procurements that are expected to exceed \$5,000. Quick Quote solicitations meet the public posting requirement.
 - b. Professional service procurements over \$50,000.
 - c. Intent to Award notices.
4. The Agency will include access to an electronic version of the solicitation and any solicitation addenda for all procurements publicly posted on eVA VBO.
5. The Agency will not re-delegate this additional procurement authority to end users outside the Agency’s central purchasing department/office unless the Agency obtains the written authorization from the Director of the Division of Purchases and Supply.

SUBMITTED BY: Agency: _____
(Printed or Typed)

By: _____
(Signature)

Name: _____
(Printed or Typed)

Title: _____
(Printed or Typed)

Telephone: _____ Email Address: _____

Date: _____
(Printed or Typed)

APPROVED BY: DGS/DPS: _____
Ron Bell, Director, DGS Division of Purchases and Supply

Effective Date: _____

Annex 1-B

AGENCY STANDARDS FOR UNLIMITED DELEGATED PROCUREMENT AUTHORITY

The Division of Purchases and Supply (DPS) is responsible for ensuring that state procurement activities in the Commonwealth meet the requirements of the *Virginia Public Procurement Act (VPPA)*. As a part of this responsibility, DPS has established the following standards to help agencies and institutions receive and maintain increased delegated procurement authority. The intent of these standards is to assure that delegated processes comply with the *VPPA*, using procedures that are consistent with the *Agency Procurement and Surplus Property Manual (APSPM)*. Agency written requests for increased delegated authority must be received from the agency or institution head. DPS will use these standards to consider all requests.

ORGANIZATION STANDARDS

COMPLIANCE. An organization must maintain an acceptable standard of compliance evidenced by a satisfactory Procurement Management Review. To gain unlimited delegated authority, a satisfactory review must have been completed within the previous 12-month period. Inability to correct areas noted as deficient will be reason to consider whether continued delegated procurement authority is warranted. If not, such authority may be rescinded or reduced, as appropriate.

DELEGATION WITHIN AN AGENCY. Agency and institution heads have the ultimate responsibility to ensure that the acquisition of goods or services does not violate or circumvent state law, executive orders, appropriations, regulations or the provisions of the *APSPM*. The Chief Procurement Officer is responsible for purchasing activities. Subsequent delegation within an agency must be consistent with the agency's ability to manage and monitor procurement activity according to these standards, and the procedures outlined in the *APSPM*. If an agency delegates procurement authority to an end-user for amounts over the level for oral quotations, then DPS approval is required. An agency must designate in writing, with dollar thresholds, individuals authorized to approve procurement documentation. An agency's authority to procure goods and services shall not be contracted to a private entity to act on the agency's behalf for the procurement of goods and services under any circumstances.

MANAGEMENT. The Chief Procurement Officer shall report no lower than hierarchical level three from the agency head and have full responsibility and commensurate authority for the agency's procurement-related policy and procedure development, implementation and administration. The grade, classification and title of the Chief Procurement Officer must be commensurate with the experience necessary to meet the responsibilities of the level of increased delegation.

ORGANIZATIONAL LOCATION. An agency's procurement activity should be separate from the accounting activity. If an agency cannot meet this standard, then the individual charged with responsibility and authority for organizational procurement must be classified in the purchasing classification skill series.

PURCHASING PROGRAM STANDARDS

AUTOMATION. The intent of these standards is to assure that agencies and institutions are utilizing the Commonwealth's enterprise electronic procurement system, eVA, beginning at the point of requisitioning for all procurements actions including, but not limited to, technology, transportation, and construction (*Code of Virginia* § 2.2-1110).

CONTRACT OPPORTUNITIES. An agency must analyze expenditures and procurements annually to assess contract opportunities.

PURCHASING POLICIES AND PROCEDURES. An agency must have adequate, up-to-date purchasing procedures, approved by the agency head, with applicable surplus, storage and distribution procedures. A policy statement by the agency head must be included to introduce any unique mission-oriented requirements, establish overall guidance and indicate the position responsible for procurement.

VIRGINIA BUSINESS OPPORTUNITIES (VBO) ADVERTISING. State public bodies shall post on the DGS central electronic procurement website, otherwise known as eVA, all Invitations to Bid, Requests for Proposal, addenda, and all award notices including sole source and emergency (*Code of Virginia*, §§ 2.2-1110 and 2.2-4301). Small purchases that are expected to exceed \$5,000 shall also require the posting of a public notice on eVA (*Code of Virginia*, §§ 2.2-1110 and 2.2-4303).

STAFFING STANDARDS

PROCUREMENT RESPONSIBILITY AND AUTHORITY. The individual designated by the agency head as Chief Procurement Officer must have authority that is commensurate with the responsibility for managing the procurement of goods and services.

PROCUREMENT STAFF. An agency must have sufficient, trained and classified purchasing staff to support the number, frequency and complexity of the agency's procurement requirements, including capital outlay and risk management.

STAFF SUPERVISION. The position designated with responsibility for procurement must also have responsibility for managing and supervising the purchasing staff. A staff reduction exceeding 25% will be reason to consider a modification to an agency's delegated procurement authority.

PROFESSIONAL STANDARDS

ETHICS. An agency must comply with Ethics in Public Contracting (VPPA § 2.2-4367 to 2.2-4377), the *State and Local Government Conflict of Interests Act*, and the *Virginia Government Frauds Act*. Additionally, annual refresher training classes must be provided to all who have authority to bind the agency or institution with non-government entities.

TRAINING STANDARDS

END-USER TRAINING. An agency must conduct annual training for end-users and contract administrators that is commensurate with agency efforts to subsequently delegate procurement authority within the agency.

PROFESSIONAL TRAINING. An agency's purchasing staff must maintain a standard of active participation and attendance at training conducted at DGS/DPS and/or other professional purchasing associations.

PROFESSIONAL ASSOCIATIONS. An agency must maintain a professional affiliation through membership in at least one professional purchasing association, e.g., CAPA, VAGP, NIGP, ISM, NASPO, etc.

TRAINING RECORDS. An agency must maintain records to show training that is received and provided, and a plan for future training of professional purchasing staff.

VIRGINIA CONTRACTING OFFICER (VCO) CERTIFICATION. An agency's Chief Procurement Officer and lead buyer must be VCO certified. Other procurement staff should achieve VCO certification within two years of increased delegated authority or within two years of hiring.

To request unlimited delegated procurement authority, an agency/institution head must submit a request in accordance with the following format and include the required documentation to outline the implementation methodology. Submit the request and required documentation to: Director, DPS, P. O. Box 1199, Richmond, VA 23218-1199. The agency should refer to these standards when applying for unlimited delegated authority. An on-site review may be scheduled.

Ron Bell, Director
Department of General Services/Division of Purchases and Supply
October 14, 2011

Annex 1-B Form

**COMMONWEALTH OF VIRGINIA
DGS/DIVISION OF PURCHASES AND SUPPLY
AGENCY/INSTITUTION REQUEST FOR
UNLIMITED DELEGATED PROCUREMENT AUTHORITY**

To: Director, DGS/DPS
1111 East Broad Street
P. O. Box 1199
Richmond, VA 23218-1199

Date: _____

Contact Name: _____

Telephone Number: _____

Agency Code: _____

Email: _____

Mailing Address: _____

Agency Head Approval:

(Print/Type Name)

(Signature)

JUSTIFICATION

Provide justification for the agency's /institution's request for unlimited delegated procurement authority.

ORGANIZATION STANDARDS

1. Compliance. Outline actions taken to remedy noncompliance issues in the most recent Procurement Management Review. Include date of last Procurement Management Review report: _____.

2. Delegation within an Agency

- Identify all current delegation to departments, end-users, and facility management positions within the agency/institution. Include any planned changes to internal delegation if unlimited delegated procurement authority is received.
- Attach list of individuals and/or position titles with authority to award contracts.

3. Management

Chief Procurement Officer: _____

Pay Band: _____

Role: _____

Working Title (if different): _____

Provide a brief synopsis of the individual's relevant professional background and experience.

4. Organizational Location

- Attach an organizational chart depicting the location of the Procurement Department within the agency/institution hierarchical organization.
- Attach any master plan or describe any anticipated agency development that may impact purchasing (i.e., additional agency locations, changes in personnel policy or levels, revised agency missions/goals, etc.).

PURCHASING PROGRAM STANDARDS

5. Automation

- Describe the agency/institution's utilization of the Commonwealth's enterprise electronic procurement system, eVA, beginning at the point of requisitioning for all procurements actions (*Code of Virginia* § 2.2-1110)..
- If the agency/institution has an enterprise resource planning or other financial system that requires purchase transaction data, describe the steps that will be taken to integrate that system with the Commonwealth's enterprise electronic procurement system, eVA (*Code of Virginia* § 2.2-1110).

- Describe current automation in procurement activities and initiatives to further automate agency procurement processes, and how the agency/institution would be willing to assist and participate in DPS statewide initiatives.

6. Contract Opportunities

- Describe how contract opportunities are assessed.
- Attach a list of all agency awarded term contracts, with expiration dates, renewals, and contract administrators for each.

7. Purchasing Policies and Procedures

- Attach current written purchasing procedures, approved by the agency/institution head, which include applicable surplus, storage, and distribution procedures.
- Provide a copy of the agency/institution head's procurement policy statement.

8. Virginia Business Opportunities (VBO) Advertising. Describe use, or intended use, of eVA VBO advertising (*Code of Virginia § 2.2-1110*).

STAFFING STANDARDS

9. Procurement Responsibility and Authority. Provide a brief description of how the individual designated by the agency/institution head, as Chief Procurement Officer, has authority commensurate with procurement management responsibilities.

10. Procurement Staff

- Identify staff and scope of responsibilities for all positions awarding contracts and attach position descriptions.
- Describe any additional responsibilities handled by procurement staff (e.g., facility management, capital outlay, security, transportation, etc.).

11. Staff Supervision

- Describe the extent to which the Chief Procurement Officer manages the purchasing function.
- If not provided in No. 4, attach an organizational chart of the purchasing staff depicting structure, level, and pay bands and roles of professional purchasing staff; and separately identify accounting function.

PROFESSIONAL STANDARDS

12. Ethics. Describe the agency's/institution's plan to provide annual refresher and ethics training classes to all who have the authority to bind the agency or institution with non-governmental entities.

TRAINING STANDARDS

13. End-User Training. Describe the agency's/institution's annual training for end-users and contract administrators, commensurate with agency efforts to subsequently delegate procurement authority within the organization.

14. Professional Training. Describe how the agency's purchasing staff will maintain a standard of active attendance and participation in DGS/DPS training, and/or other professional purchasing associations.

15. Professional Associations. Describe how the agency will maintain professional affiliations through memberships in at least one professional purchasing association (e.g. CAPA, VAGP, NIGP, ISM, NASPO, etc.).

16. Training Records. Describe the agency's/institution's records showing training that has been received and provide a plan for future training of professional purchasing staff.

17. VCO Certification. Attach copy of VCO certificates for the Chief Procurement Officer and lead buyer(s). Describe how procurement staff will achieve VCO certification within two years of increased delegated authority or of hiring.

2.1 **Mandatory Sources**

- a. **Term Contracts.** To obtain more favorable prices through volume purchasing and to reduce lead-time and administrative cost and effort, DGS/DPS may establish mandatory use term contracts for goods or services. DPS contracts are posted on the eVA State Contracts listing. Agencies and institutions are required to check this listing for contracts, contract changes, renewals, and mandatory use prior to placing orders. In accordance with the terms and conditions, purchase orders shall be issued in any amount for any goods or service on a term contract available to that participant. Agencies and institutions shall place all orders on mandatory use contracts through eVA. If an item is available on a DGS/DPS mandatory contract, agencies and institutions may not establish a contract for the same or similar goods or services or use their local purchasing authority to purchase from another source unless the purchase is exempt by contract terms such as not meeting the contract's minimum order requirement. Vendors who intentionally sell or attempt to sell goods or services to an authorized participant who is under a mandatory contract with another vendor may be suspended and/or debarred by DGS/DPS. The purchase by agency personnel of goods or services that are on DGS/DPS mandatory contracts from non-contract sources may result in reduction or withdrawal of that agency's delegated purchasing authority by DGS/DPS (see 13.7). An exception from a mandatory state contract may be granted by DGS/DPS. The Procurement Exemption Request form located in Annex 13-D should be used to request an exception. Approved exemption requests must be attached to the purchase transaction file either electronically or by hard copy.

3.2 **Bonds**

- 3.2 a. **Bid Bonds.** Except in cases of emergency, all bids or proposals for nontransportation-related construction contracts in excess of \$500,000 or transportation-related projects authorized under § 33.1-12 that are in excess of \$250,000 and partially or wholly funded by the Commonwealth shall be accompanied by a bid bond from a surety company selected by the bidder that is legally authorized to do business in Virginia, as a guarantee that if the contract is awarded to such bidder, that bidder will enter into the contract for the work specified in the bid. The amount of the bid bond shall not exceed five percent of the amount bid (*Code of Virginia*, § 2.2-4336).

- (2) Nothing in this section shall preclude the state from requiring bid bonds to accompany bids or proposals for construction contracts anticipated to be less than \$500,000 for non transportation-related projects or \$250,000 for transportation-related projects authorized under § 33.1-12 and partially or wholly funded by the Commonwealth.
- (3) For nontransportation-related construction contracts in excess of \$100,000 but less than \$500,000, where bond requirements are waived, prospective contractors must be prequalified for each individual project in accordance with *Code of Virginia*, § 2.2-4317.

3.2 b. **Performance and Payment Bonds.**

- (1) Upon the award of any (i) public construction contract exceeding \$500,000 awarded to any prime contractor, (ii) construction contracts exceeding \$500,000 awarded to any prime contractor requiring the performance of labor or the furnishing of materials for buildings, structures or other improvements to real property owned by a public body; or (iii) transportation-related projects exceeding \$250,000 that are partially or wholly funded by the Commonwealth, the contractor shall furnish to the public body the following bonds (*Code of Virginia*, § 2.2-4337):
- (3) Nothing in this section shall preclude the state from requiring payment or performance bonds for construction contracts up to \$500,000 for non transportation-related projects or \$250,000 for transportation-related projects authorized under *Code of Virginia*, § 33.1-12 and partially or wholly funded by the Commonwealth.
- (5) For nontransportation-related construction contracts in excess of \$100,000 up to \$500,000, where bond requirements are waived, prospective contractors must be prequalified for each individual project in accordance with *Code of Virginia*, § 2.2-4317.

- 3.2 c. **Bonds on Construction Contracts.** Upon award of a non-transportation-related construction contract exceeding \$500,000, the contractor shall furnish a Performance Bond and a Payment Bond, each in the sum of the contract. (*Code of Virginia*, § 2.2-4337). Each bond shall be executed by one or more surety companies that are legally

authorized to do business in Virginia. Form CO-10 Commonwealth of Virginia Standard Performance Bond, Form #DGS-30-084, and Form CO-10.1 Commonwealth of Virginia Standard Labor and Material Payment Bond, Form #DGS-30-088, shall be used. (Forms may be downloaded from the DGS/Division of Engineering & Buildings website, <http://deb.dgs.virginia.gov>).

3.5 **Contract/Purchase Order Modification Restrictions.**

- a. **Purchases up to \$50,000** - Cumulative contract modifications to purchases up to \$50,000 shall not exceed 25% of the original contract price without advance written approval of the agency head or his/her designee (see also *Vendors Manual*, 7.17 for exception).
- b. **Purchases Over \$50,000** - A public contract may include provisions for modification of the contract during performance, but no fixed-price contract may be increased by more than 25% of the original amount of the contract or \$50,000, whichever is greater, without the advance written approval of the Governor or his designee (*Code of Virginia*, § 2.2-4309A). By executive order this is the Director of the Department of General Services. Requests to exceed the 25% increase shall be submitted to the Deputy Director of DPS at 804-225-3707. This limitation applies to the aggregate change orders in a contract. In no event may the amount of any contract, without adequate consideration, be increased for any purpose, including, but not limited to, relief of a bidder or offeror from the consequences of an error in its bid or offer (see 10.12).

3.7. **Cooperative Procurement.** The *Code of Virginia*, § 2.2-4304 authorizes public bodies to participate in, sponsor, conduct, or administer cooperative procurements to satisfy requirements for goods and non-professional services. Any authority, department, division, institution, officer, agency, and other unit of state government, hereinafter called the agency, must comply with the following requirements, and all such purchases shall be made through eVA. In addition, cooperative contracts or arrangements under which any fees, incentives or financial terms, direct or indirect, may be rebated, paid, or credited to Commonwealth using agencies require the approval of DGS/DPS before any order or commitment can be made by the using agency.

- b. **Use of Commonwealth Cooperative Contracts:** Agencies desiring to purchase from cooperative contracts for non-telecommunications and non-technology goods and nonprofessional services as set forth in *Code of Virginia*, §2.2-4304 may do so without regard to their delegated purchasing authority when all the following conditions are met: (1) no DGS/DPS contract exists for the same or similar goods and services; (2) the contracts were awarded by Commonwealth agencies or institutions; (3) the agency participated in the request for proposal or invitation to bid or the contract original solicitation specified that the procurement was being conducted on behalf of other public bodies; (4) the contracts are posted on the eVA State Contracts listing to assure public visibility of the full terms and pricing of such contracts and any amendments; and (5) the contractors are registered in eVA and agree to the Commonwealth's General Terms and Conditions, any other terms and conditions, and any other considerations for doing business with the Commonwealth. The Procurement Exemption Request form located in Annex 13-D should be used to request approval to buy from cooperative contracts awarded by Commonwealth agencies that are not posted on eVA.
- c. **Use of Non-Commonwealth Cooperative Contracts, including National Cooperatives awarded by other than Commonwealth agencies and institutions:** These cooperatives are not authorized unless approved in writing by DGS/DPS. Authorized cooperative contracts awarded by other than Commonwealth agencies are posted on the eVA State Contracts listing to assure public visibility of the full terms and pricing of such contracts after DGS/DPS determines that the contracts comply with *Code of Virginia*, §2.2-4304; that prices are fair and reasonable; that Virginia businesses have been afforded access to participate; that the contractors are registered in eVA; and that contractors agree to the Commonwealth's General Terms and Conditions, any other terms and conditions, and any other considerations for doing business with the Commonwealth. The Procurement Exemption Request form located in Annex 13-D should be used to request approval to buy from cooperative contracts awarded by other than Commonwealth agencies that are not posted on eVA.
- d. **Sponsoring Agencies and Non-Commonwealth Entities:** Agencies and Non-Commonwealth entities sponsoring cooperative contracts should visit the eVA State Contracts page in eVA for specific information on how to make cooperative contracts available to agencies.
- e. **General Services Administration (GSA) or other U.S. Government Contracts:** As authorized by the United States Congress and consistent with applicable federal regulations, and provided the terms of the contract permit such purchases, § 2.2-4304 of the *Code of Virginia* permits any authority, department, agency, or institution of the Commonwealth to purchase goods and nonprofessional services, other than

telecommunications and information technology, from a U.S. General Services Administration contract or a contract awarded by any other agency of the U.S. government, upon approval of the Director of the Division of Purchases and Supply of the Department of General Services for non-technology purchases and the Commonwealth's Chief Information Officer for technology purchases. For non-IT general purchases only one GSA Schedule has been approved for use by Congress, Schedule 84. Certain law enforcement, drug interdiction, and emergency operations programs have been granted authority by Congress to use any GSA Schedule subject to GSA guidelines as to when they may be used.

3.14 **Preferences**

- a. **Reciprocal Preferences.** Whenever the lowest responsive and responsible bidder is a resident of any other state and such state under its laws allows a resident contractor of that state a percentage preference, a like preference shall be allowed to the lowest responsive bidder who is a resident of Virginia and is the next lowest bidder. If the lowest responsive and responsible bidder is a resident of any other state and such state under its laws allows a resident contractor of that state a price-matching preference, a like preference shall be allowed to bidders who are residents of Virginia. If the lowest responsive and responsible Virginia bidder is unable to match the price, the preference shall be given to other Virginia bidders in ascending price order. If the lowest bidder is a resident contractor of another state with an absolute preference, the bid shall not be considered. DGS/DPS will post and maintain a listing of preference laws provided by other states on the eVA website. (Absolute preference defined, see Appendix A.) See www.eva.virginia.gov for a listing of state preference laws and (*Code of Virginia*, § 2.2-4324B).

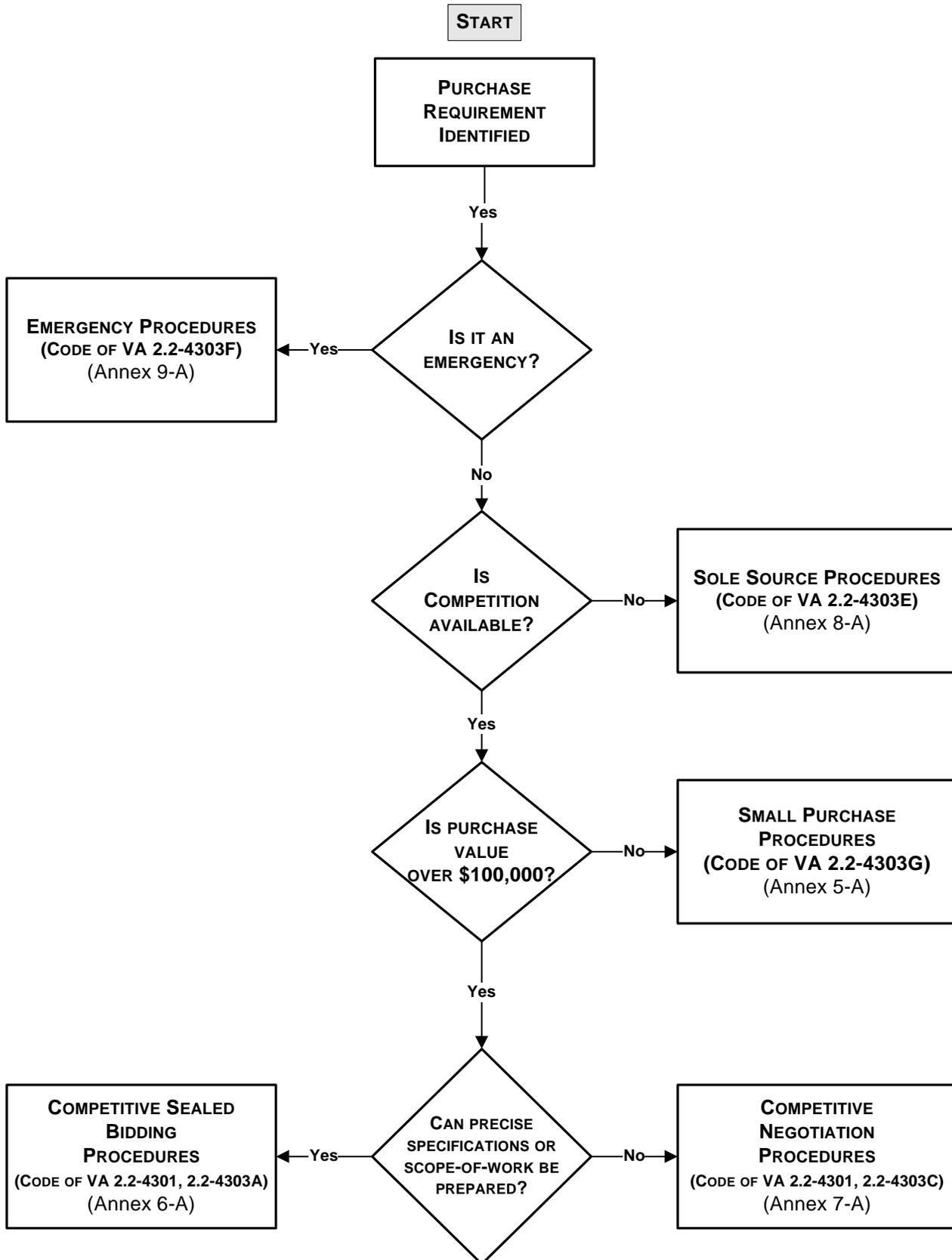
3.18 **Publicly Posted Notices.** All Invitations to Bid, Requests for Proposal, sole source award notices, and emergency award notices shall be posted on the DGS central electronic procurement system, commonly known as eVA VBO. (*Code of Virginia*, § 2.2-1110). Addenda are also required to be posted. Professional service procurements must be posted over \$50,000. The eVA web site address is www.eva.virginia.gov. Solicitations, notices, addenda and awards shall be posted on the eVA web site under the eVA application link for "VBO Buyer", hereinafter referred to as eVA VBO. The agency must include in the posting access to an electronic version of all solicitation documents. The eVA web site provides instructions for posting solicitation and award notices.

- a. All written informal solicitations that are expected to exceed \$5,000 shall require the posting of a public notice in eVA VBO. The use of Quick Quote meets the public posting requirement.
- b. IFB solicitations must be publicly posted on eVA VBO at least 10 days prior to the date set for receipt of bids (*Code of Virginia*, §§ 2.21110 and 2.2-4301). In addition, notices may be published in a newspaper of general circulation, at least 10 days prior to the date set for receipt of bids. Prebid conferences or site visits should be indicated when applicable. When canceling or amending a solicitation, a copy of the notice or addendum must be publicly posted on eVA VBO.
- c. RFP solicitations must be publicly posted on eVA VBO at least 10 days prior to the date set for receipt of proposals. Notices shall also be published in a newspaper or newspapers of general circulation in the area in which the contract is to be performed. The newspaper notice need only be a brief summary of essential elements of information (*Code of Virginia*, § 2.2-4301). Preproposal conferences or site visits should be indicated on the cover sheet of the solicitation when applicable. When canceling or amending a solicitation, a copy of the notice or addendum must be publicly posted on the eVA VBO.
- d. Award Notices must be posted for a ten (10) day period immediately following the actual time of award. If used, the Notice of Intent to Award must be posted ten days prior to the actual time of award (see also 4.12d). Emergency notices must state that the contract is being issued on an emergency basis while sole source notices must state that only one source was determined to be practicably available and both must also state that which is being procured, the contractor selected, and the date on which the contract was or will be awarded. Routine award notices may be a copy of the bid tabulation sheet revealing bidders prices and indicating the bidder receiving the award. IFB and RFP solicitations must contain the General Term and Condition on Announcement of Award (see Appendix B, Section I. U.). The award notice shall be posted on the eVA VBO and in any additional locations as prescribed in the solicitation for a ten (10) day period immediately following the actual time of award (*Code of Virginia*, § 2.2-4360).

Annex 3-A

PROCUREMENT METHODS FLOWCHART

Commonwealth public procurement process - Basic decisions and procedures



**Annex 3-B
Summary of Procurement Policies**

I. Small Purchases - Goods and Services, other than Professional Services (see Chapter 5)

Thresholds	Procedures
Small Purchase: Up to \$5,000	Obtain a minimum of one (1) quote from a DMBE-certified small business, if available.
Over \$5,000 up to \$50,000	Solicit a minimum of four (4) DMBE-certified small business sources, if available, in writing or electronically using Unsealed Bidding; Unsealed Proposal, or Unsealed Best Value Acquisition methods depending on procurement. Quick Quote shall be used unless addenda are anticipated and unsealed bidding is allowed. Solicitations up to \$50,000 shall be set-aside for DMBE-certified small unless exempted and documentation is required.
Over \$50,000 up to \$100,000	Solicit a minimum of four (4) sources, including a minimum of two (2) DMBE-certified small businesses, in writing or electronically, using Unsealed Bidding, Unsealed Proposal, or Unsealed Best Value Acquisition methods depending on procurement. Quick Quote shall be used unless addenda are anticipated and unsealed bidding is allowed. If set-aside for small business only (see 3.10g), solicit a minimum of four (4) DMBE-certified small businesses, if available.
	Requires public posting on eVA VBO if small purchase expected to exceed \$5,000. Quick Quote solicitations meet the public posting requirement.

II. Competitive Sealed Bidding or Competitive Negotiation (see Chapters 6 & 7)

Threshold	Procedures
Over \$100,000; may be used for lesser amounts.	Unless set-aside for small businesses only (see 3.10 g), solicit a minimum of six (6) sources, including a minimum of four (4) DMBE-certified small businesses, in writing, including electronically through eVA. If set-aside, solicit a minimum of six (6) DMBE-certified small businesses, if available. Use one of the following methods for purchases over \$100,000 unless an exception (see III. below). 1 - Competitive sealed bidding. 2 - Two-step competitive sealed bidding. 3 - Competitive negotiation, including Best Value Acquisition. A written justification is required.

III. Exceptions To Competitive Procurement (see Chapters 8 & 9)

Thresholds	Procedures
Emergency	Take immediate action if required to protect personal safety or property and noncompetitively negotiate. Other emergencies, seek competition to the extent practicable. Requires written determination signed by the agency/institution head or designee.
Sole Source (Unlimited dollar amounts)	Over \$5,000, a written quotation must be obtained from the vendor. Requires written justification approved in advance by the agency/institution head. Over \$50,000 requires approval from DGS/DPS. Agencies and institutions may make contract awards after appropriate approval. Purchase using noncompetitive negotiation.
Used Equipment up to \$100,000	Competition not required. See 1.5 c & 4.17.

Notes:

1. Public posting by advertising in the Virginia Business Opportunities (VBO) on eVA (www.eva.virginia.gov) is required for all Invitations to Bid, Requests for Proposal, sole source award notices, and emergency award notices. For Competitive Negotiation over \$100,000 notice is also required to be advertised in a newspaper.
2. Exemptions from purchasing through DGS/DPS can be found in APSPM 1.5.

- 4.2 **Selection of Procurement Method.** It is important to select the proper procurement method. The estimated or anticipated value of the contract must be determined first, unless the purchase is an emergency (for emergencies, see Chapter 9). The anticipated value of the contract includes the dollar value for the initial period of the contract, and includes all possible renewal periods. The expected trade-in value of equipment should not be considered when determining the anticipated value of a contract. When determining the total value of a contract, include all cost elements such as travel related expenses (e.g., travel, lodging, and meals) and direct bill expenses (e.g., copying costs, postage, shipping and handling costs, long distance charges). If purchases up to \$100,000 are required, then the small purchase procedures in Chapter 5 shall be used. If over \$100,000, a decision should be made whether to use competitive sealed bidding or competitive negotiation. For competitive sealed bidding see Chapter 6. For competitive negotiation see Chapter 7. For purchases where there is only one source practicably available, see Chapter 8.
- 4.5 **Qualified Products Lists (QPL) or Qualified Contractor's Lists (QCL).** It is sometimes necessary to prequalify products or suppliers and only solicit those who have been prequalified. In such cases, a list is maintained of specific products (QPL) or contractors (QCL) which have been evaluated and determined to be acceptable in meeting predetermined minimum acceptable levels of quality or performance (*Code of Virginia*, § 2.2-4317). This qualification is performed in advance of any particular purchase program. By having a prequalification procedure, the time in the purchase cycle can be reduced. The qualification requirements must be established and potential contractors advised by letter and/or public posting sufficiently in advance of the anticipated procurement to allow for evaluation and qualification of potential contractors and/or products. A contractor whose product or service has been determined not qualified will be advised in writing. Solicitations are only sent to those contractors determined to be qualified. Agencies and institutions shall deny prequalification to contractors failing to register and participate in E-Verify (effective 12/01/2013) (*Code of Virginia*, § § 2.2-4317 and 2.2-4308.2). Information on prequalified products or contractors may be obtained by calling the DGS/DPS Specification Section at 804-786-1601.
- 4.15 **Bookstore, Commissary, Canteen, Gift Shop, and Similar Retail Outlet Purchases.** Book store purchases and purchases made for similar retail outlets such as those above are subject to the *VPPA* and this manual.
- a. For resale purchases, an agency may establish its own small purchase procedures, if adopted in writing, for single purchases or term contracts not expected to exceed \$100,000. Such small purchase procedures shall provide for competition wherever practicable.
 - b. For bookstore small purchases, the use of manufacturers' current price lists serves the same purpose as obtaining informal quotes. The price lists used should be referenced on the order document and it is not necessary when using the price lists for the bookstore to list individual prices on the purchase order. A random sampling of invoices submitted should be conducted periodically to compare prices invoiced with informal quotes received or price lists used to ensure that they do not exceed the prices on the referenced price lists.
 - c. Small purchases of like items such as pre-packaged edibles, books, magazines, novelties, paper, pens, pencils, toiletries, and wearing apparel may be purchased without competitive bidding or negotiation provided a written market survey of at least 10% of the highest use items has been conducted within the past 6 months and a determination made that the prices being paid are fair and reasonable. Competition shall be obtained when prices do not appear fair and reasonable. In establishing price reasonableness, product quality and such supplier services as merchandise stocking, merchandise returns, merchandise marking, and vendor responsiveness may be considered.
 - d. For new book purchases, copyrighted books available only from their publishers, are considered "sole source procurements." For such purchases, the following statement must be posted for each publisher annually for a period of one year on the DGS central electronic procurement website, otherwise known as eVA VBO:

"Sole Source Notice for the Purchase of Books". Books available for purchase directly only from the publisher are hereby determined to be sole source procurements. This is an annual determination for such book purchases made during the period July 1, 20__ through June 30, 20__. The posting of this notice shall serve in lieu of newspaper publication."
 - e. For used book purchases, a want list shall be simultaneously distributed to several used book vendors and orders may be placed on a first response basis provided prices are reasonable.

- f. For purchases over \$100,000, the *Virginia Public Procurement Act* and the applicable portions of this manual shall apply.
- g. Public institutions of higher education purchases of items for resale at retail bookstores and similar retail outlets operated by such institutions are exempt from the *VPPA* and this manual (*Code of Virginia*, § 2.2 4343.A7); however, such purchase procedures shall provide for competition where practicable.
- h. Surplus (unsold) new books and used books that are no longer required must be disposed of using surplus procedures in accordance with surplus regulations (Chapter 12).

4.17 **Used Equipment.**

- a. Used equipment, that which has been previously owned and used, offered for sale “where is, as is” and does not include demonstration or factory rebuilt items marketed through distribution outlets, may be negotiated by agencies within their delegated authority. Complete information describing the item must be provided to the purchasing office along with the price being offered by the seller in writing. Prior to preparation of any purchase order, the purchasing office must obtain a written statement from a person who is technically knowledgeable of the type of equipment to be purchased, normally the end user, verifying the condition of the equipment, its future usefulness, and that its purchase would be in the best interest of the Commonwealth.
- b. Upon a determination in writing that the price is fair and reasonable for used equipment meeting the agency’s needs, a contract may be noncompetitively negotiated and awarded up to \$30,000 (see 1.5 b.(3)). Used equipment purchases over \$30,000 that are available from only one source, may be purchased in accordance with Chapter 8. If the cost exceeds the agency’s delegated authority, a requisition containing the above information shall be submitted to DGS/DPS for purchase.

4.24 **Construction**

- h. Except in an emergency, all bids for construction services in excess of \$500,000 must be accompanied by a Bid Bond from a surety, selected by the bidder, which is legally authorized to do business in Virginia. The amount of the Bid Bond shall not exceed 5% of the amount bid (*Code of Virginia*, § 2.2-4336).
- i. Upon award of a construction contract exceeding \$500,000, the contractor shall furnish a Performance Bond and a Payment Bond, each in the sum of the contract. Each such bond shall be executed by one or more surety companies which are legally authorized to do business in Virginia. Form CO-10 (03/02) Commonwealth of Virginia Standard Performance Bond, and Form CO-10.1 (03/02) Commonwealth of Virginia Standard Labor and Material Payment Bond, shall be used (Forms may be downloaded from the DGS/Division of Engineering & Buildings web site, <http://deb.dgs.virginia.gov/BCOM>).

Annex 4-E
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5. **General.** The *Virginia Public Procurement Act (VPPA)* permits a public body to establish small purchase procedures, if adopted in writing, not requiring the use of competitive sealed bidding or competitive negotiation for single or term contracts if the aggregate or sum of all phases is not expected to exceed \$100,000; however, such small purchase procedures shall provide for competition wherever practicable (*Code of Virginia, § 2.2-4303G*). The following small purchase procedures have been established by DGS/DPS for use by state agencies and institutions when acquiring materials, supplies, equipment, printing or nonprofessional services up to \$100,000 (excluding information technology and telecommunications goods and services). Procurements made pursuant to these procedures do not require public bid openings or newspaper advertising of competitively negotiated procurements. Small purchases that are expected to exceed \$5,000 shall require the posting of a public notice on eVA VBO. Quick Quote solicitations meet the public posting requirement. For your convenience, process flowcharts for each category of small purchases have been developed and are in the annex of this chapter. Annex 5-A depicts the decision making process that will assist in determining the appropriate small purchase procedure to use up to \$100,000.

5.1 **Competitive Requirements.** Procurements up to \$50,000 shall be set-aside exclusively for DMBE-certified small business participation in accordance with 3.10 g. Competition, where required, is to be made according to the number of competitive sources shown in Chapter 5. If two or more DMBE-certified small businesses cannot be identified to set-aside the procurement under \$50,000, then the file shall be documented with the efforts made to obtain the number of required sources.

Estimate the total cost, including all possible renewal periods if a term contract, to determine if the procurement will exceed \$100,000. If the procurement is expected to exceed \$100,000 over the entire term of the contract, including all possible renewal periods, use the procedures outlined in Chapter 6 for competitive sealed bidding or in Chapter 7 for competitive negotiation. The expected trade-in value of equipment shall not be considered when determining the anticipated total value of a contract.

5.1 a. Deleted

5.1 b. Deleted

5.6 **Unsealed Bidding.** (Over \$5,000 to \$100,000)

a. Quick Quote shall be used to solicit bids or quotes for goods and nonprofessional services over \$5,000 up to \$100,000 (see 14.5e). Any appropriate special conditions must be stated in or attached to the Quick Quote. However, unsealed bidding may be used in lieu of Quick Quote for complex procurements if the agency expects to issue addenda. The solicitation shall be open for the period of time stated in the solicitation but must be open for at least three (3) business days (24 business hours). A reasonable amount of time should be allowed for vendors to respond based on the nature of the procurement.

b. Set-aside for DMBE-certified small businesses unless exempted (see 3.10 g). The procurement file shall be documented if the procurement does not qualify for a set-aside. If set-aside for small businesses, solicit a minimum of four (4) DMBE-certified small business sources, if available. If not set-aside for small businesses, solicit a minimum of four (4) sources, if available. Include a minimum of two (2) DMBE-certified small business sources, if available. If fewer than the required number of sources are solicited, the reasons shall be documented.

c. eVA VBO advertising is required over \$5,000. See 3.18.

5.7 a. **Unsealed Proposals** (Over \$5,000 to \$100,000). Goods or nonprofessional services up to \$100,000 may be procured using the Unsealed Proposal process (see flowchart, Annex 5-F). A written determination for the use of competitive negotiation is not required for unsealed proposals. The solicitation should include a cover sheet, a general description of what is being sought, the evaluation criteria and weights to be used in evaluation, current version of the General Terms and Conditions, and any Special Terms and Conditions including unique capabilities or qualifications that will be required.

5.7 a. 2. eVA VBO advertising is required over 5,000. See 3.18.

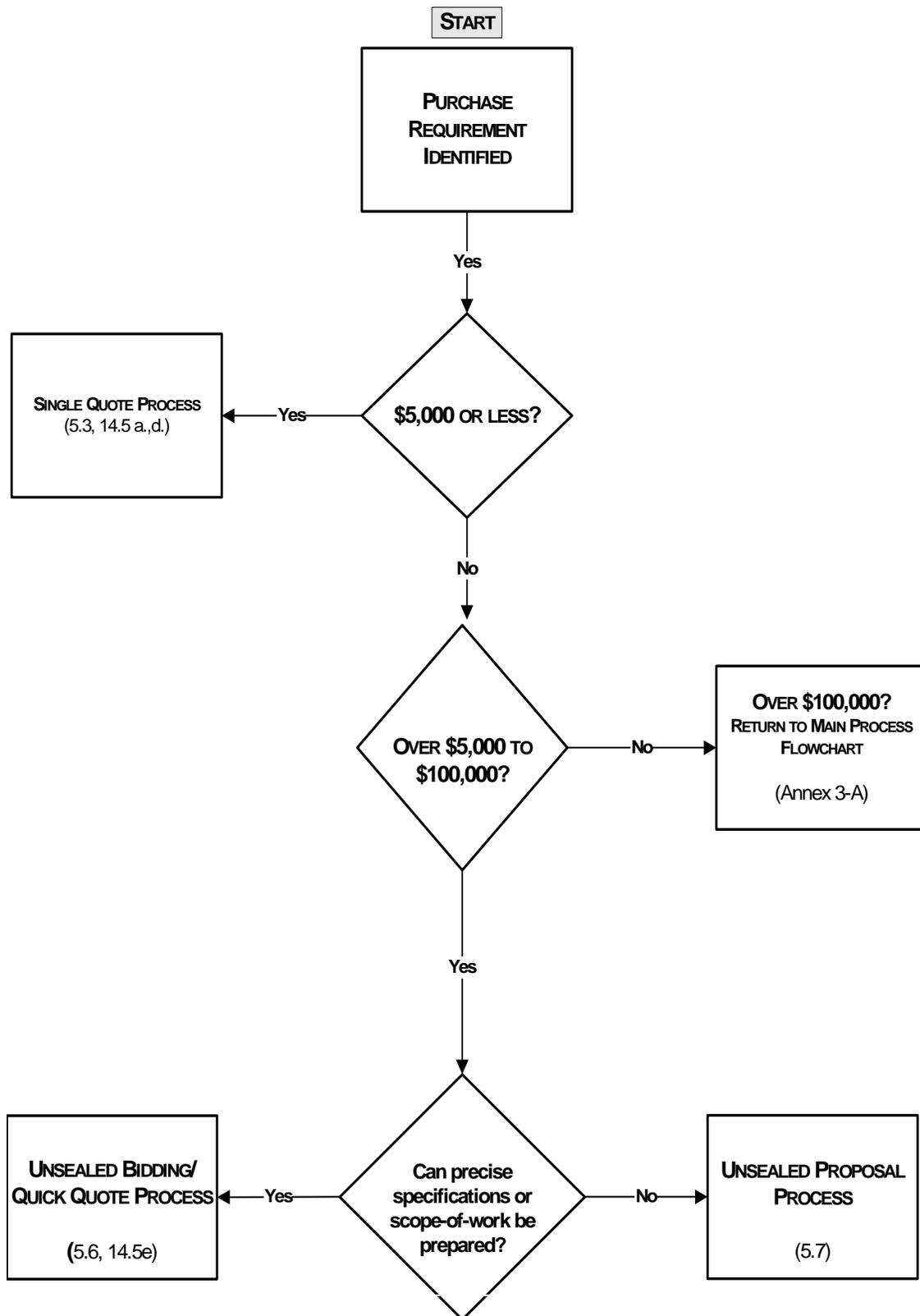
5.7 b. **Unsealed Best Value Acquisition** (Over \$5,000 to \$100,000). Agencies and institutions may obtain required goods or nonprofessional services using best value concepts. A written determination for the use of competitive negotiation is not required for unsealed Best Value

Acquisition. Set-aside for DMBE-certified small businesses unless exempted (see 3.10g). The procurement file shall be documented if the procurement does not qualify for a set-aside.

1. Procurement Planning. A purpose statement must include that the solicitation is using best value procurement procedures and shall note if set-aside for small businesses. Describe Statement of Needs in general terms. Mandatory requirements are stated. Include Subjective/Objective evaluation criteria (see Annex 7-F for sample subjective/objective evaluation criteria). If making multiple awards, the total sum of all awards shall not exceed \$100,000.
8. If set-aside for small businesses, solicit a minimum of four (4) DMBE-certified small business sources, if available, by mail, fax or electronically. If not set-aside for small businesses, solicit a minimum of four (4) sources, if available. Include a minimum of two (2) DMBE-certified small business sources, if available. If fewer than the required number of sources are solicited, the reasons shall be documented.
9. eVA VBO advertising is required over 5,000. See 3.18.

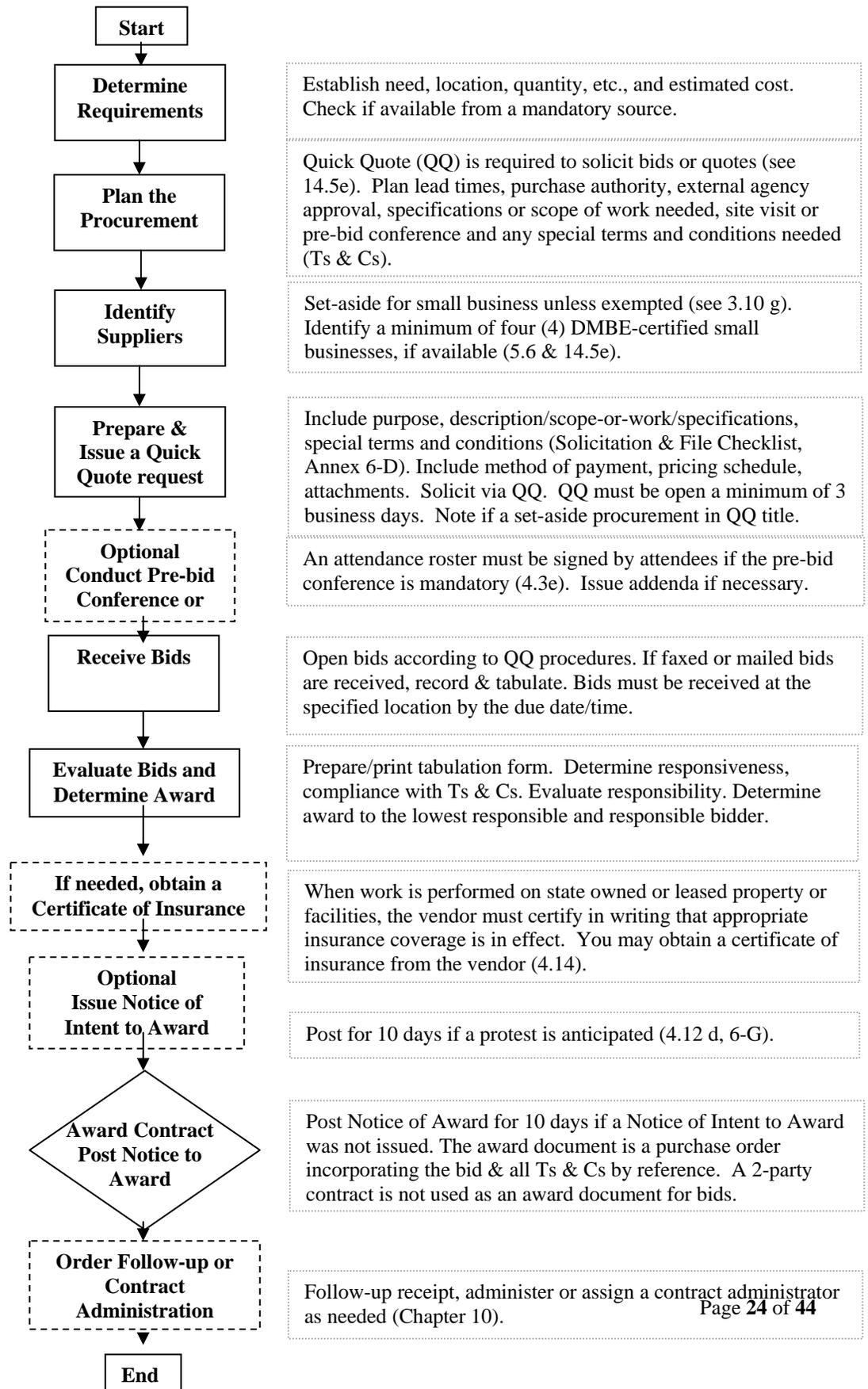
5.8 **Purchases for Research and Academic Support.** It is recognized that some universities sponsor numerous research projects and also have specific academic curricula which may require frequent telephonic purchasing support to \$100,000 or delegated authority, whichever is less. Exceptions to the written solicitation process may be granted to universities by the Director of the Division of Purchases and Supply upon submission of a written request describing in detail the basis for such action.

SMALL PURCHASE PROCEDURES (CODE OF VA § 2.2-4303G)
Small Purchase Process (goods and nonprofessional services up to \$100,000)



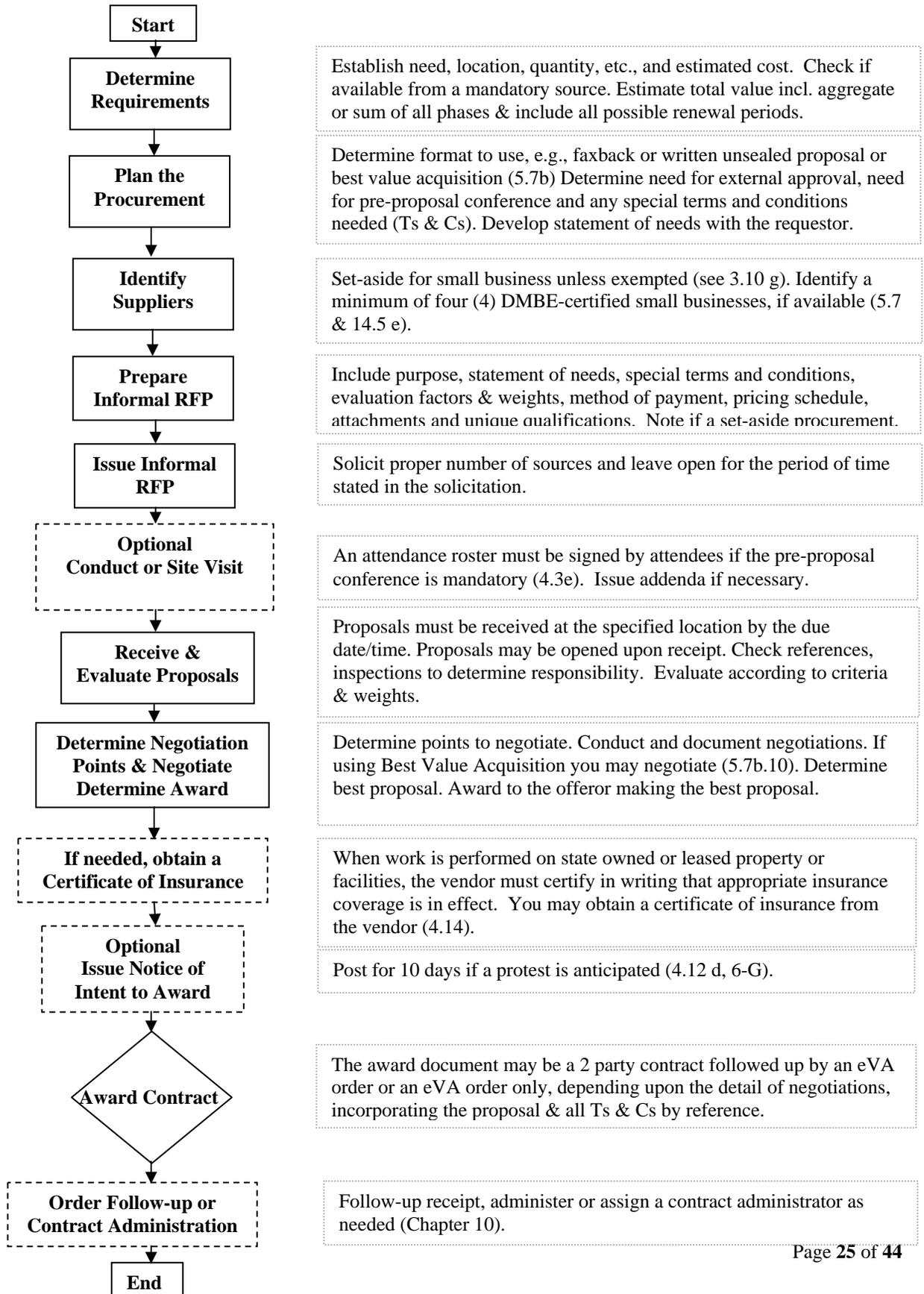
Annex 5-E

**Unsealed Bidding Process
For Goods and Non-professional Services over \$5,000 to \$100,000**



Annex 5-F

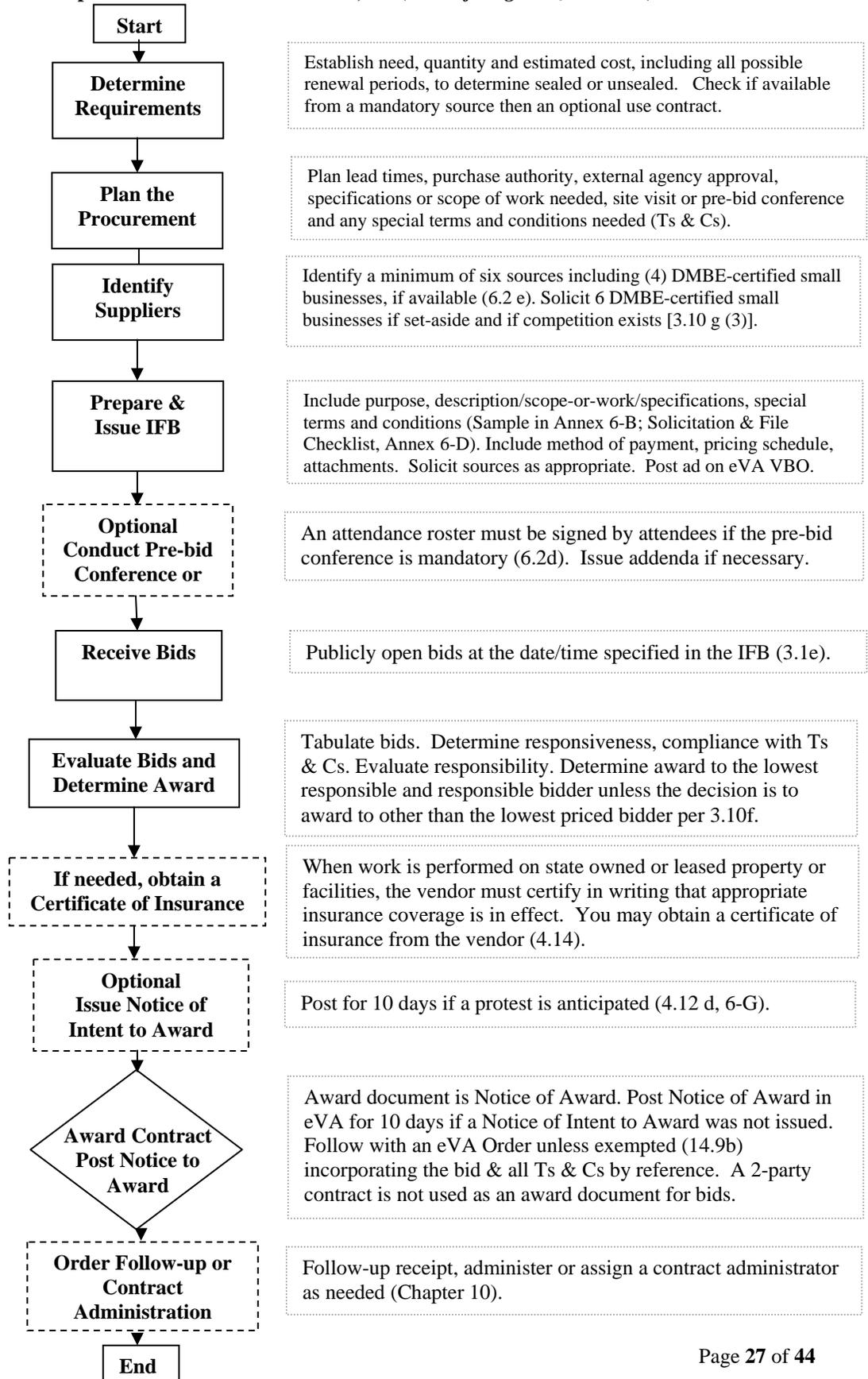
**Unsealed Proposal Process
For Goods and Non-professional Services over \$5,000 to \$100,000**



6. **General.** Competitive sealed bidding is the preferred method for acquiring goods, printing, non-capital outlay construction and nonprofessional services for public use when the estimated cost is over \$100,000. The competitive sealed bidding process is depicted in the flowchart in Annex 6-A.

Annex 6-A

**Competitive Sealed Bidding Process
For Goods and Non-professional Services over \$100,000 (Code of Virginia § 2.2-4301)**



Annex 6-B

SAMPLE FORMAT AND STEP-BY-STEP PROCEDURES

INVITATION FOR BIDS (IFB)

STEP FOUR:

ISSUE THE INVITATION FOR BIDS: Prepare the IFB cover sheet, identify potential sources, prepare a bidder's mailing list, advertise in the *Virginia Business Opportunities*, if appropriate, and publicly post the IFB and/or advertise in a newspaper of general circulation.

A. **COVER SHEET:** Use the coversheet format on Annex 6-B.

1. **IFB#:** A control number must be assigned to each IFB issued for identification purposes.
2. **ISSUE DATE:** This is the date that the IFB is publicly posted and sent to potential bidders.
3. **TITLE:** Designate if set-aside for small businesses. Use the following format (in all capital letters): "SET-ASIDE FOR SMALL BUSINESSES" followed by the title of the commodity or service being procured (e.g., SET-ASIDE FOR SMALL BUSINESSES - Security Services).

COMMODITY CODE: Assign 5-digit commodity code from commodity code book.

4. **PERIOD OF CONTRACT:** The IFB must state either "from date of award," or specified date to a specified ending date, or delivery of goods or services. If it will be a renewable term contract, put the word "renewable" in parenthesis after the "through" date if the contract contains a renewal clause. This will let potential bidders know right away if you anticipate the contract to go beyond the initial period.
5. **SEALED BIDS WILL BE RECEIVED UNTIL:** Specify the exact date and time which must be at least 10 days after the issue date for sealed solicitations. If the procurement does not meet the criteria for sealed bids, the wording may be changed to say "unsealed bids" and delete the words, "And then opened in public." If unsealed bids are solicited, include a fax number on the cover sheet for bids to be sent by fax.

B. **IDENTIFY POTENTIAL SOURCES:** Select appropriate number of sources to solicit. Prepare a solicitation list (see 2.3 and 3.10).

C. **VIRGINIA BUSINESS OPPORTUNITIES (VBO):** Post in eVA VBO.

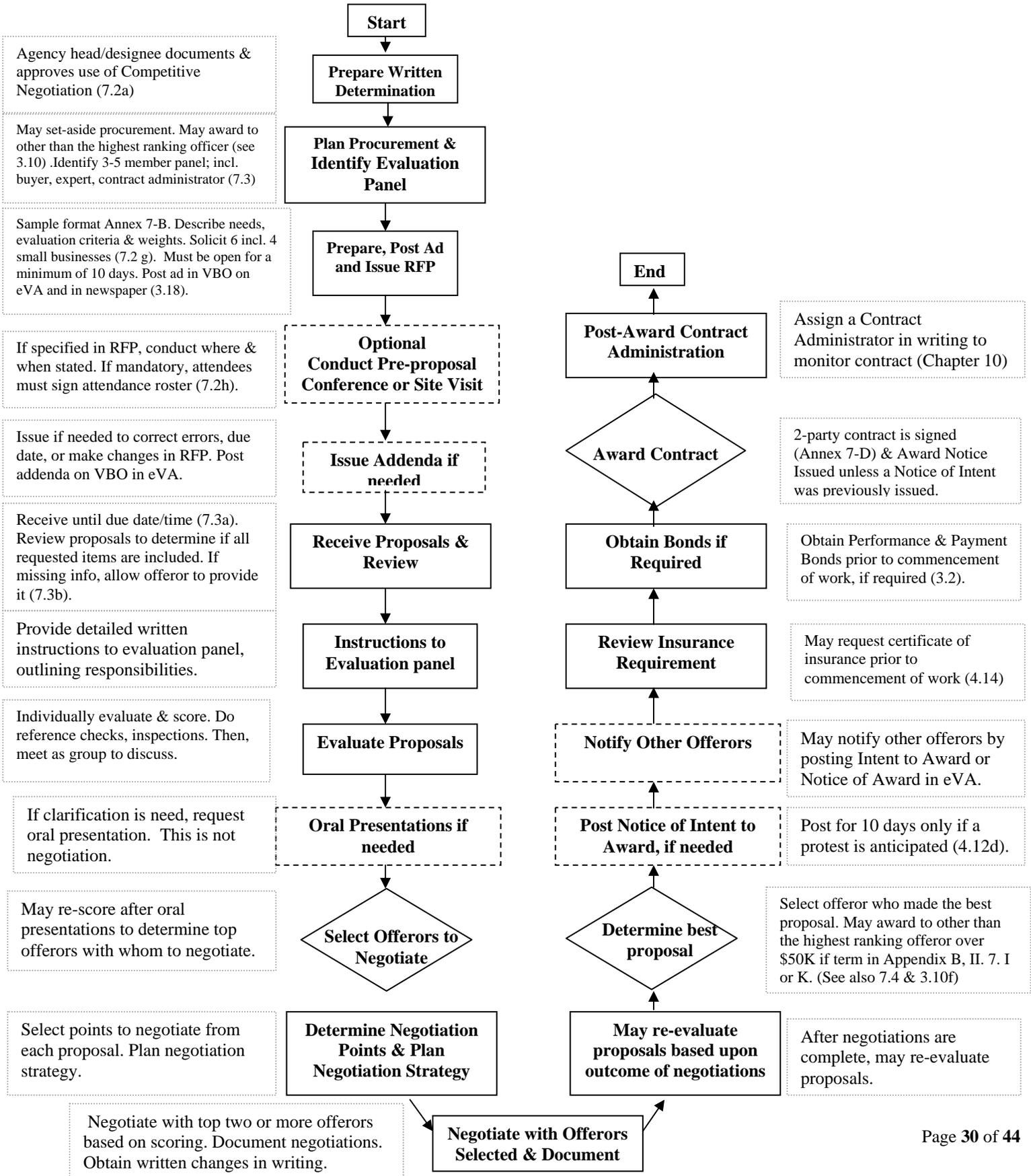
D. **ADVERTISING:** Agencies may also post on a designated bulletin board (normally outside the purchasing office) where the general public has access to it or notices may be published in a newspaper of general circulation, at least 10 days prior to the date set for receipt of bids or both (see 3.18 for more information on public posting).

7.2 **Preparation and Issuance of a Request for Proposal (RFP).**

- 7.2 g. Sources. For the purchase of material, equipment, supplies or nonprofessional services estimated to cost over \$100,000:

Annex 7-A

**Competitive Sealed Proposal Process
For Goods and Non-professional Services over \$100,000 (Code of Virginia §2.2-4301)**



Annex 7-B

SAMPLE FORMAT AND STEP-BY-STEP PROCEDURES REQUEST FOR PROPOSAL (RFP)

STEP 3 - ISSUING THE RFP

Prepare the RFP cover sheet, identify potential sources, prepare a vendor mailing list, publicly post in the *Virginia Business Opportunities*, and advertise the RFP in a newspaper or newspapers of general circulation in the area in which the contract is to be performed (see 3.18b).

- I. COVER SHEET: Utilize the cover sheet format on Annex 7-B.
 - A. RFP#: A control number should be assigned to each RFP issued.
 - B. TITLE: Designate if set-aside for small businesses. Use the following format (in all capital letters): “SET-ASIDE FOR SMALL BUSINESSES” followed by the title of the commodity or service being procured (e.g., SET-ASIDE FOR SMALL BUSINESSES - Security Services).

COMMODITY CODE: Assign the appropriate five digit commodity code for either goods or services.
 - C. ISSUE DATE: This is the date that appears on the RFP and is the date the RFP is to be publicly posted and mailed to selected sources.
 - D. PERIOD OF CONTRACT: The RFP must state: From - “date of award” or a specified date, Through - a specified date, a specified number of days after award, “completion of project,” or a specified delivery date.
 - E. SEALED PROPOSALS WILL BE RECEIVED UNTIL: Specify the exact date and time for receipt of proposals, at least 10 calendar days from date of issue. Public openings of proposals is not required but may be held if desired. If a public opening is held, add “And Then Opened In Public” after the date and time stated on the cover page of the solicitation.
- II. IDENTIFY POTENTIAL SOURCES: Select the appropriate number of sources and prepare a solicitation list (see 3.10).
- III. VIRGINIA BUSINESS OPPORTUNITIES (VBO): Post in eVA VBO.
- IV. ADVERTISING: Agencies may also post on a designated bulletin board where the general public has access to it. Notices shall also be published in a newspaper or newspapers of general circulation in the area in which the contract is to be performed (see 3.18).

III. COMPLETE EVALUATION BY ASSIGNING POINTS. The proposals must be assigned points in accordance with the evaluation criteria in the RFP.

A. The lowest price shall be scored the maximum number of evaluation points for price.

The lowest price is then divided by each of the higher offeror’s proposed price in turn. The quotient is then multiplied by the points assigned for price to determine the evaluation points to be assigned to each higher price proposal.

$$\frac{\text{Lowest Price Offered}}{\text{Price of Offer being Evaluated}} = \frac{\% \text{ Factor}}{\text{Points}} \times \text{Maximum Available} = \text{Points Assigned}$$

Offeror/ Price	<u>Lowest Offeror's Price</u> Offeror's Price	=	% Factor	x	<u>Maximum Eval PTS</u> (25)*	=	Points Assigned
A \$32,500	<u>24,250</u> 32,500	=	75	x	25	=	18.75
B \$24,250	<u>24,250</u> 24,250	=	100	x	25	=	25
C \$26,350	<u>24,250</u> 26,350	=	93	x	25	=	23.25
D \$27,600	<u>24,250</u> 27,600	=	88	x	25	=	22

8.2 **Procurements Over \$50,000.**

Unless otherwise authorized in this chapter, sole source procurements for non-technology goods and services over \$50,000 must be approved by DGS/DPS prior to commencement of the actual procurement using the Sole Source Procurement Approval Request form found in Annex 8-C which must be signed by the agency head or designee, who shall be a direct report to the agency head. [see 1.2e(2)]. Sole source procurements that originally included a renewal provision, for which approval for multi- years was obtained, do not need to be forwarded for approval until expiration of the term for which approval was obtained. In addition, a memorandum must accompany the request form, which addresses the following four points:

- Explain why this is the only product or service that can meet the needs of the purchasing agency.
- Explain why this vendor is the only practicably available source from which to obtain this product or service.
- Explain why the price is considered reasonable.
- Describe the efforts that were made to conduct a noncompetitive negotiation to get the best possible price for the taxpayers.

Once written approval has been given, agencies and institutions are delegated the authority to proceed with awarding the contract.

Sole source procurements for entertainment (speakers, lecturers, musicians and performing artists) over \$50,000 do not require DGS/DPS approval, but must be approved prior to commencement of the actual procurement by the agency head or designee, who shall be a direct report to the agency head. Use the Sole Source Procurement Approval Request form in Annex 8-C, documenting that there is only one source practicably available for the entertainment to be procured, and include the signed form in the procurement file. In addition, a memorandum must be attached to the form which addresses the four points shown above.

8.5 **Posting Requirements.** All sole source procurement award notices shall be posted on eVA (*Code of Virginia*, § 2.2-4303) and at a minimum state that only one source was determined to be practicably available and must also state that which is being procured, the contractor selected, and the date on which the contract was or will be awarded (see 3.18). Public award notices may be posted at locations in addition to posting on eVA VBO, at the discretion of the entity (public posting notice board, entity website, newspaper, etc.) but if posted in additional locations, the form in Annex 8-E should be used.

8.7 **Alternative Procurement:** If any payment is declared unconstitutional for any reason or if the Attorney General finds in a formal, written, legal opinion that a payment is unconstitutional, in circumstances where a good or service can constitutionally be the subject of a purchase, the administering agency of such payment is authorized to use the affected appropriation to procure, by means of the Commonwealth's Procurement Act, goods and services, which are similar to those sought by such payment in order to accomplish the original legislative intent (2011 Appropriation Act, § 4.5.04).

The administering agency of such funds is authorized to use the appropriation to procure goods and services from charitable organizations according to the *VPPA* and *APSPM*. If the appropriation specifies a particular contractor the agency may utilize the sole source method of procurement. In such cases, sole source procurements over \$50,000 do not require DGS/DPS approval, but must be approved prior to commencement of the actual procurement by the agency head or designee, who shall be a direct report to the agency head. The "Sole Source Procurement Approval Request" (Annex 8-C) is not required; however, a written determination that there is only one source practicably available must be signed by the agency head or designee and included in the procurement file. A notice of Award must be posted in eVA VBO. A purchase order does not need to be issued in eVA.

Agencies may execute a notice of contract award that includes but is not limited to the scope of work, period of performance, compensation, reporting requirements and appropriate terms and conditions. An example notice of contract award can be found in Annex 8-F. Agencies are responsible for ensuring contracts meet a measurable scope of work and provide written progress/achievement reports.

Reporting Requirements Example: If a charitable organization receives \$5,000 to provide meals at an average cost of \$10 each, the charitable organization would need to report on when and where it provided 500 meals.

Annex 8-F

(AGENCY LETTERHEAD)

COMMONWEALTH OF VIRGINIA

NOTICE OF CONTRACT AWARD

Contract Number: _____ Date: _____

Vendor/Organization Reference Number: _____

Vendor/Organization Name: _____

Address: _____

SCOPE OF WORK: _____

PERIOD OF PERFORMANCE: From _____ through _____

COMPENSATION: _____

REPORTING REQUIREMENTS: The contractor shall provide a (weekly/monthly) progress report to (a specific person or title) outlining the specific tasks completed pursuant to the provisions of the contract and the completion dates of such tasks and projected completion dates for the remaining specific tasks required by the contract. At least (two weeks) prior to the submission of the final report, the contractor shall present a preliminary draft of the final report to (a specific person or title). The agency shall have the right to require additional elaboration as it deems necessary to insure a comprehensive and thorough written report of all required work required by the contractor. On or before the ending period of performance specified in the contract, a final report shall be delivered to (a specific person or title) for its approval. The contractor shall furnish (*n*) copies of the final report.

This contract award is subject to the attached list of General Terms and Conditions of the Commonwealth of Virginia *Vendors Manual Appendix B Section II* and any changes or revisions thereto, which are hereby incorporated into this contract in their entirety. A copy of the manual is normally available for review at the purchasing office and is accessible on the internet at www.eva.virginia.gov under "Vendors Manual" on the vendor tab. Additionally, this contract award is subject to any attached Special Terms and Conditions.

(Agency Signature)

(Printed Name)

(Title)

Note: This public body does not discriminate against faith-based organizations in accordance with the *Code of Virginia*, § 2.2-4343.1 or against a bidder or offeror because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment.

**REQUIRED GENERAL TERMS AND CONDITIONS FOR ALTERNATIVE PROCUREMENTS
GOODS AND NONPROFESSIONAL SERVICES**

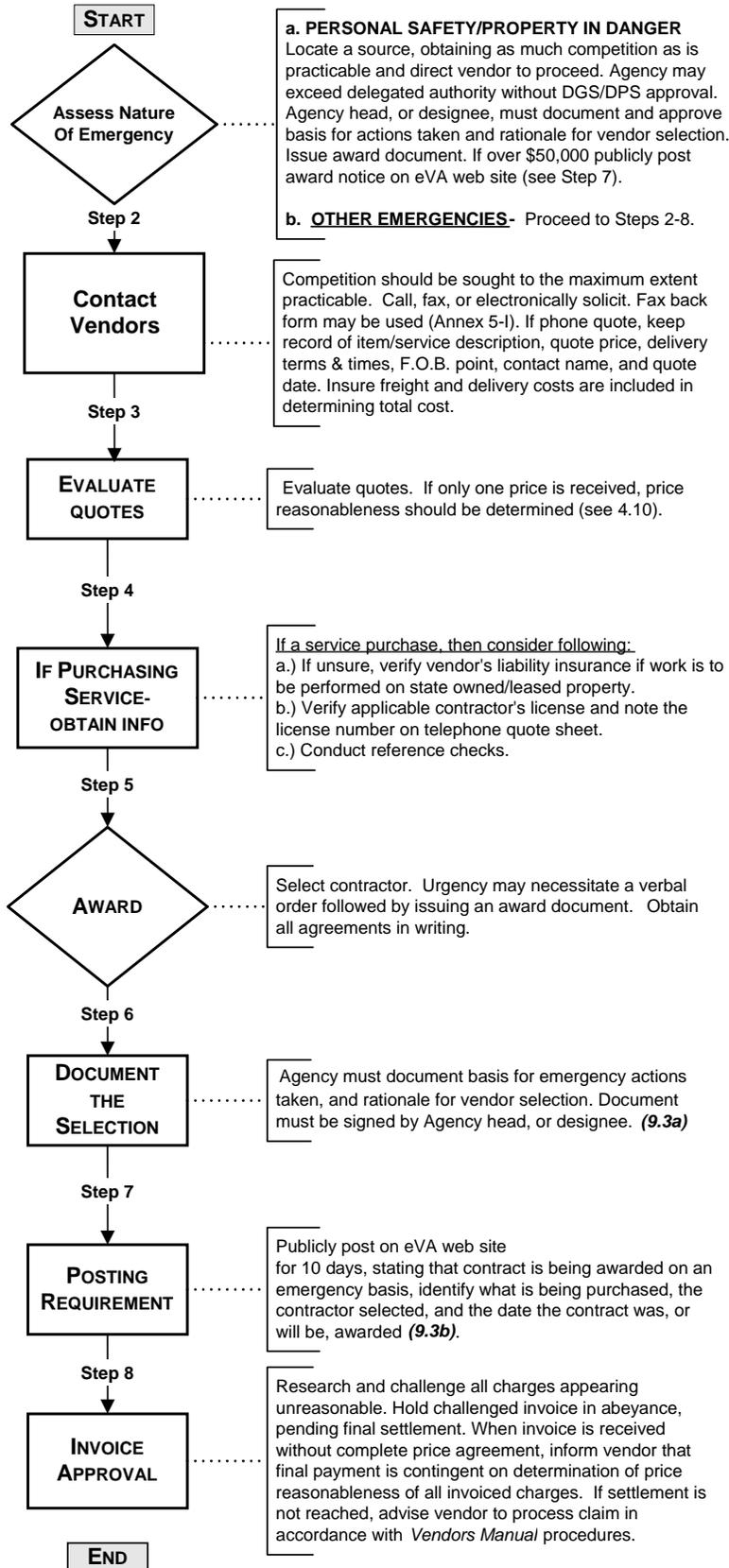
- A. *VENDORS MANUAL*
- B. APPLICABLE LAWS AND COURTS
- C. ANTI-DISCRIMINATION
- E. IMMIGRATION REFORM AND CONTROL ACT OF 1986
- J. PAYMENT
- O. CHANGES TO THE CONTRACT
- V. DRUG-FREE WORKPLACE
- Y. AVAILABILITY OF FUNDS
- BB. AUTHORIZATION TO CONDUCT BUSINESS IN THE COMMONWEALTH

9.3 Documentation.

- 9.3 b. Posting Requirements.** Issue, post and/or publish required written notice. All emergency notices shall be posted on the DGS/DPS eVA VBO and at a minimum state that the procurement has been declared an emergency and must also state that which is being procured, the contractor selected, and the date on which the contract was or will be awarded. Notice may also be published in the newspaper (*Code of Virginia, 2.2-4303*). See 3.18 for further guidance and www.eva.virginia.gov for instructions for uploading procurement notices. See Annex 9-B for the proper form for internal posting, if desired.

ANNEX 9-A EMERGENCY PROCUREMENT PROCESS (CODE OF VA 2.2-4303F)

For Goods and Services



FAX Request to: 804-371-7877

Exemption Number _____

EMAIL Request to: linwood.spindle@dgs.virginia.gov

Department of General Services - Division of Purchases & Supply
Procurement Exemption Request

(1) Requesting Agency: _____ Agency Code: _____

(2) Requestor's Name: _____ Phone #: _____

(3) Date of Request: _____ FAX #: _____

(4) Description of Procurement: _____

Applicable Commodity Code: _____

(5) Proposed Method of Procurement:

Telephonic Quotation

Facsimile Solicitation

Written Solicitation

Quick Quote

Cooperative Procurement

Other: _____

(6) Is There a Recurring Demand for this Commodity? Yes No

(7) Will Competition Be Sought In Procuring This Requirement? Yes No

(8) If not seeking competition, provide reason: _____

(9) Justification for Request (Use attachments if necessary):

***** DPS Use Only *****

(10) Exemption Request is hereby: Approved Denied

If denied, reason for denial: _____

(12) Additional comments or requirements:

(13) Contract Officer Assigned Request: _____

(14) Director (or designee) for Procurement Sign Off: _____ Date: _____

(rev. 07/01/05)

14. **General.** Every authority, department, division, institution, officer, agency, and other unit of state government (using agencies) shall utilize DGS' central electronic procurement system beginning at the point of requisitioning for all procurement actions including, but not limited to, technology, transportation & construction, unless otherwise authorized in writing by the Division. Where necessary to capture data in agency enterprise resource planning systems and to eliminate or avoid duplicate or manual data entry in such agency systems, using agencies shall integrate their enterprise resource planning systems with the DGS' central electronic procurement system, unless otherwise authorized in writing by the Division or in accordance with the provisions of the Restructured Higher Education Financial and Administrative Operations Act (*Code of Virginia*, §§ 23-38.88 and 2.2-1110). This chapter establishes policies and provides guidance on electronic procurement in Virginia, hereinafter referred to as eVA. eVA encompasses vendor central registration and source selection, requisitioning, solicitation development, soliciting and receiving formal and informal bids and proposals, bid/proposal tabulation and evaluation, electronic ordering, public posting, electronic receiving, electronic invoicing, electronic data record keeping and various reporting capabilities. Additionally, eVA facilitates item searches through an Electronic Mall (e-Mall), in which Commonwealth entities can shop mandatory sources and mandatory use and optional use term contracts, surplus property and non-contract sources, all displayed as electronic catalogs. **Policies in this chapter shall take precedence in the event of conflict with other sections of this manual.** The *Virginia Public Procurement Act (VPPA)*, other applicable sections of the *Code of Virginia*, as well as other provisions of this manual and *Vendors Manual* will remain in full force and effect. All purchase transactions, regardless of funding source, governed by the *VPPA* shall be processed through eVA to eVA registered vendors except as otherwise provided herein (see 14.11) or excluded in 14.9 b. Any purchases processed outside eVA will continue to be governed by applicable law and by the non-eVA policies and procedures contained in this manual and *Vendors Manual* in effect at the time of the transaction.
- 14.5 **Small Purchase Competitive Requirements.** Small purchase solicitations that are expected to exceed \$5,000 shall require the posting of a public notice in eVA VBO. The use of Quick Quote meets the public posting requirement for small purchases. All other written informal solicitations expected to exceed \$5,000 shall be posted using eVA VBO. To meet this requirement in a manner that assures such competition as is practicable, small purchase solicitations above \$5,000 that are issued through eVA Quick Quote must specify the correct commodity code(s) to assure visibility to the maximum number of identifiable vendors for that commodity, and small purchase solicitations above \$5,000 that are not issued through Quick Quote must be posted in eVA VBO. All small purchase solicitations over \$5,000 shall be open for a minimum of three (3) business days (24 business hours) unless exempted in writing by the agency head or designee who shall be a direct report to the agency head. However, a sufficient length of time should be given to all bidders to respond considering but not limited to solicitation requirements, complexity of the procurement, market trends, etc.
- 14.5 e. **Unsealed Bidding:** (over \$5,000 up to \$100,000): Solicitation of bids or quotes via Quick Quote is mandatory for noncontract requirements over \$5,000 up to \$100,000; however, unsealed bidding may be used in lieu of Quick Quotes for complex procurements if the agency expects to issue addenda. Solicit a minimum of four (4) DMBE-certified small business sources, if available. Quick Quote may also be used to solicit for requirements under \$5,000. eVA VBO advertising is required over \$5,000.
1. **Quick Quote:** Vendors must be registered in eVA in order to respond electronically to Quick Quotes in eVA. Electronic Quick Quote responses and other methods for vendors to respond to Quick Quotes may be used simultaneously. Provide the Standard eVA Term and Condition in Annex 14-A when providing Quick Quote information to an ad hoc vendor. The resulting order must be processed through eVA. Reference the Quick Quote number in the header cross-reference field of the eVA requisition. When an award action is taken or a "no award" decision is made, the agency shall update the Quick Quote to reflect the appropriate status. Quick Quote solicitations and award notices are not required to be posted on eVA VBO.
 2. **Unsealed Bidding:** Unsealed bidding should include a cover sheet, the item description or brief scope of work, the Commonwealth's General Terms and Conditions, any Special Terms and Conditions, and a pricing schedule. The General Terms and Conditions may be incorporated by reference (provided the eVA website address is stated should a bidder need to obtain a copy of the full text), but all appropriate Special Terms and Conditions must be stated. An abbreviated format, similar to the one shown in

Annex 6-B may be used to solicit unsealed bids. Bids may be opened, recorded, and tabulated upon receipt; however, to be considered, bids must be received at the stipulated location by the date and time specified.

- g. **Quick Quote (over \$100,000):** Quick Quote shall not be used to solicit competition for requirements over \$100,000; however, emergency purchase requirements meeting the criteria of paragraph 9.1 may be solicited via Quick Quote up to any dollar amount.

14.9 **Use of eVA and Exclusions:**

b. **Exclusions.**

- 11. (i) Award of grants by agencies and institutions to public bodies or tax exempt non-profit charitable organizations. This exception does not apply to the expenditure of grant funds by agencies and institutions for the purchase of goods and/or services (see *APSPM* 13.8e).
- (ii) Award of contracts by agencies and institutions to charitable organizations in accordance with the provisions of *APSPM* 8.7, Alternative Procurements.
- 16. Purchases made using the DPS statewide contract for Express Delivery Services.

GLOSSARY AND ACRONYMS

Competitive Sealed Bid: A bid submitted in a sealed envelope to prevent disclosure of its contents before the deadline set for the receipt of all bids. Competitive sealed bidding shall not be used to contract for professional services.

GENERAL TERMS AND CONDITIONS

U. **ANNOUNCEMENT OF AWARD:** Upon the award or the announcement of the decision to award a contract as a result of this solicitation, the purchasing agency will publicly post such notice on the DGS/DPS eVA VBO (www.eva.virginia.gov) for a minimum of 10 days.

* **When Used:** Include in all IFB and RFP solicitations.

X. **eVA BUSINESS-TO-GOVERNMENT VENDOR REGISTRATION:** The eVA Internet electronic procurement solution, website portal www.eVA.virginia.gov, streamlines and automates government purchasing activities in the Commonwealth. The eVA portal is the gateway for vendors to conduct business with state agencies and public bodies. All vendors desiring to provide goods and/or services to the Commonwealth shall participate in the eVA Internet eprocurement solution either through the eVA Basic Vendor Registration Service or eVA Premium Vendor Registration Service. All bidders or offerors must register in eVA and pay the Vendor Transaction Fees specified below; failure to register will result in the bid/proposal being rejected.

Effective July 1, 2011, vendor registration and registration-renewal fees have been discontinued. Registration options are as follows:

- a. eVA Basic Vendor Registration Service: eVA Basic Vendor Registration Service includes electronic order receipt, vendor catalog posting, on-line registration, electronic bidding, and the ability to research historical procurement data available in the eVA purchase transaction data warehouse.
- b. eVA Premium Vendor Registration Service: eVA Premium Vendor Registration Service includes all benefits of the eVA Basic Vendor Registration Service plus automatic email or fax notification of solicitations and amendments.

Vendor transaction fees are determined by the date the original purchase order is issued and are as follows:

- a. For orders issued prior to August 16, 2006, the Vendor Transaction Fee is 1%, capped at a maximum of \$500 per order.
- b. For orders issued August 16, 2006 thru June 30, 2011, the Vendor Transaction Fee is:
 - (i) DMBE-certified Small Businesses: 1%, capped at \$500 per order.
 - (ii) Businesses that are not DMBE-certified Small Businesses: 1%, capped at \$1,500 per order.
- c. For orders issued July 1, 2011 thru June 30, 2012, the Vendor Transaction Fee is:
 - (i) DMBE-certified Small Businesses: 0.75%, capped at \$500 per order.
 - (ii) Businesses that are not DMBE-certified Small Businesses: 0.75%, capped at \$1,500 per order.
- d. For orders issued July 1, 2012 and after, the Vendor Transaction Fee is:
 - (i) DMBE-certified Small Businesses: 1%, capped at \$500 per order.
 - (ii) Businesses that are not DMBE-certified Small Businesses: 1%, capped at \$1,500 per order.

The specified vendor transaction fee will be invoiced, by the Commonwealth of Virginia Department of General Services, approximately 30 days after the corresponding purchase order is issued and payable 30 days after the invoice date. Any adjustments (increases/decreases) will be handled through purchase order changes.

- **When Used: Include in all solicitations, contracts, and contract renewals. In addition, this General Term and Conditions must be incorporated or incorporated by reference in all purchase orders issued by state agencies and institutions except for the procurement types which are excluded in section 14.9 or as otherwise provided in 14.10a.**

SPECIAL TERM AND CONDITION 59 (Effective 07/01/2011)

- 59. eVA BUSINESS-TO-GOVERNMENT CONTRACTS AND ORDERS:** The solicitation/contract will result in () purchase order(s) with the eVA transaction fee specified below assessed for each order.
- a. For orders issued prior to August 16, 2006, the Vendor Transaction Fee is 1%, capped at a maximum of \$500 per order.
 - b. For orders issued August 16, 2006 thru July 1, 2011, the Vendor Transaction Fee is:
 - (i) DMBE-certified Small Businesses: 1%, Capped at \$500 per order.
 - (ii) Businesses that are not DMBE-certified Small Businesses: 1%, Capped at \$1,500 per order.
 - c. For orders issued July 1, 2011 thru June 30, 2012, the Vendor Transaction Fee is:
 - (i) DMBE-certified Small Businesses: 0.75%, Capped at \$500 per order.
 - (ii) Businesses that are not DMBE-certified Small Businesses: 0.75%, Capped at \$1,500 per order.
 - d. For orders issued July 1, 2012 and after, the Vendor Transaction Fee is:
 - (i) DMBE-certified Small Businesses: 1%, Capped at \$500 per order.
 - (ii) Businesses that are not DMBE-certified Small Businesses: 1%, Capped at \$1,500 per order.

The specified vendor transaction fee will be invoiced, by the Commonwealth of Virginia Department of General Services, approximately 30 days after the corresponding purchase order is issued and payable 30 days after the invoice date. Any adjustments (increases/decreases) will be handled through purchase order changes.

The eVA Internet electronic procurement solution, website portal www.eva.virginia.gov, streamlines and automates government purchasing activities in the Commonwealth. The portal is the gateway for vendors to conduct business with state agencies and public bodies.

Vendors desiring to provide goods and/or services to the Commonwealth shall participate in the eVA Internet e-procurement solution and agree to comply with the following: If this solicitation is for a term contract, failure to provide an electronic catalog (price list) or index page catalog for items awarded will be just cause for the Commonwealth to reject your bid/offer or terminate this contract for default. The format of this electronic catalog shall conform to the eVA Catalog Interchange Format (CIF) Specification that can be accessed and downloaded from www.eVA.virginia.gov. Contractors should email Catalog or Index Page information to eVA-catalog-manager@dgs.virginia.gov.

***When Used: Include in all solicitations, contracts and contract renewals. If the quantity of orders that will be issued is known, insert the expected number of orders in the blank provided (e.g., one, twelve, monthly, etc.). If the exact quantity is unknown, change the first sentence to read, "It is anticipated that the contract will result in multiple purchase orders (i.e., one for each delivery requirement) with the eVA transaction fee specified below assessed for each order."**

**SPECIAL TERMS AND CONDITIONS
GOODS AND NONPROFESSIONAL SERVICES**

7. **AWARD OF CONTRACT**

- J. **AWARD TO OTHER THAN THE LOWEST PRICED BIDDER(S)**: An award(s) will be made to the lowest responsive and responsible bidder(s) however; the award may be made to a reasonably priced DMBE-certified small business bidder(s) that is other than the lowest priced bidder(s). Evaluation will be based on net prices. Unit prices, extensions and grand total must be shown. In case of arithmetic errors, the unit price will govern. If cash discount for prompt payment is offered, it must be clearly shown in the space provided. Discounts for prompt payment will not be considered in making awards. The right is reserved to make a separate award of each item, a group of items or all items, and to make an award either in whole or in part, whichever is deemed in the best interest of the Commonwealth. The State reserves the right to reject any and all bids in whole or in part, to waive any informality, and to delete items prior to making an award.

*** When Used: This award clause may be used in solicitations for goods or services for competitive bidding where the award is expected to exceed \$50,000 to allow for award to a reasonably priced DMBE-certified small business bidder, other than the lowest priced responsive and responsible bidder or bidders, in the case of multiple awards. This clause may be used for procurements over \$50,000 unless the requirement is set-aside exclusively for small business participation.**

- K. **AWARD TO OTHER THAN THE HIGHEST RANKING OFFEROR(S)**: Selection shall be made of two or more offerors deemed to be fully qualified and best suited among those submitting proposals on the basis of the evaluation factors included in the Request for Proposals, including price, if so stated in the Request for Proposals. Negotiations shall be conducted with the offerors so selected. Price shall be considered, but need not be the sole determining factor. After negotiations have been conducted with each offeror so selected, the agency shall select the offeror(s) which, in its opinion, has made the best proposal(s) and shall award the contract to that offeror; however, the contract may be awarded to a reasonably ranked DMBE-certified small business offeror(s), that is other than the highest ranking offeror(s). The Commonwealth may cancel this Request for Proposals or reject proposals at any time prior to an award, and is not required to furnish a statement of the reasons why a particular proposal was not deemed to be the most advantageous (*Code of Virginia*, § 2.2-4359D). Should the Commonwealth determine in writing and in its sole discretion that only one offeror is fully qualified, or that one offeror is clearly more highly qualified than the others under consideration, a contract may be negotiated and awarded to that offeror. The award document will be a contract incorporating by reference all the requirements, terms and conditions of the solicitation and the contractor's proposal as negotiated.

*** When Used: For goods and nonprofessional services when competitive negotiation will be used. This clause shall not be used in an Invitation for Bids or a professional services Request for Proposals. This clause may be used for solicitations over \$50,000 unless the requirement is set-aside exclusively for small business participation.**