

Issue Analysis Form

Date: 01/26/2021
Item: Policy Update –
Procurement Policy
(230.1-230.29)
Lead Department(s): Finance
Contact Person(s): Betsy Drewry



Description and Current Status

Staff recognized the need to update and expand existing Administrative Policy 230 entitled **Procurement Policy** to provide better internal guidance and clarification, and to increase certain procurement thresholds.

Changes are summarized below:

230.2 Definitions – [New Section] this section adds the definition of procurement terms used throughout the policy

230.3 Delegated Authority – [New Section] this section specifies the level of purchases that departments may make without the involvement of procurement officer (Finance Department) or preparation of a purchase order (under \$3,000); and provides timelines by which departments should make requests for assistance from the Procurement Officer

230.4 General Procurement Guidelines – [New Section] provides guidelines and responsibilities of departments when making purchases (tax exempt requirements; remaining within established budget; obtaining W-9; posting on web-site / eVA)

230.5 Procurement Thresholds (Good & Non-Professional Services) – clarifies cumulative nature of planned purchases within a fiscal year;
Section 2 - raises upper threshold of obtaining 3 quotes from \$4,999.99 to \$9,999.99 (from \$3,000 - \$4,999.99 to \$3,000 - **\$9,999.99**);
Section 3 - raises threshold for Procurement Officer to obtain quotes from \$5,000 – \$14,999.99 to **\$10,000 – 19,999.99**;
Section 4 - raises lower level of issuance of formal solicitation (IFB / RFP) from \$15,000 to \$20,000 [from \$15,000 - \$49,999.99 to **\$20,000 - \$49,999.99**] with no formal Board approval
Sections 1 and 5 – no significant changes

230.6 Purchasing Thresholds for Professional Services – no significant changes to this section (clarifies contract preparation process)

230.7 Exemptions – this section expanded for purchases when competition is either not practicable or available [**adds: goods/services for public assistance; training; dues, subscriptions, memberships; utility charges; athletic officials / referees; perpetual software and hardware maintenance; short-term temporary staffing**]

230.8 Bonds [New Section] this added section provides specific guidance and outlines when performance, payment and bid bonds are required (construction contracts of \$100,000 or more) and provides format for bonds

- 230.9 Procedure for Obtaining County Purchase Order** – no significant changes to this section
- 230.10 Paying Invoice / Receipt Against County Purchase Order** – provides guidance on paying invoices against an issued purchase order and how to handle partial shipments
- 230.11 Sole Source Purchases** - Outlines process for department head to follow if there is only one source for making a purchase and specific approval by County Administrator or Finance Director after consultation with County Attorney; and clarifies where sole source purchases will be posted (eVA / County website)
- 230.12 Emergency Purchases** – no significant changes to this section; just where emergency awards will be posted (eVA / County website)
- 230.13 Architectural & Engineering Services** – **[New Section]** this section added to clarify use of multiple contracted A&E firms and project (\$150,000 or less) and annual limits (\$750,000) for use of such firms
- 230.14 Information Technology Procurement** – **[New Section]** this section added to require involvement and review of IT Director in making technology purchases
- 230.15 Term Contracts for Nonprofessional Services** – **[New Section]** this section added to outline that County may enter renewable term contracts for nonprofessional services (like lawn maintenance; HVAC; electrician services; cleaning) and required use of such contracts by departments, unless a separate solicitation is approved by County Administrator
- 230.16 Contracts and Approvals** – **[New Section]** this section added to specify when a **contract is required (goods or services costing over \$19,999.99)**; and stating those of \$50,000 or more require Board approval; this section also provides thresholds for **when change orders require board approval (25% or \$50,000)**
- 230.17 Insurance** – **[New Section]** this section added to clarify insurance levels of contracted vendors (liability and worker’s compensation); and to require that Prince George County be name as the insured
- 230.18 Non-Discrimination Clause; 230.19 Drug-Free Workplace; 230.20 Faith-Based Organizations** **[New Sections]** these sections added to indicate that Prince George will follow state Virginia Public Procurement Act guidelines
- 230.21 Small, Woman and Minority-Owned** – **[New Section]** this section added to clarify that use of eVA as bidding platform encompasses use of SWAM vendors
- OLD 230.9 – Discrimination Clause** (removed old section; see 230.18)
- 230.22 Cancellation, rejection of bids, waiver of informalities** – no changes to this section
- 230.23 Negotiation with lowest bidder** – no change to this section
- 230.24 Order Splitting Prohibition** – **[New Section]** this section added to specifically state that County departments may not split orders to avoid policy requirements (fall under procurement thresholds)
- 230.25 Conflict of Interest** **[New Section]** this section added to indicate that Prince George will follow state Virginia Public Procurement Act guidelines
- 230.26 Notice to Cure** - **[New Section]** this section added to state that a cure letter will be issued if a vendor fails to meet or deliver goods and services within contract terms

230.27 Default - [New Section] this section added to clarify process to use when a vendor under contract defaults on the terms of contract (use of next lowest bidder and holding awarded contractor responsible for any added purchase and administrative costs). Contractors are not liable for failures arising from acts of war, order of legal authority, strikes, acts of God, or other unavoidable causes not attributable to fault or negligence

230.28 Debarment - [New Section] this section added to outline the process for formally debaring a contractor for cause (convictions of criminal actions; violations of County contract terms; other serious or compelling reasons)

230.29 Cooperative Procurement - [New Section] this section added to specifically state the County may use available shared procurement opportunities (cooperative procurements) as defined by VPPA; and that a listing of cooperative contracts will be made available to departments

OLD 230.12 Distribution of Policy – this section removed; not an “ethical policy” requiring signature of employees

A draft of the recommended policies is included for board review with changes noted in red.

A draft resolution is also included for consideration and approval.

Government Path

- | | | |
|--|---|--|
| Does this require IDA action? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Does this require BZA action? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Does This require Planning Commission Action? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Does this require Board of Supervisors action? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| Does this require a public hearing? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| If so, before what date? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

Fiscal Impact Statement

There is no additional fiscal impact to implement recommended policy revisions.

County Impact

Approval of the recommended policy changes will provide more specific written guidelines to department heads and employees when making purchases by: defining and updating process to follow for purchasing good / service at specific dollar thresholds; providing guidance on when bonds are required for projects (construction projects of \$100,000 or more); stating insurance requirements for vendors; allowing use of cooperative procurement; providing guidelines for curing contract issues and for formally disbaring a contracted vendors.

Notes

COUNTY OF PRINCE GEORGE ADMINISTRATIVE POLICIES Prince George, Virginia	POLICY NUMBER: 230.1 through 230. 29 42	Page 1 of 15
	SUPERSEDES: May 15, 2009 September 12, 2012	DATE ISSUED: September 12, 2012
SUBJECT: Procurement Policy	AUTHORIZATION: Percy C. Ashcraft, County Administrator Board of Supervisors	

230.1 General Provisions

It is the objective of Prince George County to establish administrative regulations to govern the process of procuring goods and/or services for use by the County. All purchases must comply with the Virginia Public Procurement Act (VPPA), as applicable. If any discrepancies arise between the County's Procurement Policy and the VPPA, the VPPA takes precedence.

230.2 Definitions

"Procurement Office" and/or "Procurement Officer", for the purposes of these Policies and Procedures, means the Deputy County Administrator of Finance or his/her designee.

"Department Director" collectively refers to County Department Directors, Deputy County Administrators, Constitutional Officers, or other staff as authorized by the County Administrator.

"Quick Quote (QQ)" is the document used to solicit informal bids for small purchases where the winning bid is determined primarily by the lowest responsive and responsible bidder. Other determining factors may apply. Bids are unsealed.

"Request for Qualifications (RFQ)" refers to the pre-qualification stage of the procurement process. Only those proponents who successfully respond to the RFQ and meet the qualification criteria will be included in the subsequent Request for Proposals (RFP) solicitation process or selected for a vendor pool. An RFQ can be used for an RFP and IFB, but is not required.

"Invitation for Bids (IFB)" is the document used to solicit formal bids for large purchases where the award is determined by the lowest responsive and responsible bidder. Bids are sealed.

"Request for Proposals (RFP)" is the document used to solicit formal proposals for large purchases where the award is based on factors other than price, but where price may still be a factor. Proposals are sealed. This procurement method is most typically used for the solicitation of services (professional and non-professional).

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For purposes of these Policies and Procedures, the following words and phrases shall have the meanings ascribed to them by the VPPA, as it may be amended from time to time. The definitions as of July 1, 2019 are reprinted below; however, please consult the most recent version of the VPPA to ensure the definitions have not changed. (VPPA 2.2-4301)

“Best value” as predetermined in the solicitation, means the overall combination of quality, price, and various elements of required services that, in total, are optimal relative to County needs.

“Construction” means building, altering, repairing, improving, or demolishing any structure, building or highway, and any draining, dredging, excavation, grading or similar work upon real property.

“Goods” means all material, equipment, supplies, printing, and automated data processing hardware and software.

“Nonprofessional services” means any services not specifically identified as professional services in the definition of professional services.

“Professional services” means work performed by an independent contractor within the scope of the practice of accounting, actuarial services, architecture, land surveying, landscape architecture, law, dentistry, medicine, optometry, pharmacy or professional engineering.

“Responsible bidder” or “offeror” means a person who has the capability, in all respects, to perform fully the contract requirements and the moral and business integrity and reliability that will assure good faith performance, and who has been prequalified, if required.

“Responsive bidder” means a person who has submitted a bid that conforms in all material respects to the Invitation to Bid.

“Services” means any work performed by an independent contractor wherein the service rendered does not consist primarily of acquisition of equipment or materials, or the rental of equipment, materials and supplies.

230.3 Delegated Authority

Department Directors, or their designees, have the delegated authority to make small purchases of less than \$2,999.99 without prior approval from the Procurement Office. For all purchases \$3,000 and over, a completed Purchase Requisition Form shall be sent to the Procurement Office for procuring goods and services. Purchase Requisitions shall be submitted at least 10 business days prior to need-by date for purchases under \$5,000 and at least 20 business days prior to need-by date for purchases \$14,999.99 and over. In the event that a Purchase Requisition is received outside of these parameters, the Finance Office, at its sole discretion, may waive the deadline.

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230.4 General Procurement Guidelines

- A. Tax Exempt – Prince George County is exempt from sales tax for goods/services purchased in or delivered to Virginia; however, retail sales of prepared meals, charges for lodging and purchases of goods in other states are subject to sales tax. All staff making purchases on behalf of Prince George County, no matter the dollar amount, are responsible for ensuring that no taxes are added to tax exempt purchases. If taxes are added to an exempt purchase, the employee who made the purchase is responsible for seeing that taxes are removed or credit received. Failure to remove taxes could result in the employee personally paying for taxes on that purchase. Tax exempt forms are available from the Finance Office.
- B. Any authorized online purchases shall be made from an account that is set up with tax exempt status. The Finance department is the only department allowed to setup online accounts on behalf of the County. See the Expense Reports and Purchase Card/Accounts Policy (Policy Number 170.1-170.3) for details regarding purchases using the County’s P-Cards.
- C. Proposed purchases must be included in the County’s budget. If a proposed purchase is not included in the budget, approval must be received from the County Administrator prior to beginning the procurement process.
- D. The use of eVA’s Quick Quote and Virginia Business Opportunity (VBO) is used by the Procurement Office. Solicitations must be posted on the County website (using the eVA website as the platform) and can be sent to local vendors when requested that provide the good/service.
- E. A current IRS Form W-9 must be obtained from each vendor with which the County does business. All corporations must have an active registration with the State Corporation Commission, if required. All vendors providing a service must have a current business license and current certificate of insurance that meets County requirements.
- F. Shipment address for all County purchases must be made to a valid County facility address. Emergency purchase shipments can be made to the County Emergency Communication’s Center.

230.52 Procurement Thresholds (Goods and Non-Professional Services)

The regulations and procedures outlined in this policy are to apply to all goods and/or services purchased by the County whether by Invitation to Bid or Request for Proposal, except as stated in Section 230.74. Thresholds are determined by the vendors total Fiscal Year spending.

[The sum of a purchase equals the total cost for all phases or terms. Example: If a contract is for 3 years, the sum of the purchase = [cost per year] x 3. This total shall be used when determining how to procure a product/service.]

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1. **\$0 - \$2,999.99** _____ Department representative will obtain the best price and then buy directly from the vendor. The lowest possible price without sacrificing quality should always be the objective. If a purchase order is required by the vendor, the Department Director will ~~sign the purchase order and forward it on to the appropriate vendor~~ create and approve a purchase requisition that is forwarded to the Procurement Officer to convert to a purchase order. The Procurement Officer will provide the approved purchase order to the department to forward to the vendor.

2. **\$3,000 - \$49,999.99** Department representative will obtain a minimum of three written or electronic quotes, use County contract pricing or cooperative contract pricing. ~~Three written or electronic quotes are required unless, however, the vendor is determined, at the discretion of the Procurement Officer, to be sole source.~~ A purchase requisition order will be completed electronically and approved by the Department Director with three (3) quotes or estimates from available county or cooperative contract attached. ~~and signed by the Department Director with the quotes attached.~~ The purchase requisition order will then be sent to the Procurement Officer to be encumbered and then forwarded to the County Administrator for final approval. Once final approval has been given, the Procurement Officer will convert the purchase requisition to a purchase order and forward purchase order will be forwarded to the requesting department to provide to the vendor. ~~appropriate vendor and requesting department.~~

3. ~~\$5,000 - \$14,999.99~~ **\$10,000 - \$19,999.99** A written request for goods or services will be sent to the Procurement Officer in order to obtain a minimum of three written or electronic quotes unless. If use of a County or cooperative contract is recommended, a detailed, itemized, line-item estimate must be attached. Once quotes or estimates are obtained, a purchase requisition will be completed and approved electronically by the Department Director. ~~however, at the discretion of the Procurement Officer, the vendor is determined to be sole source. Once quotes are obtained, a purchase order will be completed for signature by the Department Director.~~ This signature approval will constitute approval of the purchase. The purchase requisition order will then be returned to the Procurement Officer to be encumbered and then forwarded to the County Administrator for final approval. Once final approval has been given, the Procurement Officer will convert the purchase order requisition to a purchase order and forward to the requesting department to provide to the vendor. ~~will be forwarded to the appropriate vendor and requesting department.~~

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4. **\$1520,000 - \$49,999.99** Specifications and scope of work will be forwarded to the Procurement Officer for preparation of a competitive sealed bid or competitive negotiation package. Competitive sealed bid or competitive negotiation packages will be publicly posted, ~~and advertised in one or more local newspapers of general circulation.~~ Once competitive sealed bid or competitive negotiation packages are received, ~~back~~, they will be evaluated and a purchase order and/or contract will be prepared by the Department Head, Procurement Officer and County Attorney to be approved and executed by completed and executed by the County Administrator and approved as to form by the County Attorney.

5. **\$50,000 +** Specifications and scope of work will be forwarded to the Procurement Officer for preparation of a competitive sealed bid or competitive negotiation package. Competitive sealed bid or competitive negotiation packages will be publicly posted, ~~and advertised in one or more newspapers of general circulation.~~ Once competitive sealed bid or competitive negotiation packages are received ~~back~~, they will be evaluated and a purchase order and/or contract will be prepared by the Department Head, Procurement Officer and County Attorney completed and forwarded to the Board of Supervisors for approval. Once approval has been given, the contract and/or purchase order will be executed and approved by the County Administrator and approved as to form by the County Attorney.

Goods and/or services purchased from County/State Contracts and other valid, approved cooperative contracts do not require quotes, but do require a purchase order that references the specific State contract for that good or service.

230.63 Purchasing Thresholds for Professional Services (which the Virginia Public Procurement Act (VPPA) defines as: "...work performed by an independent contractor within the scope of practice of accounting, actuarial services, architecture, land surveying, landscape architecture, law, dentistry, medicine, optometry, pharmacy or professional engineering...")

1. **Less than \$50,000** Competitive negotiation is not required for professional services that will not exceed \$50,000 for all phases of work to be performed. Competition must still be sought when practicable. If competition is not practicable, a written justification from the Department Director documenting the need for the service, time constraints, as well as justifying the reasonableness of the pricing must be completed and made a part of the contract file. Copies of any additional quotes, if obtained, must also be included in the contract file and must

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accompany the contract and/or purchase order for work performed under this section.

Purchases \$3,000 or greater must be sent to County Administrator for approval, along with making available any quotes obtained and/or justification letter.

2. \$50,000 +

Specifications and scope of work will be forwarded to the Procurement Officer for preparation of a competitive negotiation package. Competitive negotiation packages will be publicly posted, ~~and advertised in one or more local newspapers of general circulation.~~ Once competitive negotiation packages are received ~~back~~, they will be evaluated and a purchase order and/or contract will be prepared by the Department Head, Procurement Officer and County Attorney ~~completed~~ and forwarded to the Board of Supervisors for approval. Once approval has been given, the contract and/or purchase order will be approved and executed by the County Administrator and approved as to form by the County Attorney.

230.74 Exemptions

Prince George County has determined that competition normally is either not practicable or available for purchases of the following goods and services; at least one quote must be obtained and documented.

The following are exempt from the purchasing requirements stated in the previous sections:

- A. Purchases from the Department of Corrections, State contracts, State warehouses, and cooperative procurements.
- A.B. Goods or personal services purchased for public assistance and social services programs or any goods or personal services purchased under the Children's Services Act (§ 2.2-5200 et seq.) if the procurement is made for an individual recipient.
- B.C. Legal Services or expert witnesses or other services associated with actual or potential litigation or regulatory proceedings.
- D. Purchases for special work when the Sheriff and/or Chief of Police certifies to the County Administrator that the items are needed for undercover police operations.
- E. Training to include on and off-site training fees
- F. Dues, Subscriptions and Memberships
- G. Utility Charges
- H. Athletic Officials/Referees: Umpires, referees, and other sports officials to officiate competitive athletic and sporting events sponsored by Prince George County Parks & Recreation. The services include observing the

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play, detecting infractions of rules, and imposing penalties established by the rules and regulations of the various sports

I. Perpetual Software and Hardware Maintenance Competitively purchased software and hardware that requires annual maintenance and support including upgrades to keep the product current, is considered both proprietary and perpetual, as maintenance cannot be provided by anyone other than the source code or current holder. For that reason, maintenance does not require the same competitive justification as other purchases so long as the original purchase is competitive and the same company provides the maintenance, until the product is no longer utilized. Using departments must verify that the price is fair and reasonable and that the product is still available through the current provider with each purchase.

E.J. Temporary staffing for a short-term basis

K. Other procurement exemptions as stated in the Virginia Public Procurement Act (VPPA), Code of Virginia

230.8 Bonds – Construction Contracts

A. Performance Bond

A performance bond in the sum of the contract amount conditioned upon the faithful performance of the contract in strict conformity with the plans, specifications and conditions of the contract. Must be provided for every Construction Contract \$100,000 or more.

B. Payment Bond

A payment bond in the sum of the contract amount. The bond shall be for the protection of claimants who have and fulfill contracts to supply labor or materials to the prime contractor to whom the contract was awarded, or to any subcontractors, in furtherance of the work provided for in the contract, and shall be conditioned upon the prompt payment for all materials furnished or labor supplied or performed in the furtherance of the work Must be provided for every Construction Contract \$100,000 or more.

C. Bid Bond

A bid bond from a surety company selected by the bidder that is authorized to do business in Virginia, as a guarantee that if the contract is awarded to the bidder, he will enter into the contract for the work mentioned in the bid. The amount of the bid bond shall be five percent (5%) of the amount bid. Must be provided for every Construction Contract \$100,000 or more as indicated in the RFP or IFB.

D. Bond Formats

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The County will accept either a surety bond or a letter of credit to satisfy the bond requirements. The County will provide the necessary format for the surety bond or letter of credit.

~~D.~~ _____

230.95 Procedure For Obtaining a County Purchase Order

- For purchases \$3,000 or greater, the department must obtains and documents three quotes (~~asecording to policy~~ stated in Section 230.52).
- The department will enter a requisition into the Munis system. The department ~~supervisor~~/director will approve the requisition through Munis. The requisition will then flow to the Procurement Officer and then to the County Administration for final approval.
- Once approved by County Administration, the requisition will flow to the Procurement Officer to check for quote documentation and creation of a purchase order.

230.106 Paying Invoice / Receipt Against a County Purchase Order

Upon execution of a Contract or Purchase Order, the Department Director or his/her designee shall oversee the product receipt or service completion.

Upon receipt of goods/services, department shall verify that all goods/services were received and in good condition. Anything missing, damaged, incomplete or not satisfactory to the Contract shall be reported to the Vendor immediately.

The Department Director shall obtain and review detailed, itemized, line-item invoices; sign off once item(s) is/are received in satisfactory condition; and submit invoices to Accounts Payable for payment. Accounts Payable shall pay vendors following submittal by Department Director of approved invoice. It is recommended that purchases under \$3,000 be paid by County P-Card when possible.

- **Partial Shipment or Service** – The Department Director of the requesting department must approve the invoice by written signature (which includes a Department Director signature and notation of budget line item to charge against) the invoice and forward to Finance, along with a copy of the purchase order. A note should also be made that this is a partial receipt, and which purchase order line items are being paid, and amount per line.
- **Completed Shipment or Service** - The Department Director of the requesting department must approve the invoice by written signature (which includes a

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~~Department Director signature and notation of budget line item to charge against) the invoice and forward to Finance, along with a copy of the purchase order. If a balance remains on the purchase order, the Department Director should provide instructions on whether to close or fully liquidate the purchase order.~~

230.117 Sole Source Purchase

Upon a determination in writing that there is only one source practicably available for that which is to be procured, a contract may be negotiated and awarded to that source without competitive sealed bidding or competitive negotiation. Department Directors must document, in writing, the justification for the sole source, and the sole source purchase must be approved by the County Administrator or Finance Director after consultation with the County Attorney in advance of the purchase. The County shall issue a written notice stating that only one source was determined to be practicably available, and identifying that which is being procured, the contractor selected, and the date on which the contract was or will be awarded. This notice shall be posted on the County website (using eVA website as the platform) in the Administration building lobby or published in a newspaper of general circulation on the same day the public body awards or announces its decision to award the contract, whichever occurs first. ~~Public notice may also be published on the Virginia Department of General Services' central electronic procurement website and other appropriate websites. (VPPA section 2.2-43034 E)~~

230.128 Emergency Purchase

Emergencies are defined as situations posing an immediate danger to persons and/or public property, or a State of Emergency as declared by the Governor and/or County Administrator. Emergency purchases are to be used to cover the requirements of the emergency only. Subsequent requirements shall be obtained using normal purchasing procedures.

The potential loss of funds at the end of a fiscal year is not considered an emergency.

In case of an emergency, a contract may be awarded without competitive sealed bidding or competitive negotiation; however, such procurement shall be made with such competition as is practicable under the circumstances. A written determination of the basis for the emergency and for the selection of the particular contractor must be documented by the Department Director and included in the contract file. The County shall issue a written notice stating that the contract/purchase order is being awarded on an emergency basis, and identifying that which is being procured, the contractor selected, and the date on which the contract was or will be awarded. This notice shall be posted on the County website (using eVA website as the platform) within a day after in the Administration building lobby or published in a newspaper of general circulation on the day the public body awards or announces its decision,

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~~whichever occurs first or as soon thereafter as practicable. to award the contract, whichever occurs first, or as soon thereafter as is practicable. Public notice may also be published on the Virginia Department of General Services' central electronic procurement website and other appropriate websites. (VPPA section 2.2-430.34 F)~~

230.13 Architectural & Engineering Services

Prince George County may procure annual term contracts with multiple Architectural & Engineering firms using the RFP procedures set out in 230.6 above. During the contract term, projects should be distributed among the selected contractors according to demonstrated areas of experience and expertise, time for deliverables, and familiarity with like projects. All projects shall have a written task order, issued by the Procurement Office, which clearly outlines the scope of work to include projected timeline and cost, using fair and reasonable prices, as negotiated. The fee for any single project shall not exceed \$150,000. The sum of all projects performed in one contract term (one year) shall not exceed \$750,000.

230.14 Information Technology Procurement

All Purchase Requisitions and applicable specifications for information technology equipment and services, including but not limited to computers, printers, telephones, mobile devices, TV's, projectors, toner, hardware and software, must first be reviewed by the County's Director of Information Technology.

230.15 Term Contracts for Nonprofessional Services

Prince George County may procure annual term contracts for nonprofessional services with multiple firms using the Invitation for Bid (IFB) for proposal process. All county departments shall use such firms for nonprofessional services. If the firm cannot provide the necessary services for a county department, the Department Head must receive approval from the County Administrator to bid out services that are covered under a term contract. Notice of term contracts available for use will be posted on County website (using eVA website as the platform).

230.16 Contracts and Approvals

A Purchase Order shall be issued for all purchases over \$3,000 by the Procurement Office. Other departments are not permitted to issue Purchase Orders. Any procurement for goods or services costing \$19,999.99 or more shall require a written contract. All written contracts require approval and signature by the County Administrator after review and approval as to form by the County Attorney. Any procurement for goods or services costing \$50,000 or more shall also require approval by the Prince George County Board of Supervisors prior to execution. When a contract requires Board approval, the Department Director must prepare an explanatory memo (Issue & Analysis Form) in cooperation with the Finance Director for the Board meeting. Only

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the County Administrator has final authorization to sign any contracts, quotes or agreements regardless of amount.

Any contract amendments or change orders shall be reviewed by the Procurement Office and approved by the County Administrator and/or Finance Director prior to incurring additional expenses and/or completing work. No fixed-price contract may be increased by more than twenty-five percent (25%) or \$50,000, whichever is greater, without advance approval of the Prince George County Board of Supervisors.

230.17 Insurance

Contractor's must be insured when performing services on County owned property. These are the County's basic requirements.

<u>Coverage Required</u>	<u>Required Limit</u>	<u>Description</u>
<u>Business Automobile Liability</u>	<u>\$1,000,000.00</u>	<u>Combined Single Limit per Occurrence as Applicable</u>
<u>Professional Liability</u>	<u>\$1,000,000.00</u>	<u>- Professional Services only</u>
<u>Commercial General Liability*</u>	<u>\$1,000,000.00</u> <u>\$2,000,000.00</u> <u>\$2,000,000.00</u>	<u>- Combined Single Limit per Occurrence</u> <u>- General Aggregate Limit per Project</u> <u>-Products and Completed Operations Aggregate</u>
<u>Employer's Liability</u>	<u>\$100,000.00</u>	<u>- Each Offense per Person or Organization</u>
<u>Umbrella Excess Liability</u>	<u>\$1,000,000.00</u>	<u>- Per Occurrence and Aggregate as Applicable</u>
<u>Worker's Compensation & Employer's Liability</u>	<u>\$ 500,000.00</u> <u>\$ 500,000.00</u> <u>\$ 500,000.00</u>	<u>- Per Accident</u> <u>- Disease per Employee</u> <u>- Policy Limit Disease</u>

*Must reflect that the Commercial General Liability policy names "the County of Prince George elected and appointed officials, officers, consultants, agents and employees, and affiliate or subsidiary boards" as an additional insured by endorsement to the policy.

***The Certificate Holder must be listed as:**

County of Prince George
c/o Finance Department
6602 Courts Drive
Prince George, VA 23875

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230.18 Non-Discrimination Clause

Please refer to VPPA section 2.2- 4310-4311.

230.19 Drug-Free Workplace

Please refer to VPPA section 2.2- 4312

230.20 Faith-Based Organizations

Please refer to VPPA section 2.2- 4343.1

230.21 Small, Woman and Minority-Owned (SWAM)

The County of Prince George will make a concerted effort to include one or more vendors certified by the Virginia Department of Small Business and Supplier Diversity as small businesses, businesses owned by women, minorities, and service disabled veterans, and employment services organizations among those contacted. This effort is not intended to give preference in making an award, but is intended to provide SWAM vendors a chance to participate in procurement opportunities. All solicitations posted to eVA (the Commonwealth's electronic procurement portal) meet this requirement. (VPPA section 2.2-4310B).

~~230.9 Discrimination Clause~~

~~In the solicitation or awarding of contracts, the County of Prince George shall not discriminate against a bidder or offeror because of race, religion, color, sex, national origin, age, disability, status as a service disabled veteran, or any other basis prohibited by state law relating to discrimination in employment. (VPPA section 2.2-4310)~~

230.10 230.22 Cancellations, rejection of bids, waiver of informalities

The County of Prince George may cancel and/or reject any and/or all responses to competitive sealed bids or competitive negotiations, and any other solicitations. The reason(s) for the cancellation and/or rejection shall be made a part of the procurement file. The County cannot cancel and/or reject a solicitation response solely to avoid awarding a contract to a particular responsive and responsible vendor.

The County may also, at its discretion, waive informalities in solicitation responses.

(VPPA section 2.2-4319)

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230.11 230.23 Negotiation with the lowest bidder

Unless canceled or rejected, a responsive bid from the lowest responsible bidder shall be accepted as submitted, except that if the bid from the lowest responsible bidder exceeds available funds. The County of Prince George may then negotiate with the apparent low bidder to obtain a contract price within available funds. (VPPA section 2.2-4318)

230.24 Order Splitting Prohibition

The placement of multiple orders within five business days from one vendor for the same, like, or related goods or services to avoid using the appropriate method of procurement or to remain within delegated purchasing authority is prohibited.

230.25 Conflict of Interest

Please refer to VPPA section 2.2-4367- 4377.

230.26 Notice to Cure

A Cure letter is used when a contractor has failed to perform or deliver as substantiated by a Procurement Complaint Form. It provides the contractor a period of time to correct or "cure" the deficiency and places the contractor on notice as to the consequences for failure to take the required corrective action. The notice will be given in writing advising the contractor that non-delivery or non-conformance is a breach of a contract and, if the deficiency is not corrected within a stated number of days, the County of Prince George will terminate the contract for default and hold the contractor liable for any excess costs.

230.27 Default

In case of default by a contractor for failure to deliver or perform in accordance with the contract specifications or terms and conditions, the state may procure the articles or services from other sources and hold the defaulting contractor responsible for any resulting additional purchase and administrative costs. The County will normally repurchase from the next low bidder or purchase competitively by re-solicitation. If the repurchase results in increased costs to the County, a letter will be sent to the defaulted contractor requiring payment within a specified time frame for additional costs. If payment is not received within specified time frame, Debarment proceedings may be instigated (see 230.28.).

Contractors shall not be liable for any excess cost if the failure to perform arises out of any act of war, order of legal authority, strikes, act of God, or other unavoidable causes not attributed to their fault or negligence. Failure of a contractor's source to deliver is generally not considered to be an unavoidable cause. The burden of proof rests with the contractor.

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230.28 Debarment

The Prince George County Board of Supervisors through its designee, the County Administrator, may debar contractors from contracting for particular types of goods, services, insurance or construction. A debarred contractor may not enter into negotiations to contract with the County or make an offer, proposal or bid in response to a Request for Proposals, an Invitation to Bid or any other form of solicitation by the County, for supplies, services, insurance or construction. Debarment of a contractor applies to any successor company formed with the same resources, owners or stockholders as the debarred entity. Grounds for debarment include (VPPA Section 2.2-4321):

- A. Conviction for commission of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of such contract or subcontract.
- B. Conviction under state and federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property or any other offense indicating a lack of business integrity or business honesty which currently, seriously, and directly affects responsibility as a county contractor.
- C. Conviction under state or federal antitrust statutes arising out of the submission of bids or proposals.
- D. Violation of contract provisions, as set forth below, of a character which is regarded by the Board of Supervisors to be so serious as to justify debarment action:

 - i. Deliberate failure, without good cause, to perform in accordance with the specifications or within the time limit provided in the contract; or
 - ii. A recent record of failure to perform or of unsatisfactory performance in accordance with the terms of one or more contracts; provided that failure to perform or unsatisfactory performance caused by acts beyond the control of the contractor shall not be considered to be a basis for debarment.
- E. Any other cause the County Administrator determines to be as serious and compelling as to affect responsibility as a contractor, including debarment by another governmental entity for any cause and violation of the ethical standards set forth in this chapter.

The Procurement Office shall establish procedures for the prompt reporting, investigation and referral of matters appropriate for consideration.

The steps in the debarment process are as follows:

- A. Once the County Administrator or his designee becomes aware of information that a contractor should be debarred, he or his designee shall review the information with the Procurement Office and the County Attorney and shall determine the minimum debarment period. The minimum debarment period shall be commensurate with the seriousness of the cause.
- B. The County shall inform the contractor of the debarment by letter signed by the County Administrator and/or designee, sent certified mail, return receipt

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required, stating the reasoning for debarment and the minimum length of time that the contractor shall be debarred.

- C. The contractor shall have five (5) business days following receipt of the written letter in which to request a meeting with the County at which he/she shall be allowed to present written or oral evidence as to why the debarment should not occur.
- D. Upon the expiration of time for appeal, or upon the affirmation of the debarment penalty, as applicable, the County shall cause the contractor's name to be placed on the debarment list maintained in the Procurement Office.
- E. After a contractor's minimum debarment period expires, the contractor may request in writing to the County Administrator that the contractor wishes to have his name removed from the debarment list and to be reinstated as eligible to conduct business with the County. The contractor may include information supporting his reinstatement request.
- F. The County Administrator or designee shall review the debarred contractor's written request and shall notify the debarred contractor of his decision concerning reinstatement within ten (10) business days of receipt of said request.

230.29 Cooperative Procurement

Prince George County may utilize cooperative procurement agreements with public entities provided that such cooperative procurement complies with the VPPA (VPPA Section 2.2-4304).

The Department Head and/or the Purchasing Officer will actively research and allow the use of Cooperative Contract's for department needs. A listing of cooperative contracts available for use will be made available by the Procurement Officer. The Department Heads shall use these contracts unless the contractor is unable or not available to perform the services to meet the department's needs. If the contractor on the listing of cooperative contracts does not meet the needs of the department, the Department Head must notify the Purchasing Officer in writing and request to use another contractor.

230.12 Distribution of Procurement Policy to County Employees; Employee Acknowledgement

A copy of the Procurement Policy shall be distributed to each County employee with an Employee Acknowledgement. Each County employee shall acknowledge receipt of the Policy by signing and dating the Employee Acknowledgement Form in the presence of a witness who shall also sign and date the Acknowledgement. The executed Employee Acknowledgement shall be returned to the Department of Human Resources for filing in the respective employee's personnel file.

Board of Supervisors
County of Prince George, Virginia

Resolution

At a regular meeting of the Board of Supervisors of the County of Prince George held in the Boardroom, Third Floor, County Administration Building, 6602 Courts Drive, Prince George, Virginia this 26th day of January, 2021:

Present:

Vote:

Floyd M. Brown, Jr., Chairman
Marlene J. Waymack, Vice-Chair
Alan R. Carmichael
Donald Hunter
T. J. Webb

A-1

On motion of _____, seconded by _____, which carried unanimously, the following Resolution was adopted:

RESOLUTION; PROPOSED REVISIONS PRINCE GEORGE COUNTY PERSONNEL POLICY; SECTION 230.1 THROUGH 230.29, ENTITLED *PROCUREMENT POLICY*

WHEREAS the Prince George County Personnel policy has been reviewed by staff and it has been determined that the existing policy entitled *Procurement Policy* requires modifications;

NOW, THEREFORE, BE IT RESOLVED, That the Board of Supervisors of the County of Prince George this 26th day of January, 2021, does hereby amend the Prince George County Personnel Policies by revising the policy entitled *Procurement Policy* as requested.

A Copy Teste:

Percy C. Ashcraft
County Administrator