



**COUNTY OF SAN BERNARDINO
POLICY MANUAL**

No. 11-04

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EFFECTIVE DATE February 14, 2017

**POLICY: PROCUREMENT OF GOODS, SUPPLIES,
EQUIPMENT AND SERVICES**

APPROVED
ROBERT A. LOVINGOOD
Chairman, Board of Supervisors

POLICY STATEMENT AND PURPOSE

The Board of Supervisors has set procurement authority at the statutory limits set by the State of California Government Code section 25502.5 and in County Code sections 14.0101 et. seq. The authority and responsibility for procurement of goods, supplies, equipment and services rests with the Purchasing Agent. This places the responsibility on those who have the skill to do the work properly and whose primary concern is in the performance of this special task. It enables the establishment of uniform policies and procedures with respect to the selection and purchase of goods and services and vendor relationships, and promotes economy by consolidating requirements and by establishing material standards.

DEPARTMENTS AFFECTED

All County agencies, departments, and Board-governed Special Districts.

DEFINITIONS

Best Value Evaluation – An evaluation process used to select the optimal combination of quality, price and various qualitative elements of required goods, supplies, equipment and services. The award is made with the intent of providing the government the greatest or best value for its money. Cost is not necessarily the primary factor in the selection process because proposals are evaluated on the basis of best overall value rather than price alone.

Fixed Asset - Equipment with a unit valuation of \$5,000 or more and a useful life of more than one year, including equipment for capital improvement programs.

Personal Property - All County-owned possessions, operational or not, that are movable and are not affixed to or associated with real property. Personal property includes tangible and intangible items. There is no minimum value for personal property.

Procurement The overall process of identifying sources, competitively selecting goods and services and negotiating, all leading to the purchasing transaction.

Professional Services – Services, not of a general nature, provided by persons specially trained, experienced, expert and competent to provide services, advice, education or training in financial, economic, accounting, engineering, architectural, legal, medical, administrative, and certain information technology services.

POLICY AMPLIFICATION

1. Bids for public works projects are covered by the requirements of the California Uniform Public Construction Cost Accounting Act in the State of California Public Contract Code sections 22000 et seq. Contact the Purchasing Department for information regarding those requirements.
2. In accordance with County Policy 11-01, all purchases, unless otherwise provided by law or County policy, shall be solicited on a competitive basis to obtain the best value to the County. County agencies, departments and Board-governed Special Districts must comply with and utilize the procedures established by the Board of Supervisors, County Administrative Office and the Purchasing Agent through Ordinance, Policies and Standard Practices or the County Procurement Manual. All recommendations for purchases being submitted to the Board of Supervisors must be reviewed in advance by the Purchasing Department.

The Purchasing Agent will conduct a good faith review of available sources. The Purchasing Department has full authority to question the quality and kind of products or services needed in order that the best interests of the County may be served and to satisfy its review of available resources.

A. Procurement of Services

- i. When an agency, department or Board-governed Special District seeks a service, Policy 11-03 will be followed with respect to procuring services which can be provided by Internal Service Departments and Divisions.
- ii. Competitive and non-competitive purchase of services where the annual aggregate cost, per scope of services, per vendor, per agency, department or Board-governed Special District does not exceed \$100,000 may be approved by the Purchasing Agent. Any contract that exceeds \$100,000 during a single annual period must be approved by the Board of Supervisors.
- iii. For purposes of this Policy, with respect to any Board-governed Special District managed by and reporting to the County Special Districts Department (or its successor department or agency), the \$100,000 limit applies to the cumulative total of all the special districts, not to each individual special district.
- iv. Selection of professional service providers shall be conducted through a competitive process based upon demonstrated competence and professional qualifications, and negotiated at a fair and reasonable price to the County. Cost is not necessarily the primary factor in the selection process, but should be an important consideration.

Contracts governed by California Government Code sections 4525, et seq. for professional services include architectural, landscape architectural, engineering, environmental, land surveying and construction project management services and are subject to the process described in 11-04 SP3.

- v. Pursuant to Title 1, Division 2, Chapter 19, Section 12.1908 of the County Code, County Counsel is authorized to select and retain specialized legal services for a particular matter not to exceed \$100,000 per fiscal year.
- vi. Selection of expert witnesses is exempt from this Policy due to the special and sensitive nature of such services.

B. Procurement of Goods, Supplies and Equipment

- i. Competitive purchase or rental of personal property in any amount may be approved by the Purchasing Agent.
- ii. Non-competitive purchases of goods in excess of \$100,000 must be approved by the Board of Supervisors.
- iii. The Board of Supervisors shall approve the purchase of fixed assets as part of the adoption of the annual County budget. After the budget has been adopted, any unbudgeted fixed asset purchases or substitutions with a \$10,000 unit value or more require Board of Supervisors approval.
- iv. Increases in fixed asset cost exceeding 10% per asset, require Board of Supervisors approval.
- v. The Purchasing Department is responsible for purchase or lease-purchase of all assets, including fixed assets, after the requesting agency, department or Board-governed Special District has complied with the procedures established in this Policy and Standard Practice 11-04SP2.

- vi. The Purchasing Agent may accept trade-in allowances for County personal property with a value of less than \$10,000 which has been determined by the Purchasing Agent to no longer be required for public use.
- vii. The Purchasing Department is responsible for evaluating items being considered for purchase, or consigned or loaned to the County, and no other County department may accept any items unless so authorized by the Purchasing Department. Any item on loan to the County for any purpose whatsoever shall be given the same care and protection against loss, damage and theft as if it were County owned. Procedures governing the testing and evaluation of products are contained in the County Procurement manual.

- 3. The maximum contract term is five (5) years. Contracts exceeding a five-year term must be approved by the Board of Supervisors. Indefinite term or automatically renewing contracts are not permitted unless approved by the Board of Supervisors. Contracts and any options to extend that do not exceed \$100,000 annually, may be approved by the Purchasing Agent.
- 4. If an agency, department or Board-governed Special District maintains that a purchase is in the best interest of the County without a competitive process, it must provide the Purchasing Agent with detailed written evidence to support a non-competitive determination. The Purchasing Agent may require that negotiations be conducted as to price, delivery and terms.

If the non-competitive purchase requires approval by the Board of Supervisors, the written evidence to support a non-competitive determination must be provided to the Purchasing Agent in advance of submission to the County Administrative Office for review and placement on the agenda. Justification referencing the non-competitive determination by the Purchasing Agent must also be included in the agenda item.

More information regarding the justification of non-competitive purchases may be found in the County Procurement Manual

- 5. An agency, department or Board-governed Special District is not permitted to delay payment, receive a bill in advance, or split charges for goods, supplies, equipment or services, in order to avoid the contract limits of this policy.

6. Selection Process

- A. An agency, department or Board-governed Special District seeking services or products with substantial services components in excess of \$100,000 must submit a Request for Proposal (RFP) for approval by the County Executive Officer or designee prior to release.
- B. Templates for product and service solicitations shall be maintained by the Purchasing Department and are available from the Purchasing intranet website.
 - i. Best Value Evaluation is the approach for awarding a contract based on evaluation criteria set forth in the RFP.
 - ii. Documentation demonstrating that a competitive process was used must be provided to the Purchasing Agent for all purchases of \$5,000 or more. Documentation for all purchases in an amount less than \$5,000, including purchases using procurement cards, must be maintained by the agency, department or Board-governed Special District. Purchases under \$1,000 do not require a competitive process.
 - iii. Personnel involved in the selection process shall not engage in practices which might result in unlawful activity including, but not limited to, rebates, kick-backs, or other unlawful consideration or violation of County Policy 11-02. County employees are prohibited from participating in the selection process when the employees have a relationship with a person or

business entity seeking a contract which would subject those employees to the prohibitions of Government Code sections 87100 and 1090 et seq. or when such participation might result in a violation of County Policy 11-02.

7. Use of Standard Personalized Printing Materials

Any County agency, department or Board-governed Special District, subject to County branding standards, requiring business cards, stationery, or envelopes, will requisition the items from Printing Services.

8. Exceptions To Policy - Exceptions to this Policy may arise through the following:

A. Law. State or Federal law, or State and Federal grant terms and conditions if applicable, may specifically govern procurement. If such law or grant terms and conditions mandates procurement in a certain manner, then the State or Federal law or grant terms and conditions will govern the acquisition of those goods, supplies, equipment, or services.

B. Emergency. Purchase of goods, supplies, equipment and services for: (i) any local emergency as proclaimed by the Board of Supervisors or an official designated by ordinance, pursuant to Government Code section 8630 (or its successor) or (ii) the preservation of life or property, or (iii) in the event the Purchasing Agent or any assistant or deputy authorized to make purchases is not immediately available, and the item or items are immediately necessary for continued operation of the entity and undue delay would cause substantial loss to the County, is to be made pursuant to 14.0106 of the County Code. Timely approval and confirmation by the Board of Supervisors must be obtained for purchases in excess of \$100,000. The following procedures will govern emergency:

A Board agenda item requesting approval and confirmation of an emergency purchase as defined above that exceed \$100,000, shall be submitted to the Board of Supervisors at the next scheduled Board meeting following the emergency.

A Board agenda item requesting approval and confirmation of emergency purchases for fixed assets necessary for the preservation of life or property that exceed \$10,000 per unit, shall be submitted to the Board of Supervisors at the next scheduled Board meeting following the acquisition.

If the aggregate cost of a purchase is undetermined, yet there is a reasonable expectation that the aggregate cost will exceed \$100,000, a Board agenda item requesting approval and confirmation of the emergency purchase shall be submitted to the Board of Supervisors at the next scheduled Board meeting following the determination that the costs might exceed \$100,000.

In the event that the incident is catastrophic enough to prevent immediate submittal to the Board of Supervisors for consideration, the recommendation of approval and confirmation shall be submitted to the Board of Supervisors for consideration as soon as reasonably possible following the emergency.

Standard procurement policies and procedures will be utilized to the extent practicable during a local emergency. If not practicable, any reasonable procedures (considering the totality of the circumstances) will be utilized.

C. An emergency Involving Construction on a Public Work is governed by the Public Contract Code and Standard Practice 11-04SP5.

D. Board action. The Board of Supervisors may make exceptions to this Policy by affirmative action and waiver of this Policy.

LEAD DEPARTMENT

Purchasing Department

APPROVAL HISTORY

Adopted July 1, 2012; Item Number; Amended February 14, 2017; Item Number 30

REVIEW DATES

February 2022.