
Series: Procurement COA: FIN 7.04, RPM 2.01(d), ETH 2
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Policy Name: Small Procurement
Policy Number: PR-904
Revision #/Date: (7)/ 9-12-2011 (Originally part of PR-901)
Effective Date: 12/15/2008
Applicable to: All BFP Staff, Contractors, Providers and Vendors

SUBJECT: Procurement of Commodities or Contractual Services Under
\$250,000.00

PURPOSE: This operating procedure provides guidance for an efficient and effective commodity and/or service procurement program. Products and/or services must be purchased as economically and expeditiously as possible, consistent with good purchasing practices. As stewards of public funds, employees who are authorized to procure services must develop clear, concise conditions and specifications; keep competition fair and open; and remain free from obligations to vendors.

PROCEDURE:

Scope

Brevard Family Partnership (BFP) will seek to procure commodities and/or services that are responsive to the needs of the children and families in care. Procurement of these items will be in accordance with state and federal laws, and Department of Children and Families contract requirements and BFP policies and procedures as applicable.

BFP will plan and coordinate purchases to ensure that quality products and/or services are obtained in a timely manner from responsible agencies on a competitive basis. BFP recognizes that fair and open competition is a basic tenet of public procurement and that competition reduces the appearance and opportunity for favoritism and inspires public confidence.

All procurements must be allowable and necessary for BFP operations. BFP will avoid purchasing unnecessary or duplicative commodities or services.

Reference

BFP Policies/Procedures: AP-432, GOV-14, GOV-201, GOV-202, GOV-203, PR-901, PR-902, PR-903, PR-905 and RQ-505
OMB Circular A-110 or 2 CFR Part 215
FAC 2005-44 (Federal Acquisition Regulation-Subpart 13, Simplified Acquisition Procedures)
Department of Children & Families Contract with BFP
Florida Statutes: 403.7065, 946

Definitions

Administrative Services: Goods and/or services that are incurred for common or joint objectives and cannot be readily identified with a particular objective for a child or family being served by BFP.

Adoptive Parent: Any person which has been licensed/approved by the State of Florida, Department of Children and Families, to be eligible to assume permanent guardianship of children removed and terminated from their parents' custody.

Applicant/Bidder: A vendor, provider, or contractor which provides information to BFP in an effort to be selected to fulfill a procurement.

BFP Provider Network: Vendors, providers and/or contractors residing in Brevard County that are approved to supply child and family services to clients of BFP.

Child and Family Services: Goods or services that are incurred for a specific purpose or to meet a specific objective identified for a child or family being served by BFP.

Commodity/Good/Product: A tangible article of trade or commerce; a product as distinguished from a service.

Contract: A written agreement between BFP and a vendor/provider/contractor for the doing or not doing of something specified which is enforceable by law.

Cost Analysis: The process of examining each element of the estimated or actual cost of a contract performance to determine the probable cost to the vendor.

Foster Parent: Any person which has been licensed/approved by the State of Florida, Department of Children and Families, to be eligible to serve as a guardian of children removed from their parents' custody.

Large Procurement: Any procurement greater than the Small Purchase Threshold.

Price Analysis: The process of deciding if the asking price for a good or service is fair and reasonable, without using the specific cost and profit calculations of the provider used in arriving at the price.

Relative/Non-relative Caregiver: Any person which has been approved by the State of Florida, Department of Children and Families, to be eligible to serve as a guardian of children removed from their parents' custody.

Service: The performance of any duties or work for another; helpful or professional activity.

Small Procurement: Any procurement of equal or lesser value of the Small Purchase Threshold.

Small Purchase Threshold: Any procurement in the amount of \$249,999.99 or less.

Subrecipient (Provider/Sub-contractor): A non-Federal entity that expends Federal and State awards received from a pass-through entity to carry out a Federal or State program, but does not include an individual that is a beneficiary of such a program.

Strategy Team: The executive management team of BFP to include the Chief Executive Officer (CEO), Chief Financial Officer (CFO), Chief Operations Officer (COO), Chief Compliance & Utilization Management Officer (CCUMO), Director of Communications, Staff Attorney and the Chief Personnel & Administrative Officer (CPAO).

Vendor: A dealer, distributor, merchant or other contractor providing goods or services that are required for the conduct of a Federal or State program. These goods or services may be for an organization's own use or for the use of beneficiaries of the Federal or State program.

General Consideration for Small Procurements

All provisions of procedure number PR-901: Procurements of Commodities or Services – General, are applicable to procurements of \$249,999.99 or less; i.e. Small Procurements.

Small Procurement Procedures

All procurement of commodities or services which have a value of \$249,999.99 or less shall be considered a small purchase by BFP. As a small purchase, competitive proposals do not have to be acquired but, as required by OMB Circular A-110, all procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, open and free competition.

In an effort to ensure open and free competition, the following process will be followed:

- A cost or price analysis will be conducted and documented for small purchases made by BFP for administrative goods or services as defined above except as otherwise noted below. Reference procedure number PR-901: Procurements of Commodities or Services – General, for details on performing a cost or price analysis.

Exceptions to the requirement of a cost or price analysis for administrative goods or services are as follows:

1. When items are provided by or mandated by a government agency, local municipality (i.e. utility, garbage or water service, etc.) Under these circumstances, the following provisions will be followed:
 - No price or cost analysis will be performed.
 - No conflict of interest form will need to be completed.
 - No procurement file will be created.

2. Further, BFP recognizes that there are instances where staff may need to make small purchases where “documenting” a cost or price analysis is not efficient or cost effective. For example, specific meeting needs purchased from a grocery store or another ‘low-cost’ vendor, travel needs, etc. Under these circumstances, purchasing goods/services must meet the following conditions:
 - It is the obligation of the BFP staff member to make a good faith effort to acquire the items at the lowest price possible with no favoritism to any particular vendor.
 - The total purchase price of the transaction shall not exceed \$2,500.00 for goods/services being acquired.
 - No conflict of interest form will need to be completed.
 - No procurement file will be created.
 - It is the obligation of each BFP staff member to make a good faith effort to determine the risk exposure to the company as required in procedure RQ-505: Risk Assessment Process.
- For child and family goods or services, as defined above, all subreceptants and vendors will participate and be approved through the RFQ process defined in procedure PR-903: Large Procurements, except as otherwise noted.

Exceptions to the defined RFQ process outlined in procedure PR-903 for child and family goods or services to be supplied are as follows:

1. When services are provided by a government agency, licensed day care, or local municipality (i.e. utility, garbage or water service, etc.). Under these circumstances, the following provisions will be followed:
 - No price or cost analysis will be performed.
 - No conflict of interest form will need to be completed.
 - No procurement file will be created.
2. Further, BFP recognizes that there are instances where staff, foster and adoptive parents, as well as relative/non-relative caregivers may need to make purchases for BFP clients where “documenting” a cost or price analysis is not efficient, timely in consideration of service needs or cost effective. Under these circumstances, purchasing child and family goods/services must meet one of the following conditions:
 - When goods and/or services can only be acquired from a limited number of licensed service vendors (i.e. prescription drugs, eyewear, dental, etc.).



- Goods and/or services purchased from a grocery store, clothing outlet, or other 'low-cost' vendor or transportation needs, etc. (i.e. Walmart, Target, Sears, JC Penny, airlines, bus lines, etc.).
- When goods/ services are supplied by a subrecipient or vendor located out of the BFP Provider Network to meet the order from a court of law.

Under these circumstances, the following provisions will be followed:

- No price or cost analysis will be performed.
- No conflict of interest form will need to be completed.
- No procurement file will be created.
- It is the obligation of the BFP staff member, each foster or adoptive parent, and relative/non-relative care givers associated with the BFP network to make a good faith effort to acquire the items at the lowest price possible with no favoritism to any particular vendor.
- It is the obligation of each BFP staff member, foster or adoptive parent, and relative/non-relative care givers associated with the BFP network to make a good faith effort to determine if the potential subrecipient or vendor meets applicable licensing/insurance requirements as required in procedure RQ-505: Risk Assessment Process.

It should be noted that the lowest bid/quote will not necessarily be the one selected, but cost and service effectiveness are to be the main considerations in the selection process.

Small purchases will be approved as set forth in procedure AP-432: Purchase Authorization or in policy GOV-201: Signatory Authority.

The cost or price analysis for "routine administrative supplies", to include such items as paper, binders, pens, cleaning agents, etc., may be performed to identify a specific vendor for a given period of time not to exceed a twenty-four (24) month period.

The cost or price analysis for "routine administrative maintenance goods/services", to include plumbers, electricians, janitors, etc., may be performed to identify a specific vendor for a given period of time not to exceed a twenty-four (24) month period.

A cost or price analysis for banking and audit services may be performed to identify a specific vendor for a given period of time not to exceed a sixty (60) month period.

A cost or price analysis for all other goods or services not separately outlined will be performed for any given vendor/subrecipient (provider)/contractor for a given period of time not to exceed a sixty (60) month period unless otherwise stated.

Further, when administrative goods are purchased from a selected vendor or subrecipient, any corresponding maintenance services for this product shall not need to be procured unless the administrative good itself is being re-procured. This should not preclude the BFP staff from making a good faith effort to acquire the service at the lowest price possible with no favoritism to any particular vendor or subrecipient.

Purchase Orders:

Purchase orders (PO) will be used by BFP to facilitate the payment of small purchases typically for administrative commodities or services. Child and family goods and services may be authorized with a PO if conditions warrant but it should not be considered the norm. The PO will allow the approving manager, as set forth in procedure AP-432: Purchase Authorization, to determine if a proposed purchase is reasonable, necessary and in the budget.

The Purchase Order System (POS) will be maintained on the BFP shared drive at the following address: G:/shared documents/BFP Forms/Purchase Order.xls. A separate POS will be maintained for the IT Department in the TrackIT system. The POS will be monitored and maintained by the CFO designee.

Any BFP employee (a requestor) may originate a purchase order. The requestor completes the purchase order located in the POS. (Please reference the instructions for using the POS.) All purchases are based on valid, budgeted, approved requests that are properly executed as to price, quantity, quality and selected vendor via cost/price analysis.

Utilization Management (UM) System:

Payments for small purchases relating to child and family services authorized by Care or Prevention Coordinators will track through the UM system. All providers being authorized to perform these services will be pre-approved through the RFQ or prior ERFQ processes.

Flex Funds:

Payments for small purchases relating to child and family services authorized by Care Center Managers, Intake Staff, and/or Care Coordinators will be processed as outlined in procedure OP-1016: Flex Funds. All providers being authorized to perform these services will be pre-approved through the Small Procurement Procedures outlined above.

Approved By Direction of the Chief Executive
Officer:



Dr. Patricia Nellius
Chief Executive Officer

Signature Date: 10.12.11