

Holly Hills Special Business District (HHSBD) Procurement and Code of Conduct Policies effective (DRAFT)

The policy set forth in this document establishes standards and guidelines for the procurement of all goods, supplies, equipment, construction, and services to ensure that they are obtained as economically as possible through an open and competitive process, and that contracts are managed with good administrative practices and sound business judgment.

Code of Conduct

A Code of Conduct shall govern the performance, behavior, and actions of the HHSBD, including Board members, committee members, volunteers, or agents who are engaged in any aspect of procurement, including – but not limited to – purchasing goods and services; awarding contracts and grants; or the administration and supervision of contracts.

1. No Board member of the HHSBD shall participate in the selection, award or administration of a bid or contract which violates the spirit or intent of Federal, State, and local procurement regulations and/or HHSBD policies if a conflict of interest is real or apparent to a reasonable person. The Board member(s) should recuse themselves from the HHSBD procurement process.
2. Conflicts of interest *may arise* when any Board member, committee member, volunteer, or agent of the HHSBD has a financial, family or any other beneficial interest in the vendor selected or considered for an award of contract.
3. The HHSBD's Board members, committee members, volunteers, or agents shall neither solicit nor accept gratuities, gifts, consulting fees, trips, favors or anything having a monetary value more than **\$10** dollars from a vendor, potential vendor, or from the family or employees of a vendor, potential vendor or bidder; or from any party to a sub-agreement or ancillary contract.
4. As permitted by law, rule, policy, or regulation, the HHSBD shall pursue appropriate legal, administrative, or disciplinary action against a Board member, committee member, vendor, or vendor's agent who is alleged to have committed a procurement related infraction or other acts of serious financial misconduct. If said person has been convicted, disciplined, or pled no contest to a violation, said

person shall be removed from any further responsibility or involvement with the HHSBD.

Contracts and Agreements Approval Authority/Purchasing Authority

Contracts and Agreements: The Board assigns to the HHSBD Chair the authority to negotiate, prepare, and review draft contracts and agreements for evaluation, consideration, and *approval by majority vote* of the HHSBD Board.

If a contract requires consultation with an attorney or other legal representative, the Chair may request funds for professional fees.

Purchasing Authority:

- The Chair may delegate authority to HHSBD Board members or Committee members for purchase of goods/services **not to exceed \$300 per calendar month for reimbursement** by the Treasurer. These expenditures are not subject to competitive pricing principles.
- For procurement of goods/services **not to exceed \$1,000** unless otherwise prohibited, the Chair has the authority to negotiate, prepare, and execute a contract and/or to purchase goods and services without express approval from the Board. However, HHSBD policies regarding solicitation and documentation of competitive pricing principles must be followed.
- For all procurement of goods and services **more than \$1,000 (\$1,001+)** the Board must first authorize by majority vote the letting of competitive bids and/or compilation of written comparative price quotes/price sampling/competitive pricing principles.
 - Exception: the Chair may unilaterally purchase or commit funds for supplies, equipment and services for which purpose funds have been previously allocated by the Board through its adoption by majority vote, of the annual budget: i.e. line items for postage, printing costs, etc.
- For all procurement of goods and services **expected to cost more than \$15,000 (\$15,001+)** the Board must first authorize by majority vote the

letting of competitive bids through the Request for Proposals (RFP) process.

Solicitation and Competition

All procurement transactions will be conducted to provide – to the maximum extent possible – free and open competition among suppliers. The HHSBD must begin with an analysis of the need for procurement, to avoid the purchase of unnecessary items (this may include an examination of lease versus purchase alternatives, etc.). The purchaser must then identify and clearly specify standards for the goods or services desired and seek competitive offers where possible to obtain the best possible quality at the best possible price.

In general:

- Procurement of goods and services **\$301 to \$15,000**: price analysis may be accomplished in various ways, including the comparison of price quotations or bids submitted from vendors, published catalogs or advertisements (printed or online) or other written documents in the price sampling or competitive pricing process.
- For procurements that **exceed \$15,000 (\$15,001+)** competitive bids (RFP process) will be utilized and requests for these bids will be written in a way that does not restrict competition. (A clear and accurate description of the technical requirements for the material, product or service to be procured; all requirements which offerors must fulfill; and all other factors to be used in evaluating bids or proposals.)

Selection

Price should be one of the factors in the evaluation of responses, but the HHSBD is not required to take the lowest price if other factors are important to the decision.

- There should be an objective method for selection, and any factors for evaluation and selection should be listed in the procurement documents.
- Awards shall be made to the bidder or offeror whose bid is responsive to the solicitation and is most advantageous to the HHSBD (price, quality and other factors considered).
- A bid may be rejected when it is in the HHSBD's interest to do so.

Documentation

At a minimum, procurement records must clearly show how the HHSBD:

- Executed price sampling and/or bids.
- Basis for vendor selection (including matrices for RFPs).
- Justification for vendor selection when competitive bids were unavailable (i.e. unique specialist services with limited vendor availability).

All documentation MUST be kept in accordance with the HHSBD Internal Control policy. (See separate policy- however, in short, all related paper documents must be retained for the required period and scanned electronically immediately into the HHSBD Google drive for permanent storage.)

Contract Administration

The HHSBD Board will ensure proper oversight and management of procurement actions. The HHSBD Board is responsible for evaluating contractor performance and documenting, as appropriate, whether contractors have met the terms, conditions, and specifications of the contract. This may include progress inspections, interim products, inspection of goods delivered, and other such methods that provide assurance that the goods or services purchased are being delivered within the scope of the contract.

Procurement and Vendor Selection Requirements			
	\$0 to \$1,000	\$1,001 to \$15,000	\$15,001 or greater
Request for Proposal (RFP) Process Required?	Not required	Not required	Yes. Request for Proposal (RFP) authorized by majority vote of HHSBD Board
Acceptable Forms of Price Comparison	Bids/estimates or price quotes from vendors; published catalog or advertisement of prices (printed or online) for price sampling/competitive pricing	Bids/estimates or price quotes from vendors; published catalog or advertisement of prices (printed or online) for price sampling/competitive pricing	Vendor submissions (written or digital equivalent) in response to published RFP on HHSBD website
Minimum number of Quotes, Bids, Estimates, Price Sampling Required	Three (3) *Unless documented why fewer than three obtained, such as specialty or unique items or services not offered by numerous vendors.	Three (3) *Unless documented why fewer than three obtained, such as specialty or unique items or services not offered by numerous vendors.	Three (3) *Unless documented why fewer than three obtained, such as specialty or unique items or services not offered by numerous vendors.
Who can approve an expense	<p>Up to \$300 Chair may use once per calendar month (Exception: NOT subject to competitive pricing requirements.)</p> <p>Up to \$1,000 Chair may unilaterally purchase goods or services subject to competitive pricing.</p> <p>Board may authorize any amount by majority vote.</p>	<p>Board must authorize by majority vote.</p> <p>Exception: Chair may unilaterally purchase previously Board approved budget line items, subject to competitive pricing.</p>	Board must authorize an RFP by majority vote.