

**Oakland County Purchasing
Policies and Procedures
Adopted May 24, 1990 and Revised May 1, 2004**

2300: *Bidding Procedures*

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2300.2: Bidding Procedures - Establishing and Maintaining a Master Vendor Bid File

**Authority: Oakland County Board of Commissioners Miscellaneous Resolution #85020
adopted February 14, 1985; and
Oakland County Board of Commissioners Miscellaneous Resolution #9295
adopted February 14, 1980**

PURPOSE

The Oakland County Purchasing Division shall develop and maintain a master vendor bid file to be utilized as a resource document by County employees and officials in the procurement of goods and services.

APPLICATION

The master vendor bid file is to be used for all procurement services by both Purchasing Division staff as well as other County employees assigned to purchasing centers to procure goods and services as authorized.

PROCEDURE

- 2300.2.1** Vendors interested in being included on the master vendor bid list must complete the Oakland County Purchasing Division's standard registration forms.
- 2300.2.2** Once completed, these forms shall be submitted to the Oakland County Purchasing Division via fax, mail service delivery, or personal delivery.
- 2300.2.3** Once received, all registration forms shall be reviewed for completeness and evaluated by Purchasing Division staff.
- 2300.2.4** Upon completing the review and evaluation process, vendor information shall be entered into the master vendor file of the purchasing/financial system by employees of the Oakland County Department of Management and Budget authorized access to approve and enter changes to information contained within the master vendor file.
- 2300.2.5** The vendor is responsible for providing updated information as needed to ensure the accuracy of information contained within the master vendor file.

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2300.3: Bidding Procedures – Specification Requirements and the Preparation of Formal Specifications

**Authority: Oakland County Board of Commissioners Miscellaneous Resolution #92027
adopted March 5, 1992**

PURPOSE

To establish methods of describing the proper quality of goods and services and to provide general specification guidelines for the procurement thereof.

APPLICATION

Applies to all County employees or officials involved in the procurement of goods and/or services. The Purchasing Division is responsible for placing orders for goods and services and ensuring vendors provide the proper quality, quantity, and delivery of those goods and services. This is accomplished by informing each vendor of exactly what is expected via the preparation of formalized written specifications. Every specification sent to a vendor must be clear and to the point. These specifications must be detailed and concise, yet not so specific as to reduce or eliminate possible competition. Listed below are some rules, guidelines, and methods for establishing specifications.

PROCEDURE

➤ **General Guidelines for Writing Specifications**

Writing specifications is the responsibility of the requesting division, with the aid of the Purchasing Division. The Purchasing Division is responsible for reviewing the specifications to ensure a proper description of the product or service. These specifications should include functional characteristics, rather than a prerequisite design or quality. This allows the proposal of alternative choices and suppliers. The buyer shall confirm that the specifications conform to the following criteria:

- Technical consultants, manufacturers, or vendors preparing formal specifications shall be precluded from bidding on their specifications for that job.
- A specification shall not exclusively require a sole bidder, unless no other alternative is available.
- The specifications state what is needed clearly, and completely.
- When necessary, the specifications shall indicate the method by which the user will evaluate the product's performance.
- Use of unnecessary quality descriptions that may limit competition should be avoided.
- The specifications shall refer to established standards and grades when applicable; they also shall conform to established County product standardization programs.
- Any instructions of the handling of the bid documents, or product at delivery, etc., shall be included in the specifications.
- The specifications shall make reference to any insurance required of prospective vendors in accordance with Purchasing Division procedure 2300.4 - "Insurance Requirements."
- On all capital projects requiring the services of architects and/or engineers for which the estimated design fee exceeds \$10,000.00, the specifications shall be in accordance with

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Purchasing Division procedure 2300.5 – “Architect/Engineer Service – Proposed and Adopted Procedure for Selection of.”

- The specifications shall make reference to any bonds required of prospective vendors in accordance with Purchasing Division procedures 2300.6, 2300.7, 2300.8, 2300.9 entitled “Bid Bonds,” “Payment Bonds,” “Performance Bonds,” and “Warranty Bonds,” respectively.

- **Development of Specifications**

- **Use of Existing Specifications**

If a specification for a general use item has been developed, or a qualified products list has been developed, for a particular supply, service, or construction item, it shall be used unless the Purchasing Division chief or manager makes a written determination that its use is not in the County’s best interests.

- **Specification of Alternates May Be Included**

A specification may provide alternate descriptions of supplies, services, or construction items where two or more design, functional or performance criteria will meet the County requirements.

- **Contractual Terms Not to be Included**

To the extent feasible, a specification shall not include any solicitation or contract term or condition such as requirement for time or place of bid opening, time of delivery, payment, liquidated damages, or qualification of bidders.

- **Brand Name**

Specifications of brand name are the easiest method to use. This can ensure high quality workmanship, performance, and an implementation of warranty. This is especially relevant to the purchase of repair and replacement products. However, a specification by brand name can result in higher overall expenditures with a limited number of vendors.

- **Market Grades**

Generally limited to agricultural products, market grades are determined by a third party. These include commodity exchanges, trades associations or government agencies. The success of a specification by market grade is determined by two factors: accuracy and inspection. The government and industry standards regulate the accuracy, and therefore, problems are unusual. Personal inspection is the most effective method of selection, but is only as successful as a person’s ability to recognize market grades.

- **Industrial Standards**

These standards apply to the procurement of finished and semi-processed goods, and raw materials. Industrial standards tend to ensure quality and performance, and are still open to bid competition between any vendors capable of meeting the standards. Vendors are encouraged to manufacture inventory that has a steady supply and lower cost.

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➤ **Blueprints and Samples**

Blueprints are mostly used for construction projects, highly technical descriptions, and custom manufactured goods. Generally used to describe goods that are ordered once, the cost of production is usually high.

Samples are used when purchasing custom made supplies that involve color, printing, silk screening, and market grade. The user shall provide samples to be used by the prospective bidder in developing a price quote.

➤ **Dimensional Specifications**

Frequently used in specifications for finished and semi-finished goods, such as lumber, structural steel, and other building products, dimensional specifications shall specify an item's physical characteristic (linear measurements, volumes, areas, tolerances, or finishes), or chemical properties (percentages, element ratios, and chemical formulas).

➤ **Performance Specifications**

These specifications concentrate on the function of the item, and its capabilities. This is used when little is known about the requested product. Specifications include what the product can do; must do; and must not do. Performance must be as detailed as possible, yet not so specific as to limit competition.

➤ **Specification by Method of Manufacture**

This has little application in government purchasing. Specifications must describe to the vendor the exact materials used, and what steps will be used in the manufacturing process. This usually results in a high acquisition cost. The specifications are very precise, resulting in a formal inspection process. This also contributes to a high acquisition cost.

➤ **Nonrestrictive Requirement**

All specifications shall be written in a manner that describes the requirements, but does not exclusively require a sole propriety supply, service, or construction item, unless no other alternative is available. In this event, a written determination shall be made that it is not practicable to use a less restrictive specification. All specifications should seek to promote the overall economy and encourage competition in satisfying the County's needs.

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2300.4: Insurance Requirements

PURPOSE

To ensure that vendors maintain adequate insurance coverage.

APPLICATION

Applies to all vendors entering into a professional services contract agreement, in any dollar amount, with the County of Oakland to perform work for the County of Oakland on property either leased or owned by the County of Oakland.

During this Contract, the Contractor shall provide and maintain, at their own expense, all insurance as set forth and marked below, protecting the County against any Claims, as defined in this Contract. The insurance shall be written for not less than any minimum coverage herein specified.

Primary Coverages

Commercial General Liability Occurrence Form including: (a) Premises and Operations; (b) Products and Completed Operations (including On and Off Premises Coverage); (c) Personal and Advertising Injury; (d) Broad Form Property Damage; (e) Independent Contractors; (f) Broad Form Contractual including coverage for obligations assumed in this Contract;

\$1,000,000 – Each Occurrence Limit

\$1,000,000 – Personal & Advertising Injury

\$2,000,000 – Products & Completed Operations Aggregate Limit

\$2,000,000 – General Aggregate Limit

\$ 100,000 – Damage to Premises Rented to You (formally known as Fire Legal Liability)

Workers' Compensation Insurance with limits statutorily required by any applicable Federal or State Law and Employers Liability insurance with limits of no less than \$500,000 each accident, \$500,000 disease each employee, and \$500,000 disease policy limit.

1. Fully Insured or State approved self-insurer.
2. Sole Proprietors must submit a signed Sole Proprietor form.
3. Exempt entities, Partnerships, LLC, etc., must submit a State of Michigan form WC-337 Certificate of Exemption.

Commercial Automobile Liability Insurance covering bodily injury or property damage arising out of the use of any owned, hired, or non-owned automobile with a combined single limit of \$1,000,000 each accident. This requirement is waived if there are no company owned, hired or non-owned automobiles utilized in the performance of this Contract.

Commercial Umbrella/Excess Liability Insurance with minimum limits of \$2,000,000 each occurrence. Umbrella or Excess Liability coverage shall be no less than following form of primary coverages or broader. This Umbrella/Excess requirement may be met by increasing the primary Commercial General Liability limits to meet the combined limit requirement.

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Supplemental Coverages (Required as Checked)

1. **Professional Liability/Errors & Omissions Insurance** (Consultants, Technology Vendors, Architects, Engineers, Real Estate Agents, Insurance Agents, Attorneys, etc.) with minimum limits of \$1,000,000 per claim and \$1,000,000 aggregate.
2. **Commercial Property Insurance.** The Contractor shall be responsible for obtaining and maintaining insurance covering their equipment and personal property against all physical damage.
3. **Liquor Legal Liability Insurance** with a limit of \$1,000,000 each occurrence shall be required when liquor is served and/or present.
4. **Pollution Liability Insurance** with minimum limits of \$1,000,000 per claim and \$1,000,000 aggregate when cleanup & debris removal are part of the services utilized.
5. **Medical Malpractice** with minimum limits of \$1,000,000 per claim and \$1,000,000 aggregate.
6. **Garage Keepers Liability** with minimum limits of \$1,000,000 per claim and \$1,000,000 aggregate.
7. **Cyber Liability** with minimum limits of \$1,000,000 per claim and \$1,000,000 aggregate.
8. **Other Insurance Coverages** as may be dictated by the provided product/service and deemed appropriate by the County Risk Management Department.

General Insurance Conditions

The aforementioned insurance shall be endorsed, as applicable, and shall contain the following terms, conditions, and/or endorsements. All certificates of insurance shall provide evidence of compliance with all required terms, conditions and/or endorsements.

1. All policies of insurance shall be on a primary, non-contributory basis with any other insurance or self-insurance carried by the County;
2. The insurance company(s) issuing the policy(s) shall have no recourse against the County for subrogation (policy endorsed written waiver), premiums, deductibles, or assessments under any form. All policies shall be endorsed to provide a written waiver of subrogation in favor of the County;
3. Any and all deductibles or self-insured retentions shall be assumed by and be at the sole risk of the Contractor;
4. Contractors shall be responsible for their own property insurance for all equipment and personal property used and/or stored on County property;
5. The Commercial General Liability and Commercial Automobile Liability policies along with any required supplemental coverages shall be endorsed to name the County of Oakland and its officers, directors, employees, appointees and commissioners as additional insured where permitted by law and policy form;
6. The Contractor shall require its contractors or sub-contractors, not protected under the Contractor's insurance policies, to procure and maintain insurance with coverages, limits, provisions, and/or clauses equal to those required in this Contract;

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7. Certificates of insurance must be provided no less than ten (10) Business Days prior to the County's execution of the Contract and must bear evidence of all required terms, conditions and endorsements; and
8. All insurance carriers must be licensed and approved to do business in the State of Michigan and shall have and maintain a minimum A.M. Best's rating of A- unless otherwise approved by the County Risk Management Department.

PROCEDURE

When there is a need to procure goods and services, a user department/division shall contact the Oakland County Purchasing Division's assigned buyer of that commodity via written communication requesting a formal request for proposal (RFP) to procure those goods and services. This written communication shall also:

- Document the user department's/division's business needs; and
- Define the proposed scope of work, exactly and completely, that is to be expected of the vendor to deliver.

Upon receipt of this formal request the assigned buyer shall:

- Review the RFP process with the user department/division, as deemed necessary; and
- Provide the user department/division with the standard professional services contractual language, which includes the County of Oakland's standard insurance requirements.

The user department/division shall:

- Review contractual language to ascertain an understanding of the standard insurance requirements as well as other standard terms and conditions which shall become part of the RFP;
- In the event a user department/division needs clarification on:
 - Business needs and/or scope of work:
 - the user department/division shall meet with staff within their department/division to better define and document requirements;
 - Proposed contract insurance requirements:
 - The user department shall contact the Oakland County Risk Management Division;
 - The Risk Management Division shall review the user department's/division's business needs and any proposed vendor scope of work to be performed;
 - The Risk Management Division shall respond to the user department and the assigned buyer in writing within five business days of any changes to the County's standard insurance requirements deemed necessary to ensure adequate insurance coverage will exist for the defined scope of work.
 - Other contractual standard terms and conditions:
 - The user department/division shall contact Corporation Counsel.
- Submit finalized scope of work and insurance requirements to the Purchasing Division assigned buyer.

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Upon receipt of the finalized scope of work and insurance requirements, the assigned buyer shall incorporate into the RFP any and all proposed changes by Risk Management and Corporation Counsel. The user department's/division's failure to submit a finalized scope of work and insurance requirements will result in a delay of processing the RFP.

Before a contract is signed, the contractor shall perform the following:

- Furnish certificate(s) of insurance verifying insurance coverage in accordance with insurance requirements as set forth in the RFP;
- The certificate shall be on the standard "accord" form or Risk Management accepted form;
- Certificates are to be prepared and submitted by the insurance provider, not the contractor.

2300.5: Architect/Engineer Service - Proposed and Adopted Procedure for Selection of

**Authority: Oakland County Board of Commissioners Miscellaneous Resolution #7488
adopted March 18, 1976**

PURPOSE

To publicly announce all requirements for architectural and engineering services, and to negotiate contracts for architectural and engineering services on the basis of demonstrated competence and qualification for the type of professional services required and at fair and reasonable prices.

APPLICATION

Applies to all capital projects requiring the services of architects and/or engineers for which the estimated design fee exceeds \$10,000.00.

PROCEDURE

Board of Commissioners Miscellaneous Resolution #7488 dated March 23, 1976 states: "On all capital projects requiring the services of architects and/or engineers for which the estimated design fee exceeds \$10,000, the following procedure will be used in selecting the firm(s) to be retained by the County.

- (1) An announcement will be published in the newspaper(s) used by the Board of Commissioners for publication of their minutes, stating that the Board of Commissioners (or the County agency, commission, committee, etc) will be retaining an architectural and/or engineering firm to provide design services for a specific project. The announcement will include a brief description of the project, estimated construction cost, the criteria that will be used for selecting the design firm and the procedure to be used by the design firm to apply for consideration for the contract for the project. The announcement will be approved by the committee of the Board of Commissioners responsible for the project prior to publication. In addition, announcements shall be mailed one each occasion to all firms who have requested such notification within the last 12 months.

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- (2) Firms applying for consideration will be required to complete a standard questionnaire (copy attached) which will be the basis of the initial screening of the firms' qualifications for design contract for the project.
- (3) A selection committee consisting of one person representing the proposed user of the project, one person representing the County agency responsible for the design and construction of the facility, one person representing architects (if an architectural contract) or engineers (if an engineering contract) or both and who are not eligible for consideration for design services on the project. Other persons can be appointed to the committee if the selection committee members believe additional input or assistance is needed to evaluate the firms being reviewed. The makeup of the selection committee must be confirmed by the Planning and Building Committee.
- (4) The selection committee will evaluate the firms by reviewing the data submitted against the project design criteria and select no less than three firms in order of preference, deemed to be most highly qualified to perform the required services.
- (5) The County agency responsible for the design and construction of the project will prepare a list of the proposed scope of services to be performed and review the proposed services with the three firms selected. The County agency can then either negotiate a contract with the most qualified firm for professional services at a compensation which the agency determines is fair, competitive and reasonable. Should the agency be unable to negotiate a satisfactory contract with the firm considered to be the most qualified, at a price the agency determines to be fair, competitive and reasonable, negotiations with that firm shall be formally terminated. The agency shall then undertake negotiations with the second most qualified firm. Failing accord with the second most qualified firm, the agency shall terminate negotiations. The agency shall then undertake negotiation with the third most qualified firm. Should the agency be unable to negotiate a satisfactory contract with any of the selected firms, the agency shall select additional firms in order of their competency and qualification and continue negotiations in accordance with this section until an agreement is reached.

An alternate method, if the agency determines that the firms are equally qualified, would be to ask for price proposals and select the firm submitting the lowest estimated fees.

- (6) The firm selected and estimated contract cost will be submitted to the committee of the Board of Commissioners responsible for the project for approval and forwarding to the full Board of Commissioners for approval."

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1. Name of Firm: _____
2. Business Address and Telephone Number:

Address

City State Zip Code

Telephone Number Contact Person
3. Type of Organization (check one):
____ Individual Corporation
____ Partnership Other
4. Established:
Year _____ State _____
5. Name and qualifications of key persons proposed to be assigned to this project, i.e., professional history, profession affiliation, past experience for project proposed, education, etc.:

6. Number of Personnel in your present organization:
A. Registered Professionals: _____
B. Other Professionals: _____
C. Other: _____
7. Does your firm have Professional Liability Insurance?
Yes _____
No _____
A. Total amount of protection provided: _____
B. Amount of Deductible: _____
C. In the last five years has your firm or your insurance carrier been required to pay claims under your policy? (If yes, provide information on dates, circumstances, and amount paid).
8. Has your firm been involved in any of the following areas on recent projects:
Detailed Cost Estimating _____
Life Cycle Cost Analysis _____
Value Engineering _____
Construction Management _____
Energy Usage Calculations _____
(If yes answer for any of the above, provide information on at least one project, its owner, and what specifically was done for each yes answer). _____

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9. Complete attached form showing present activities on which your firm is designated architect of record.
10. List any comments you have on Oakland County's criteria and requirements on architectural services for this project. _____

Date _____

Signed _____

Title _____

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PRESENT ACTIVITIES ON WHICH YOUR FIRM IS DESIGNATED ARCHITECT OR ENGINEER OF RECORD					
NAME AND TYPE OF PROJECT	LOCATION	NAME AND ADDRESS OF OWNER	ESTIMATED CONSTRUCTION COST	PERCENT COMPLETED	
				Design	Field Supv.
TOTAL NUMBER OF PRESENT PROJECTS:		TOTAL ESTIMATED CONSTRUCTION COST:			

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2300.6: Bid Bonds

PURPOSE

To protect the County of Oakland against the failure or refusal of the low bidder to supply the necessary performance and payment bonds, as required, to proceed with performance under the contract.

APPLICATION

Suggested for all contracts exceeding \$50,000.00.

PROCEDURE

- A bid bond shall be provided by the bidder at the time of the bid, and is submitted with the bid.
- The amount of the bid bond is generally expressed as a percentage of the total amount of the bid. Typically, this is 5% unless otherwise stated in the solicitation to bid.
- If a contractor fails to submit a bid bond with their bid, the bid will be rejected.
- Purchasing reserves the right to accept a certified check in lieu of a bid bond.

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2300.7: Performance Bonds

PURPOSE

To protect the County of Oakland against any losses resulting from the contractor's failure to meet the plans and/or specifications of a contract.

APPLICATION

Suggested for all contracts exceeding \$50,000.00 except as may be required statutorily.

PROCEDURE

- The contractor shall deliver a performance bond to the Oakland County Purchasing Division when the contract is executed.
- The amount of performance bond required is 100% of the contract price unless otherwise stated in the solicitation to bid.
 - The amount of the performance bond may be reduced before solicitation to no less than 50% of the contract price, if deemed to be more advantageous. The manager or chief of the Purchasing Division prior to solicitation shall approve any reduced bond amounts.
 - The amount of the performance bond may also be reduced as work has been completed, if this is in the best interests of the County. The contract administrator shall approve any reduced bond amounts prior to notification of vendor and/or bond agent. The contract administrator shall notify the manager or chief of Purchasing of any action taken to reduce bond performance.
- If a contractor fails to deliver the required performance bond, the bid will be rejected.

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2300.8: Payment Bonds

PURPOSE

To guarantee payment and protection for those providing labor and materials to the contractor or subcontractors for the bonded work.

APPLICATION

Suggested for all contracts exceeding \$50,000.00 except as may be required statutorily.

PROCEDURE

- The contractor shall deliver a payment bond to the Oakland County Purchasing Division when the contract is executed.
- The amount of payment bond required is 100% of the contract price unless otherwise stated in the solicitation to bid.
 - The amount of the payment bond may be reduced before solicitation to no less than 50% of the contract price, if deemed to be more advantageous. The manager or chief of the Purchasing Division prior to solicitation shall approve any reduced bond amounts.
 - The amount of the payment bond may also be reduced as work has been completed, if this is in the best interests of the County. The manager or chief of the Purchasing Division prior to solicitation shall approve any reduced bond amounts.
- If a contractor fails to deliver the required performance bond, the bid will be rejected.

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2300.9: Warranty Bonds

PURPOSE

To protect the County of Oakland from the contractor's possible faulty workmanship or defective materials during the contractual maintenance or warranty period.

APPLICATION

Not required for any contract. To be used as deemed necessary.

PROCEDURE

The amount of the warranty bond is generally 10% of the contract price.

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2300.10: Requisition Process - Procurement of Materials and Supplies Over \$1,500.00

PURPOSE

To provide uniformity in the processing and approval of purchase requisitions for the procurement of goods and services in excess of \$1,500.00 where no contract exists. This includes reviewing the specifications necessary to procure these goods and/or services.

APPLICATION

Applies to all purchases in excess of \$1,500.00 where no contract exists.

PROCEDURE

The creation of requisitions and subsequent approval(s) shall be achieved through the Performance Series Purchasing Module as described herein:

- 2300.10.1** The requesting department shall create a requisition for a product or service utilizing the current procurement system.
- 2300.10.2** Once posted, the requisition will be forwarded electronically to the Purchasing Division through departmental approval path(s) previously established by the requesting department.
- 2300.10.3** The requesting department shall complete the requisition specifications in accordance with 2300.3 entitled "Bidding Procedures – Specification Requirements and the Preparation of Formal Specifications"
- 2300.10.4** Upon receipt by the Purchasing Division, the chief of Purchasing shall review the requisition and specifications.
- 2300.10.5** The chief of Purchasing shall assign requisition to the buyer handling commodities listed on the requisition.
- 2300.10.6** The assigned buyer shall review and make determination on how goods and/or services will be procured, i.e. standard purchase order or contract awarded through the bidding process in accordance with 2300.11 entitled "Bidding Procedures – Establishing and Conducting a Competitive Bid Process."

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2300.11: Bidding Procedures – Establishing and Conducting a Competitive Bid Process

**Authority: P.A. 167 of 1993;
P.A. 168 of 1993;
Oakland County Board of Commissioners Miscellaneous Resolution #92027
adopted March 5, 1992;
Oakland County Board of Commissioners Miscellaneous Resolution #94006
adopted January 6, 1994;
Oakland County Board of Commissioners Miscellaneous Resolution #94015
adopted February 10, 1994;
Department of Management and Budget directive
dated May 23, 1984**

PURPOSE

This policy was adopted to conform to recent legislation requiring local units of government to establish a competitive bidding process to ensure compliance, uniform use, and application to qualify for state revenue sharing payments.

APPLICATION

Applies to all County employees and officials involved in the procurement of goods and services. The following paragraphs outline the types of bids currently being utilized and their appropriate applicability.

➤ **Informal Bids – Expenditures \$1,500.00 or Less**

Informal bids are used for expenditures of \$1,500 or less. Types of informal bids include quotes received verbally, fax, etc.

➤ **Formal Bids – Expenditures Between \$1,500 and \$20,000**

Formal bids are used for expenditures between \$1,500 and \$20,000. Competitive bids are secured through formal typed quotations generated by Purchasing Division personnel. Three (3) to six (6) bids are normally requested. These bids contain standard terminology and specify a date that formal quotes must be received by.

➤ **Sealed Bids – Expenditures Greater Than \$20,000**

Sealed bids are used when expenditures are greater than or equal to \$20,000. Three (3) to nine (9) bids are normally requested. These bids contain standard terminology and specify a due date and time the bid must be received by. In order to be considered, these bids must be received at the Purchasing Division offices by that due date and time. These bids are opened and read publicly at the specific time and date they are due.

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➤ **Request for Proposals**

Requests for proposals (RFPs) are normally used in the same context as a sealed bid to secure outside services. RFP specifications usually define a problem or a specific need which provide competing vendors latitude in submitting a custom proposal on how to satisfy the user department's specific need in the most effective and efficient manner.

➤ **Single Source Bids**

Single source bids are utilized when a particular item or service must be procured and is only available from one source. Examples which may justify a single source include:

- Material or service is recognized in its field as one-of-a-kind;
- Manufacture direct product with no distributors;
- Patented or proprietary items;
- Modification or user requirements would outweigh drawbacks or expense of single source purchasing;
- Research of material or services clearly points to a single source.

Prior to the actual purchase, the user department must provide extensive research and documentation to the Purchasing Division to justify this type of purchase.

Procurement of goods and services through the single source bidding process that exceed \$5,000.00 in cost must be approved by the manager or chief of the Purchasing Division. Contracts executed through the single source bidding process will be reported to the Board of Commissioners in accordance with Miscellaneous Resolution #92027.

PROCEDURE

Upon receipt of a requisition to procure goods or services, the buyer assigned to the commodity(ies) contained within the requisition shall issue solicitations to bid in accordance with bidding requirements as outlined in the application above.

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2300.12: Qualifications Based Selection Procedure

PURPOSE

To aid in the solicitation process by identifying vendor qualifications and competence in relation to the scope of project work to be performed.

APPLICATION

Applies to all requisitions to solicit vendors to award contracts when the scope of work involves projects.

PROCEDURE

Qualifications Based Selection (QBS) is a free service provided by experienced volunteers who will assist the users of design professionals in establishing a step-by-step selection process based on qualifications and competence in relation to the scope of the project. The following paragraphs outline the QBS process as recommended by the QBS Coalition.

2300.12.1 Owner Determines the Preliminary Scope of Work

The general scope and particular needs of the project must first be identified. Basic elements normally included in a statement of the scope of work for a project include:

- Owner's name;
- Description of function and short history of the owner organization or agency;
- Project name;
- Project location;
- Contact person;
- Identification and explanation of involvement of selection panel or client groups;
- Descriptions of completed studies, surveys, and/or preliminary feasibility work relevant to the project;
- Requirements for further feasibility planning prior to design and construction;
- Project outline, including:
 - Intended size;
 - Function;
 - Occupancy;
 - Any other general anticipated requirements;
- Anticipated schedule;
- Description of design professional selection process;
- Any additional or unique requirements or considerations such as referenda anticipated funding strategy, and budgeting.

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2300.12.2 Project Time Frame is Established

Establishing a time frame prevents misunderstanding and any last-minute “surprises” that might delay or sidetrack the process. Time frames for each project will differ, depending on the nature of the project, concerns of the owner, and other factors.

2300.12.3 A List of Professionals is Compiled

This list can be compiled using advertising, directories, and referrals. Some factors to be considered:

- Type of firm needed;
- Reasonable number of firms the owner can evaluate;
- Geographic locations and distribution of firms.

2300.12.4 Letters of Qualification are Requested

A Request for Qualifications (RFQ) can be used to obtain the names and credentials of interested professional firms. The owner should prepare the following materials to send to the firms on the compiled list:

- A memo to all firms invited to submit statements of qualifications. The firms should be listed in alphabetical order;
- A list of information that should be included with the firms’ statements of qualifications;
- A schedule of planned activities;
- A scope of work statement;
- Requirements for equal-opportunity employment, minority business, small business, and women owned business participation.

It is essential that all the firms receive the same materials so all firms’ responses will be based on the same project specifications and constraints and therefore, can be compared fairly.

2300.12.5 Evaluating Qualifications Submittals

A selection committee assigned to develop a shortlist of firms should evaluate qualifications submitted by the firms. The number of firms to be included on the shortlist, and then interviewed, may vary depending on the size and scope of the project. Generally, three to five firms are sufficient.

2300.12.6 A Shortlist of Firms to be Interviewed is Established

Once a list has been established, all firms should be contacted. Because all firms that submitted qualifications committed time and expense to pursue this project, the owner should contact the firms not selected, as well as those selected. Firms selected for interviews should immediately be sent information regarding interview requirements. The following elements should be considered:

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- If a tour of the site/facilities is considered appropriate, a date should be established;
- A list of interview criteria and questions, and an explanation of the scoring and selection process, should be sent to the firms on the shortlist;
- If the owner has feasibility studies, a project program, or other background information on the project, these materials should be submitted to the firms, or made available to them for purposes of review;
- Other specifics about the interviews themselves, including the date, place, time, and the names and titles of the members of the group that will be conducting the interviews, should also be included.

2300.12.7 Conducting Interview with the Short-listed Firms

Interviews enable the owner to compare each of the firms' different approaches to the design process, as well as their interpretations and understanding of the specific project requirements. The interviews allow for evaluation of the personal styles of each firm's management and key personnel, and their compatibility with the pre-identified criteria for the project.

2300.12.8 Ranking of the Firms

An evaluation form that includes a weight and a score for each criteria/question is useful for evaluating, ranking, and selecting the most qualified firm. During the interview, each interviewer should evaluate the firm separately. After all the interviews have been completed, the score sheets are compiled. This provides a documented record of the selection process as support for the committee's actions. It is recommended that committee members take the time to achieve a consensus, rather than selecting by majority vote.

2300.12.9 Negotiating an Agreement with the Selected Firm

Negotiations with the most qualified firm should begin as soon as possible. It is normally not difficult to reach an agreement on the fee since the QBS process facilitates an early understanding of the project scope and requirements. If an agreement cannot be met, negotiations with the first-ranked firm should be terminated and the owner should open negotiations with the second-ranked firm. Some other suggestions:

- A detailed and comprehensive scope-of-services should be developed jointly by the owner and the top ranked firm;
- Once an agreement is made, the design firm should submit its proposal for compensation to initiate fee negotiations;
- A written contract should be used;
- The agreement between the owner and the design professional should ensure that both parties have the same expectations and understanding of the project requirements.

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When the project responsibilities of both the owner and design professional are understood and compensation is determined, an agreement to enter into a contract has been reached. The owner, through the normal written procedure, authorizes commencement of design services and thus completes the selection process.

2300.12.10 Post-Selection Communications

After the interviews and rankings are completed, a post-selection memo should be prepared and mailed to all firms that participated in the process. The memo should list all the firms in alphabetical order, and state by name in what order the committee ranked the firms. (This is customary for owners to provide this information as a courtesy to the firms.)

After a contract is awarded, a debriefing for each short-listed firm should be provided upon request. The debriefing shall include information on ranking and scoring of that firm's proposal.

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2300.13: Submission of and Receiving of Bids

PURPOSE

To ensure a uniform and consistent process in the submission of and receiving of solicitations for bid.

APPLICATION

Applies to all County employees involved in the procurement of goods and services. The following paragraphs outline the types of bids currently being utilized and their appropriate applicability.

➤ **Informal Bids – Expenditures \$1,500.00 or Less**

- Acceptable methods of submission:
 - Verbal;
 - Written via personal or service delivery, facsimile, or e-mail.
- Treatment:

The buyer assigned to the bid shall process informal bids received through the above methods of submission.

➤ **Formal Bids – Expenditures Between \$1,500 and \$20,000**

- Acceptable methods of submission:
 - Written via personal or service delivery, e-mail, or facsimile.

Verbal responses are not an acceptable method of submission for the formal bidding process.

- Treatment:

Support staff shall time stamp and process formal bids received. Prospective vendors submitting formal bids via facsimile or e-mail shall contain signatures.

➤ **Sealed Bids – Expenditures Greater Than \$20,000**

- Acceptable methods of submission:

An authorized agent of the vendor, in a sealed package or envelope shall submit sealed bids in writing with an original signature, utilizing the County provided address label. E-mails and faxed responses are not acceptable methods of submission for the sealed bidding process.

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➤ Treatment:

When received, Purchasing Division support staff shall time stamp and process sealed bids. Sealed bids received after the stated due date and time will not be accepted and returned unopened.

PROCEDURE

Upon receipt of a vendor's bid, the buyer assigned to the commodity(ies) contained within bid shall process the bid in accordance with requirements as outlined in the application above.

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2300.14: Bidding Procedures – Establishing a Uniform Bid Opening Process (Capital Projects)

**Authority: Oakland County Board of Commissioners Miscellaneous Resolution #7133
adopted June 5, 1975; amended by
Oakland County Board of Commissioners Miscellaneous Resolution #9294
adopted February 14, 1980**

PURPOSE

This policy directs the establishment of a uniform bid opening process to ensure conformity and consistency with the way in which bids pertaining to capital projects are received, opened, and reviewed.

APPLICATION

Applies to all solicitations to bid on capital projects submitted by vendors and received by any County employee or official involved in the procurement of goods and services.

PROCEDURE

All bids shall be opened at the place, date and time that is described in and is a part of the bid advertisement.

The department representative, responsible for the bid opening, shall introduce himself and announce that it is now _____ o'clock, the time specified for the receipt of bids and no more bids shall be received on _____ project. (The closing of receipt of bids shall be exactly at the time specified). Any bids submitted after the closing will not be accepted.

The department representative, responsible for the bid opening, can introduce other County representatives, consultants, local, State and/or Federal representatives in attendance at the bid opening. The departmental representative shall explain the bid opening procedure to be used and what omissions will automatically prevent a bid from being read. Bids not read shall be returned to the Bidder as soon as possible after the bid opening.

The department representative shall proceed to open the bids individually by announcing that he has a bid from the _____ Company and then follow the prescribed procedure as outlined below:

- (a) Announce that a bid bond or other approved bid security is enclosed.
- (b) That the proposal has been signed and is on the form specified.
- (c) All documents and/or attachments required to be submitted as part of the proposal are enclosed.
- (d) The Bid Proposal Form(s) has/have been completely filled out and the total amount of the bid can be readily determined.
- (e) If any of the above items are missing or incomplete, the bids will not be read, or accepted, but returned to the envelope to be returned to the Bidder. If the above items are enclosed and all in order, then the total base bid shall be read, along with the bid for any

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alternates listed in the proposal. On unit price proposals, the individual unit prices for the apparent low bidder shall be read after all of the total base bids are read.

- (f) After all bids have been read, the departmental representative shall state that the bid opening is closed and the bids will be referred to the appropriate office for tabulation and presentation to the proper committee of the Board of Commissioners, when required.

If the Bidder requests an adjustment in the bid due to corrections requested, the bid shall automatically be rejected.

Written amounts will take precedence over numerical figures when there is a discrepancy.

Submission of Contractor Worksheets

Each bidder shall include in a separate sealed envelope the worksheets upon which the bid is based. Except where an error is claimed, all sealed envelopes containing worksheets, shall be returned unopened to the bidders who submitted same. Any bidder claiming that a mistake has been made in the submitted bid must notify the County representative within 24 hours after the time of the bid opening.

In the event any sealed envelope containing worksheets is required to be opened. The contents of such envelopes shall be shown only to the bidder and/or his representative and the County and/or its representative and no other person, business or corporation shall be shown the contents of such envelope.

If the worksheets confirm that an error has been made and that to accept such bid would be unconscionable on the part of the County, the bidder shall be released from any and all obligation and the bid shall be cancelled upon his agreeing in writing to release the County from any and all obligation pertaining to said bid.

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2300.15: Bidding Procedures – Establishing a Uniform Bid Opening Process (Non-Capital Projects)

PURPOSE

To establish a standard procedure for the opening of all bid types and proposals issued by the Oakland County Purchasing Division or other purchasing centers as identified in 2100.1 entitled “Departments/Divisions with Purchasing Authority.”

APPLICATION

Applies to Purchasing Division staff, other County employees, and assigned consultants involved with the opening of a bid or proposal.

PROCEDURE

The following steps should be performed in the opening of accepted bids.

➤ **Informal Bids – Expenditures of \$1500.00 or less:**

- The assigned buyer or other Purchasing Division staff shall receive the requested information either verbally, by fax, or by e-mail. Verbal quotes shall be documented by recording the name of the vendor, price quoted, date, and time of submission.
- A date and time shall be recorded on all submissions.
- Bids shall be reviewed and tabulated by Purchasing Division staff. Vendors may request a copy of this tabulation from the assigned buyer.
- The supplied information shall be filed as documentation of the request.

➤ **Formal Bids – Expenditures between \$1500.00 and \$20,000.00:**

- Submissions shall be received by Purchasing Division staff in writing using the issued document bid request form by the indicated due date.
- This form may be faxed or electronically sent to the Oakland County Purchasing Division.
- This form will be accepted when signed by a legal representative of the submitting organization. Submitted forms not signed will not be accepted and given to the assigned buyer by Purchasing Division staff. The assigned buyer, at his or her discretion, may contact the vendor of the incomplete bid form.
- The accepted submission shall be receipted, time and date stamped, by Purchasing Division staff.
- The assigned buyer, at his or her discretion, may publicly open the bids but is not required to do so.
- Accepted and receipted vendor submission shall be placed with the bid file.
- The assigned buyer or other Purchasing Division staff member shall tabulate the bid results in a timely manner. This tabulation shall become part of the bid file. The public and bidding vendors may request a copy of the bid tabulation.

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Formal requests may require that additional information or specifications accompany the bid. This information must be submitted with the bid form. Any bid form submitted lacking the required additional information will not be accepted. The assigned buyer, at his or her discretion, may contact the vendor that submitted the incomplete bid.

➤ **Sealed Bids – Expenditures over \$20,000.00:**

- Sealed bids will not be accepted via fax or electronic submission.
- The bid “package” must be in the hands of the Purchasing Division by the indicated due date and time. Purchasing is not responsible for and will not accept late packages due to United States Postal Service, overnight delivery vendors, or personal inclement weather delivery problems or conditions.
- The accepted bid “package” shall be receipted and placed in the bid file until the designated opening date and time.
- The bid opening shall be done publicly on the designated opening date and time.
- The opening of the sealed bid shall be performed by the assigned buyer and may be accompanied by a staff member, requesting department personnel, or assigned consultant.
- When the bid opening is completed all documentation shall be placed with the bid file.

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2300.16: Bid Evaluation and Tabulation Procedure

PURPOSE

To promote a uniform and consistent process to document the criteria utilized to evaluate bid submissions.

APPLICATION

Applies to all County employees and officials involved in the procurement of goods and services.

PROCEDURE

For all bids submitted for consideration, a bid tabulation summary shall be prepared by the assigned buyer to document the criteria utilized as part of the evaluation process. Information and criteria contained within the summary shall include, but is not limited to:

- Vendor names;
- Unit price;
- Total price;
- Delivery date;
- Payment terms; and
- Shipping costs.

Incorporated into this procedure is the [RFP Evaluation Handbook](#) that includes Conflict of Interest Forms for both County and External evaluators.

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2300.17: Audit Trail

**Authority: Oakland County Board of Commissioners Miscellaneous Resolution #92027
adopted March 5, 1992**

PURPOSE

To explain the importance of detailed documentation in the expenditure of public funds.

APPLICATION

Applies to all employees involved in the procurement process.

PROCEDURE

Sufficient documentation must be maintained to provide a clear audit trail to substantiate decisions made in the bidding process and subsequent awarding of contracts. As part of the bidding process and subsequent awarding of contracts the following information shall be documented by individuals involved in the procurement of goods and services:

- Bid tabulation summaries (written or electronic);
- Qualifying information that determines award;
- Correspondence between using department and purchasing;
- Written justification on why low bidder was not chosen;

This documentation shall be maintained within each purchase award, filed by its identifying number, and retained for a period not less than seven years.

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2300.18: Bid Price Guarantee

PURPOSE

To establish a standard period of time for which all bid pricing and terms shall remain unchanged in all formal bid processes.

APPLICATION

This policy applies to all quotations, request for proposals, bids and all other similar documents.

PROCEDURE

The following shall apply:

- All bid pricing, payment and delivery terms submitted on a request for quotation, bid or similar documents, other than a request for proposal, shall be guaranteed a minimum of 30 calendar days unless otherwise stated in the specifications.
- The requesting department and the Oakland County Purchasing Division shall determine a time period and framework to evaluate bids and/or proposals. Should a recommendation of award not be made within this timeframe the bid and/or proposals may be re-bid, with the previous bids considered no longer viable bids. The Purchasing Division shall notify bidding vendors if this should occur. Vendors are allowed to resubmit their bids and/or proposals if a new request is issued.
- Using departments are allowed to request an evaluation extension beyond the agreed upon time frame. Such requests are to be:
 - In writing, addressed to the assigned buyer;
 - Specify the need and justification for the extension;
 - Assure the requested products, and/or services; have not changed since the requests for bid and/or proposal evaluation were released.
- The manager of Purchasing must approve all extensions for the evaluation time in writing.
- The assigned buyer shall document and notify the bidding vendors of the time extension that has been requested with a request for them to approve.

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2300.19: Confidentiality

PURPOSE

To establish a procedure for handling bids/proposals which have proprietary and/or confidential markings.

APPLICATION

This procedure applies to all bids, proposals, quotations or any documents provided by a vendor with the expectation of some benefit in return.

The County of Oakland cannot negotiate or promise confidentiality. It would be construed as contrary to public policy for any County employee to tell a vendor that bid submittals will be kept confidential.

Corporation Counsel has determined that any vendor submittals that are used in the course of awarding a contract may be kept confidential **only until the award of the contract to purchase**. After the award, submittals declared proprietary **would not be** considered exempt from information requests under the "Freedom of Information Act" (FOIA) and must be disclosed upon request.

PROCEDURE

Should a buyer anticipate bid submittals containing proprietary or confidential information, language should be incorporated into the County's proposal putting the vendor on notice that information contained within/as part of bid submittals is subject to dissemination under the FOIA.

In the event a bid is submitted with supporting documentation marked proprietary, confidential, or otherwise not to be shared with others, it is incumbent upon the buyer to:

- inform the vendor of Corporation Counsel's determination;
- require the vendor to acknowledge, **in writing**, that the entire submittal is subject to FOIA and approve the dissemination of information subsequent to the contract award to purchase;
 - If the vendor acknowledges acceptance of the dissemination of information, the bid submittal should be processed in accordance with bidding policies and procedures; or
 - If the vendor refuses to approve the dissemination of information, the bid submittal should be deemed unacceptable and disqualified from further consideration in the contract award process.

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2300.20: Freight Costs

PURPOSE

To provide the definition and standardization of freight costs and how they apply in paying an invoice.

APPLICATION

Applies to all commodities purchased by or shipped to Oakland County.

PROCEDURE

In procurement of commodities, freight charges are always present whether they are included or shown as additional. The paragraphs below describe the procedures for the most commonly used shipping methods. In all purchases, FOB destination is preferred and makes evaluations of bids more uniform.

All quotation forms used by the Oakland County Purchasing Division or other purchasing centers shall request pricing to be FOB destination. This indicates that the supplier will pay the shipping costs, and usually also the insurance costs, from the point of manufacture to a specified destination. At this point, the buyer takes responsibility. A signed quotation with no exceptions specifies that freight on board to the destination is included in the purchase price. In this instance, the vendor is responsible for any follow up due to loss or shipping delays.

The second method, when an exception is made, is FOB shipping point. FOB shipping point indicates the purchaser is responsible for freight and insurance costs. The cost from the shipping point to the final destination is an additional cost over and above the quoted price. The invoice shall reflect the quoted price plus the actual shipping cost. In this instance, the purchaser or receiving division must take the responsibility of follow up or tracers because of delays or losses in the shipping process.

An alternative shipping method is COD, or cash on delivery. This is a transaction in which goods are paid for in full in cash or by certified check immediately when the buyer receives them. The buyer is responsible for the shipping and insurance costs.

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2300.21: Vendor Bid Protest

**Authority: The Model Procurement Ordinance for Local Government (pg.22;9-101);
The 200 Model Procurement Code for State and Local Governments (pg.65;9-101);
The Model Procurement Code for State and Local Governments Recommended
Regulations (pg.167;9-101)**

PURPOSE

To provide guidelines and a time frame for accepting and processing vendor (bidder) protests.

APPLICATION

Applies to any actual or prospective vendor, bidder, or contractor who is aggrieved in connection with the solicitation or award of a contract. They may protest to the manager or chief of the Oakland County Purchasing Division.

PROCEDURE

The following procedures shall apply to vendor (bidder) protests:

- 2300.21.1** The protest must be submitted in writing within 14 business days after award. Bid protests may also be filed during the bid process, or when the aggrieved vendor knows or should have known of the facts giving rise to the bid protest.
- 2300.21.2** In the event of a timely protest the Purchasing Division shall not proceed with the solicitation until final determination is rendered by the manager or chief of Purchasing.
- 2300.21.3** The written formal protest must contain a minimum of the following:
 - 2300.21.3.1** A specific identification of the statutory or regulatory provision(s) that the buyer or department is alleged to have violated;
 - 2300.21.3.2** A specific description of each act alleged to have violated the statutory or regulatory provision(s) identified above;
 - 2300.21.3.3** A precise statement of the relevant facts that include time lines and all involved parties;
 - 2300.21.3.4** An identification of the issue or issues that need to be resolved that support the protest.
- 2300.21.4** The assigned buyer shall:
 - 2300.21.4.1** Contact the requesting Department and inform them of the vendor protest;
 - 2300.21.4.2** Gather information and prepare documentation for the manager or chief of the Oakland County Purchasing Division outlining the solicitation, evaluation, and award of the bid/proposal.
 - 2300.21.4.3** A decision shall be made by the manager or chief of the Purchasing Division to contact Corporation Counsel of the protest;
 - 2300.21.4.4** Inform the requesting department on the progress and/or outcome of the vendor protest.

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2300.21.5 If the protest is not resolved by mutual agreement, the manager or chief of the Purchasing Division shall promptly issue their decision in writing. The decision shall consist of the following:

2300.21.5.1 State the reasons for the action taken presented in a document form and send to the aggrieved vendor;

2300.21.5.2 A copy of the decision shall be mailed or otherwise furnished immediately to the vendor and any other party intervening with a receipt of delivery that shall become part of the supporting documents;

2300.21.5.3 A decision shall be final and conclusive, unless fraudulent or Purchasing is directed by a Court decision;

2300.21.5.4 All vendor protest documentation shall be filed with the Purchasing Division in the bid file for reference.

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2300.22: Cancellation of Solicitation and Rejection of Bids or Proposals

Purpose

Requests for bids, requests for proposals, or other solicitation may be cancelled, or any or all bids or proposals may be rejected, in whole or in part, as may be specified in the solicitation, when it is in the best interests of the County in accordance with policies promulgated by the Oakland County Board of Commissioners. The reasons therefor shall be made part of the Contract file.

Application

The provisions of this procedure shall govern the cancellation of any solicitations whether issued by the County under competitive sealed bidding, competitive sealed proposals, small purchases, or any other source selection method, and rejection of bids or proposals in whole or in part.

Procedure

Solicitation should only be issued when there is a valid procurement need unless the solicitation states that it is for informational purposes only. The solicitation shall give the status of funding for the procurement.

Preparing and distributing a solicitation requires the expenditure of staff time and funds. Businesses likewise incur expense in examining and responding to solicitations. Therefore, although issuance of a solicitation does not compel award of a contract, a solicitation is to be cancelled only when there are cogent and compelling reasons to believe that the cancellation of the solicitation is in the County's best interest.

2300.22.1 Cancellation of Solicitation – Notice of Right to Cancel

Each solicitation issued by the County shall state that the solicitation may be cancelled as provided in this procedure.

2300.22.2 Cancellation of Solicitation; Rejection of all Bids or Proposals

2300.22.2.1 Prior to Opening: (As used in this Section, "opening" means the date set for opening of bids, receipt of non-priced technical offers in multi-step sealed bidding, or receipt of proposals in competitive sealed proposals.) Prior to opening, a solicitation may be cancelled in whole or in part when the manager of the Purchasing Division determines in writing that such action is in the County's best interest for reasons including but not limited to:

- the County no longer requires the supplies, services, or construction;
- the County no longer can reasonably expect to fund the procurement;

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- or proposed amendments to the solicitation would be of such magnitude that a new solicitation is desirable.

When a solicitation is cancelled prior to opening, notice of cancellation shall be sent to all businesses solicited. The notice of cancellation shall:

- identify the solicitation;
- briefly explain the reason for cancellation; and
- where appropriate, explain that an opportunity will be given to compete on any re-solicitation or any future procurement of similar supplies, services, or construction.

2300.22.2.2 After Opening: After opening but prior to award, all bids or proposals may be rejected, in whole or in part, when the manager of the Purchasing Division determines in writing that such action is in the County's best interest for reasons including but not limited to:

- the supplies, services, or construction being procured are no longer required;
- ambiguous or otherwise inadequate specifications were part of the solicitation;
- the solicitation did not provide for consideration of all factors of significance to the County;
- prices exceed available funds and it would not be appropriate to adjust quantities to come within available funds;
- all otherwise acceptable bids or proposals received are at clearly unreasonable prices; or
- there is reason to believe that the bids or proposals may not have been independently arrived at in an open competition, may have been collusive, or may have been submitted in bad faith.

2300.22.2.3 Documentation: A notice of rejection shall be sent to all businesses that submitted bids or proposals. The reasons for cancellation or rejection shall be made a part of the procurement file and shall be available for public inspection.

2300.22.3 Rejection of Individual Bids or Proposals

This Section applies to rejections of individual bids or proposals in whole or in part. Each solicitation issued by the County shall include a notice that any solicitation may be rejected, in whole or in part, when it is determined to be in the best interests of the County.

2300.22.3.1 Rejection of Bids: As used in this subsection, "bid" means any bid submitted in competitive sealed bidding or in the second phase of multi-step sealed bidding. Reasons for rejecting a bid include but are not limited to:

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- the business that submitted the bid is non-responsible as determined under Section 2300.22.7 (written determination of non-responsibility required);
- the bid is not responsive, that is, it does not conform in all material respects to the invitation for bids;
- the supply, service, or construction item offered in the bid is unacceptable by reason of its failure to meet the requirements of the specifications or permissible alternates or other acceptability criteria set forth in the invitation for bids;
- the bid was received in the Purchasing Division after the specified time and date; such bids shall be returned to the vendor unopened.

2300.22.3.2 Rejection of Proposals: As used in this subsection, “proposal” means any offer submitted in response to any solicitation, unless the solicitation states otherwise. Proposals need not be unconditionally accepted without alteration or correction, and the County’s stated requirements may be revised or clarified after proposals are submitted. This flexibility must be considered in determining whether reasons exist for rejecting all or any part of a proposal. Such flexibility shall be at the discretion of the manager of the Purchasing Division. Reasons for rejecting proposals include but are not limited to:

- the business that submitted the proposal is non-responsible as determined under 2300.22.7 of this procedure;
- the proposal ultimately (that is, after any opportunity has passed for altering or clarifying the proposal) fails to meet the announced requirements of the County in some material respect;
- the proposed price is clearly unreasonable;
- the proposal was received in the Purchasing Division after the specified time and date; such documents shall be returned to the vendor unopened.

2300.22.3 Documentation: Upon request, unsuccessful bidders or offerors shall be advised of the reasons for rejection therefor.

2300.22.4 “All or None” Bids or Proposals

Only when provided by the solicitation may a bid or proposal limit acceptance to the entire bid or proposal offering. Otherwise, such bids or proposals shall be deemed to be non-responsive. If the bid or proposal is properly so limited, the County shall not reject part of such bid or proposal and award on the remainder.

2300.22.5 Disposition of Bids or Proposals

When bids or proposals are rejected, or a solicitation cancelled after bids or proposals are received, the bids or proposals which have been opened shall be retained in the procurement file or if unopened, returned to the bidders or offerors upon request, or otherwise disposed of.

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2300.22.6 Definitions

- **Responsive bidder:** one who has submitted a bid that conforms, in all material respects, to the request for quote specification.

2300.22.7 Standards of Responsibility

- **Determination of Non-responsibility:** A written determination of non-responsibility of a bidder or offeror shall be made in accordance with policies promulgated by the Board of Commissioners and this manual. The unreasonable failure of a bidder or offeror to promptly supply information in connection with an inquiry with respect to responsibility may be grounds for a determination of non-responsibility with respect to such bidder or offeror.
- **Right of Nondisclosure:** Information furnished by a bidder or offeror pursuant to this section shall not be disclosed outside of the Purchasing Division without prior written consent by the bidder or offeror.
- **Application:** A determination of responsibility or non-responsibility shall be governed by this Regulation.
- **Standards of Responsibility:** Factors to be considered in determining whether the standard of responsibility has been met shall include, but not be limited to, whether a prospective vendor has:
 - available the appropriate financial, material, equipment, facility, and personnel resources and expertise, or the ability to obtain them, necessary to indicate it is capable of meeting all contractual requirements;
 - satisfactory record of performance;
 - satisfactory record of integrity;
 - qualified legally to contract with the County and has supplied all necessary information in connection with the inquiry concerning responsibility.
- **Information Pertaining to Responsibility:** The prospective vendors shall supply information requested by the manager of the Purchasing Division concerning the responsibility of such vendor. If such vendor fails to supply the requested information, the manager of the Purchasing Division shall base the determination of responsibility upon any available information or may find the prospective vendor non-responsible if such failure is unreasonable.
- **Ability to Meet Standards:** The prospective vendor may demonstrate the availability of necessary financing, equipment, facilities, expertise, and personnel by submitting upon request:
 - evidence that such vendor possesses such necessary items;
 - acceptable plans to subcontract for such necessary items; or
 - documented commitment from, or explicit arrangement with, a satisfactory source to provide the necessary items.
- **Duty Concerning Responsibility:** Before awarding a contract, the manager of the Purchasing Division must be satisfied that the prospective vendor is responsible.

**Oakland County Purchasing
Policies and Procedures
Adopted May 24, 1990 and Revised May 1, 2004**

- **Written Determination of Non-responsibility Required:** If a bidder or offeror who otherwise would have been awarded a contract is found non-responsible, a written determination of non-responsibility setting forth the basis of the finding shall be prepared by the Purchasing Manager. A copy of the determination shall be sent promptly to the non-responsible bidder or offeror. The final determination shall be made part of the procurement file.