

## **Special Executive Committee Meeting**

(via Email)

Monday, July 11, 2022

**Executive Committee:** David A. Scharoun, Judge James H. Cecile, Shirley Copes,  
Robert T. Tackman, Erich W. Shafer, Pastor Phyllis Lee-Williams

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### **Requesting the Board to approve revisions to the Fiscal Policies and Procedures Manual**

On Monday, July 11, 2022, Executive Director Carolyn Brown and CFO Kathleen O'Brien forwarded the attached revised Fiscal Policies and Procedures Manual and summary notes, to the Executive Committee for their review and approval. The Changes relate to PEACE, Inc.'s Purchasing and Procedures.

***A motion was made by Robert Tackman, seconded by Shirley Copes to approve the revised Fiscal Policies and Procedures Manual.***

***The motion was unanimously approved by David Scharoun, Judge James Cecile, Shirley Copes, Robert Tackman, Erich Shafer, and Pastor Phyllis Lee-Williams..***

See attached email responses.

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## For your review & approval - Revisions to the Fiscal Policies and Procedures Manual.

1 message

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Connie Magunga <cmagunga@peace-caa.org>

Mon, Jul 11, 2022 at 11:29 AM

To: "David A. Scharoun" <dscharoun1@gmail.com>, "Judge James H. Cecile" <jcecile@yahoo.com>, Shirley Copes <shirlgram08@gmail.com>, "Robert T. Tackman" <bobtoddtack@aol.com>, "Erich W. Shafer" <Eshafer@greenlakeassociates.com>, Pastor Phyllis Lee-Williams <sandpiper116@hotmail.com>  
Cc: Carolyn Brown <carolyn.brown@peace-caa.org>, Kathleen O'Brien <kobrien@peace-caa.org>

July 11, 2022

TO: **PEACE, Inc. Executive Committee**  
FROM: **Carolyn D. Brown**  
SUBJECT: **Revisions to the Fiscal Policies and Procedures Manual.**

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For your review and approval, I am attaching the revised Fiscal Policies and Procedures Manual and summary notes from CFO Kathleen O'Brien – The changes relate to our Purchasing Policies and Procedures.

Please let us know if you approve.

Thank you.

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### 2 attachments

 **Summary Notes from the CFO - Re Revisions to the Fiscal Policies and Procedures Manual.pdf**  
20K

 **Revisions to the Fiscal Policies and Procedures Manual.pdf**  
752K

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**Re: For your review & approval - Revisions to the Fiscal Policies and Procedures Manual.**

1 message

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**Robert Tackman** <bobtoddtack@aol.com>

Mon, Jul 11, 2022 at 11:33 AM

Reply-To: Robert Tackman <bobtoddtack@aol.com>

To: cmagunga@peace-caa.org, "David A. Scharoun" <dscharoun1@gmail.com>, "Judge James H. Cecile" <jcecile@yahoo.com>, Shirley Copes <shirlgram08@gmail.com>, "Erich W. Shafer" <Eshafer@greenlakeassociates.com>, Pastor Phyllis Lee-Williams <sandpiper116@hotmail.com>

Cc: Carolyn Brown <carolyn.brown@peace-caa.org>, Kathleen O'Brien <kobrien@peace-caa.org>

I support and make a motion to approve these changes.

Thanks,

-Bob

Robert T. Tackman

On Mon, Jul 11, 2022 at 11:30 AM, Connie Magunga  
<cmagunga@peace-caa.org> wrote:

July 11, 2022

TO: **PEACE, Inc. Executive Committee**  
FROM: **Carolyn D. Brown**  
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Thank you.

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**Re: For your review & approval - Revisions to the Fiscal Policies and Procedures Manual.**

1 message

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shirley copes <shirlgram08@gmail.com>

Mon, Jul 11, 2022 at 12:11 PM

To: Robert Tackman <bobtoddtack@aol.com>

Cc: Connie Magunga <cmagunga@peace-caa.org>, "David A. Scharoun" <dscharoun1@gmail.com>, "Judge James H. Cecile" <jcecile@yahoo.com>, "Erich W. Shafer" <Eshafer@greenlakeassociates.com>, Pastor Phyllis Lee-Williams <sandpiper116@hotmail.com>, Carolyn Brown <carolyn.brown@peace-caa.org>, Kathleen O'Brien <kobrien@peace-caa.org>

I second The motion

On Mon, Jul 11, 2022, 11:33 AM Robert Tackman <bobtoddtack@aol.com> wrote:

I support and make a motion to approve these changes.

Thanks,

-Bob

Robert T. Tackman

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**Re: For your review & approval - Revisions to the Fiscal Policies and Procedures Manual.**

1 message

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**Erich Shafer** <eshafer@greenlakeassociates.com>

Mon, Jul 11, 2022 at 3:47 PM

To: Robert Tackman <bobtoddtack@aol.com>, "cmagunga@peace-caa.org" <cmagunga@peace-caa.org>, "David A. Scharoun" <dscharoun1@gmail.com>, "Judge James H. Cecile" <jcecile@yahoo.com>, Shirley Copes <shirlgram08@gmail.com>, Pastor Phyllis Lee-Williams <sandpiper116@hotmail.com>  
Cc: Carolyn Brown <carolyn.brown@peace-caa.org>, Kathleen O'Brien <kobrien@peace-caa.org>

I vote in favor.

-Erich

---

**From:** Robert Tackman <bobtoddtack@aol.com>

**Reply-To:** Robert Tackman <bobtoddtack@aol.com>

**Date:** Monday, July 11, 2022 at 11:33 AM

**To:** "cmagunga@peace-caa.org" <cmagunga@peace-caa.org>, "David A. Scharoun" <dscharoun1@gmail.com>, "Judge James H. Cecile" <jcecile@yahoo.com>, Shirley Copes <shirlgram08@gmail.com>, Erich Shafer <eshafer@greenlakeassociates.com>, Pastor Phyllis Lee-Williams <sandpiper116@hotmail.com>

**Cc:** Carolyn Brown <carolyn.brown@peace-caa.org>, Kathleen O'Brien <kobrien@peace-caa.org>

**Subject:** Re: For your review & approval - Revisions to the Fiscal Policies and Procedures Manual.

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July 11, 2022

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**Re: For your review & approval - Revisions to the Fiscal Policies and Procedures Manual.**

1 message

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David Scharoun <dscharoun1@gmail.com>

Mon, Jul 11, 2022 at 3:53 PM

To: shirley copes <shirlgram08@gmail.com>

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Okay, we have a motion by Bob, second by Shirley, and vote of approval by Erich. The motion will already pass with the votes so far, but I will wait for responses from Jim and Pastor Lee before we record the vote.

Thanks everyone.

Dave

On Mon, Jul 11, 2022 at 12:14 PM shirley copes <shirlgram08@gmail.com> wrote:  
I approve

On Mon, Jul 11, 2022, 12:11 PM shirley copes <shirlgram08@gmail.com> wrote:  
I second The motion

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Please let us know if you approve.

Thank you.

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**Re: For your review & approval - Revisions to the Fiscal Policies and Procedures Manual.**

1 message

---

**Phyllis Lee-Williams** <sandpiper116@hotmail.com>

Tue, Jul 12, 2022 at 9:41 AM

To: james cecile <jcecile@yahoo.com>

Cc: David Scharoun <dscharoun1@gmail.com>, shirley copes <shirlgram08@gmail.com>, Robert Tackman <bobtoddtack@aol.com>, Connie Magunga <cmagunga@peace-caa.org>, "Erich W. Shafer" <Eshafer@greenlakeassociates.com>, Carolyn Brown <carolyn.brown@peace-caa.org>, Kathleen O'Brien <kobrien@peace-caa.org>

I vote yes in approval of this motion.

On Jul 11, 2022 5:49 PM, james cecile <jcecile@yahoo.com> wrote:

I vote yes

Sent from Yahoo Mail for iPhone

On Monday, July 11, 2022, 3:53 PM, David Scharoun <dscharoun1@gmail.com> wrote:

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July 11, 2022

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TO: **PEACE, Inc. Executive Committee**  
FROM: **Carolyn D. Brown**  
SUBJECT: **Revisions to the Fiscal Policies and Procedures Manual.**

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For your review and approval, I am attaching the revised Fiscal Policies and

I have revised the Fiscal Policies and Procedures manual to increase the Simplified Acquisition Threshold to \$250,000. This is the maximum level amount given by the guidelines. This is an increase from the recent adjustment to \$100,000.

When I set the level at \$100,000, I anticipated that we would have one purchase approximately once every year or two. However, we currently have at least 6 purchases in process for this year. They include:

- Merrick parking lot
- Merrick windows
- Merrick roof
- 2 Weatherization purchases
- 3 buses
- Improvements to 717 W. Fayette
- Playgrounds

When a purchase hits the Simplified Acquisition Threshold, there are many additional steps we must follow, which puts us at greater risk during an audit. The increase in threshold will not affect our decision of vendor, but will reduce our audit risk.

## **POLICIES ASSOCIATED WITH EXPENDITURES AND DISBURSEMENTS**

### **71. PURCHASING POLICIES AND PROCEDURES**

#### **72. Overview (2/11/08) (2/16)(10/19)**

THE POLICIES DESCRIBED IN THIS SECTION APPLY TO ALL PURCHASES MADE BY PEACE, INC.

ADDITIONAL POLICIES APPLICABLE ONLY TO THOSE PURCHASES MADE UNDER FEDERAL AWARDS ARE DESCRIBED IN THE SECTION "POLICIES ASSOCIATED WITH FEDERAL AWARDS." (Section 184)

It is the policy of PEACE, Inc. to follow a practice of ethical, responsible and reasonable procedures related to purchasing, agreements and contracts, and related forms of commitment. The policies in this section describe the principles and procedures that all staff shall adhere to in the completion of their designated responsibilities.

The goal of these procurement policies is to ensure that materials and services are obtained in an effective manner and in compliance with the provisions of applicable Federal statutes and executive orders.

Relevant OMB circulars and Uniform Guidance are reviewed periodically (and whenever changes to circulars) to ensure adherence to directives.

#### **72.1 Procurement Procedures (2/16)**

Refer to CFR , Subpart D, sections 200.317-200.326

#### **73. Responsibility for Purchasing (2/11/08)**

All department and project Directors shall have the authority to initiate purchases on behalf of their department or project, within the guidelines described in this policies manual. In addition, department directors may delegate purchasing authority to responsible individuals within their department. The fiscal department shall maintain a current list of all authorized department and project signors.

The accounting department shall be responsible for processing purchase orders. The Executive Director and/or CFO have approval authority over all purchases, and shall make the final determination on any proposed purchases where budgetary or other conditions may result in denial.

The purchasing system of the Agency shall be overseen by the Purchasing Director. The Purchasing Director can review a requisition or purchase at any time.

#### **74. Non-Discrimination Policy**

All vendor contractors who are the recipients of Agency funds, or who propose to perform any work or furnish any goods under agreements with PEACE, Inc. shall agree to these important principles:

1. Vendor Contractors will not discriminate against any employee or applicant for employment because of race, religion, color, sexual orientation or national origin, except where religion, sex, or national origin is a bona fide occupational qualification reasonably necessary to the normal operation of the vendor contractors.

#### **75. Purchasing Overview (11/12), (2/16) (9/18)(5/22)(6/22)**

**Changes highlighted are effective 6/27/22, due to new federal guidelines.**

Before committing to a purchase with a new vendor contractor, the Purchasing Dept. confirms that the vendor contractor is not on the suspension/debarment list. On the Purchase Order Checklist there is an indication if this is a new vendor contractor.

We can categorize our disbursements into three types:

- Purchase Orders required – items we will receive an invoice for

- Require a "Purchase Order Checklist" to be completed by accounting or Purchasing department

- Cash Disbursement – no invoice will be received – example – expense reports and credit card payments

- Recurring Payments – leases and contracts and standard payments (example - utilities)

- Includes master list of recurring, and coversheet for each with documentation attached in a folder

As PEACE, Inc. is exempt from NYS sales tax, no NYS sales tax is to be charged directly or indirectly to any grant. We do everything possible to eliminate sales tax. However, on occasion a minor amount of sales tax may be charged. If so, it needs to be approved by the Controller, Purchasing Director or CFO, and charged to "non-allocable". Some tax payments are required such as for flights, hotels, etc., and are allowed on the grants.

There are 3 purchasing dollar levels. Refer to CFR, Subpart D, 200.320. We will use the dollar levels included below:

- Micro purchases – below \$10,000

- Small purchases - \$10,000 – below \$250,000

- Large purchases - \$250,000 and higher

#### **76. Use of Purchase Orders (11/13)(6/17)**

It is the policy of PEACE, Inc. to utilize a purchase order system. A properly completed purchase order or Cash Disbursement form shall be required for each purchase decision with the exception of petty cash accounts, recurring payments, travel advances and expense reimbursements, cash advances,

etc. which require a separate form described elsewhere in this manual. Also, professional services such as legal or accounting, do not require a purchase order, but fees will be analyzed periodically. A "Purchase Order Checklist" will be attached to a properly completed purchase order to indicate at a minimum:

1. PO Date
2. Determine whether allowable under grant and initial
3. Indicate no sales tax included
4. If item \$5,000 or more and fixed asset, notify Senior Accountant, OR Construction in Progress, acct #1540
5. If fixed asset must have lease vs buy analysis form
6. Indication that funds are available
7. Three quotes, indication NYS Contract, or Sole Source attached as required
8. Required signatures
9. Receipt of items
10. Recognition of Davis Bacon if applicable

Purchase orders shall be pre-numbered and kept in a secure area in the accounting department, and issued upon request from an authorized purchaser. All purchase orders are logged out by the accounting department when disbursed to employees/program managers.

If the purpose of the purchase is not readily apparent, a written description of the nature of the purchase and how it relates to the applicable grant shall be attached.

A "Purchase Order Check List" will be attached to each Purchase Order to ensure all items are considered, and we have adequate support for payment. Each Purchasing staff member will initial/date the review items as they review through the receiving of product area and sign-off as all complete up to that point. The Accounts Payable Specialist will initial/date the invoice area of the checklist and sign-off that all is complete.

The Purchasing Department reviews the open purchase order file on a periodic basis to ensure the open purchase order file is up to date.

**77. Authorizations and Purchasing Limits** (11/13), (2/16)(11/16) (2/17)(2/18)  
(9/18)(10/1)(11/18)(10/19)(01/20)(9/21)(11/21)(5/22)(6/22)

The following table displays required approval levels used by PEACE, Inc. for purchases, whether using a Purchase Order or a Cash Disbursement Request.

If there is a required PO, there will be a Purchase Order Checklist attached.

If a PO is required, the PO will be written before the order is placed.

Any specific grantor requirements must be identified and adhered to.

Requisition Requests are not required.

| <b>Total Amount of Purchase</b> | <b>Signatures required to Purchase</b> | <b>Solicitation Process</b>                                           | <b>Documentation of Decision</b> |
|---------------------------------|----------------------------------------|-----------------------------------------------------------------------|----------------------------------|
| <b>Petty Cash</b>               | Project Director                       | Open and free competition as a variety of vendor contractors are used | Invoice/Receipt                  |

**MICRO-  
PURCHASE**

**Less than \$10,000**

**No quotes required**

**Price must be considered  
reasonable based on  
research, experience,  
purchase history, or other  
information.**

**Purchase can be made from a  
contractor successfully used  
in the past, with reasonable  
pricing.**

**To the maximum extent  
practicable, micro-purchases  
will be equitably distributed  
among qualified suppliers,  
provided pricing is  
reasonable.**

**PEACE may utilize annual  
bids for suppliers of recurring  
purchases.**

**Purchase Order or Cash  
Disbursement Request**

**Invoice/Receipt**

**PO Checklist if using PO**

**LESS THAN \$2,000**

**Program Director-before  
Purchase**

**Purchasing Director-can  
be after purchase date**

**Accountant-can be after  
purchase date**

**\$2,000-LESS THAN  
\$5,000**

**Program Director**

**Purchasing Director**

**Accountant**

|                                                                              |                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                         |
|------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                              | <p><b>\$5,000-LESS THAN \$10,000</b></p> <p>Program Director</p> <p>Purchasing Director</p> <p>Accountant</p> <p>Executive Director</p> <p>CFO</p> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                         |
| <p><b>SMALL PURCHASE</b></p> <p><b>\$10,000 – less than an \$250,000</b></p> | <p>Program Director</p> <p>Purchasing Director</p> <p>Accountant</p> <p>Executive Director</p> <p>CFO</p>                                          | <p>One of:</p> <p>3 quote form</p> <p>NYS Contract/State Bid List</p> <p>Sole Source</p> <p>Annual Bid</p> <p>RFP Process only if required by grantor</p> <p>Sealed Bids only if required by grantor</p> <p>Price must be considered reasonable based on research, experience, purchase history, or other information.</p> <p>To the maximum extent practicable, small purchase will be equitably distributed among qualified suppliers, provided pricing is reasonable.</p> | <p>Purchase Order or Cash Disbursement Request</p> <p>Invoice/Receipt</p> <p>PO Checklist if using PO</p> <p>Document how quotes were obtained</p> <p>Document procurement decision</p> |

|                                                                                 |                                                                                    |                                                                                                                                                                                   |                                                                                                                                                                                                                                          |
|---------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>SIMPLIFIED<br/>ACQUISITION<br/>THRESHOLD</b><br><br><b>\$250,000 or more</b> | Program Director<br>Purchasing Director<br>Accountant<br>Executive Director<br>CFO | <b>WRITTEN PROPOSALS</b><br>(see requirements<br>below)<br><br><b>OR</b><br><br><b>SEALED BIDS</b> (see<br>requirements below)<br><br>Advertising is required<br>for sealed bids. | <b>WRITTEN PROPOSALS</b> (see<br>requirements below)<br><br><b>OR</b><br><br><b>SEALED BIDS</b> (see<br>requirements below)<br><br>Purchase order of Cash<br>Disbursement Request<br><br>Invoice/Receipt<br><br>PO Checklist if using PO |
|---------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

In addition to the above requirements, specific grantor purchasing requirements must also be adhered to (such as Head Start, HCR, and others).

The decision of which tier a purchase fits into is based on the information on hand at the time of the decision of which vendor to choose. There can be instances where a decision of a vendor with applicable tier is made, and then more costs are added due to unforeseen events (additional work or materials needed, additional people attend event, etc.). The tier above is determined when the original decision is made.

If there is additional work required above and beyond the original PO amount, it will be decided whether:

1. The proposed work and cost is appropriate, documented, and proceed
2. The proposed work is not appropriate or approved, or
3. Prepare a new PO for the additional work and following the purchasing procedures.

## **PROPOSALS:**

A procurement in which either a fixed price or cost-reimbursement type contract is awarded. Proposals are generally used when conditions are not appropriate for the use of sealed bids. They are awarded in accordance with the following requirements.

- A. Proposals must be solicited from 3 offerors. A non-response is a response.
- B. PEACE, Inc. must have a written method for conducting technical evaluations of the proposals received and making selections.
- C. Contracts must be awarded to the responsible offeror whose proposal is most advantageous to PEACE, Inc. with price and other factors considered, and

D. Architectural/Engineering - PEACE Inc. may use competitive proposal procedures for qualifications-based procurement of architectural/engineering professional services whereby offeror's qualifications are evaluated and the most qualified offeror is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be in procurement of A/E professional services. It cannot be used to purchase other types of services through A/E firms that are a potential source to perform the proposed effort.

#### **SEALED BIDS:**

Bids are publically solicited and a firm fixed-price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction. In order for sealed bidding to be feasible, the following conditions must be present:

- A. A complete, adequate, and realistic specification or purchase description is available
- B. Two or more responsible bidders are willing and able to compete effectively for the business, and
- C. The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

If sealed bids are used, the following is required:

- A. Bids must be solicited from an adequate number of qualified sources, providing them sufficient response time prior to the date set for opening the bids.
- B. The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond.
- C. All bids will be opened at the time and place prescribed in the invitation for bids.
- D. A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factor such as discounts, transportation cost and life cycle costs must be considered in determining which bid is the lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of, and
- E. Any and all bids may be rejected if there is a sound documented reason.

#### **Exceptions:**

The Director of Food Services may order food and supplies (no equipment or items out of ordinary daily purchases) solely on his signature due to the nature of the program. The Purchase Order is then remitted to Accounting for the Purchasing Director and Accountant signatures (and Executive Director & CFO if required).

The Weatherization Director may order supplies and materials for jobs (no equipment or items out of ordinary daily purchase) solely on his signature due to the nature of the program. The Purchase Order is then remitted to Accounting for the Purchasing Director and Accountant signatures.

The Head Start/Early Head Start Nutrition Coordinator may order normal food and supplies (no equipment or items out of ordinary daily purchases) solely on her signature due to the nature of the program. The Purchase Order is then remitted for the Purchasing Director and Accountant signatures.

The Program Director is the only required signor prior to ordering items or service if the total is under \$2,000, except as noted above for food services and weatherization purchases. The Purchasing Director and Accountant are able to sign after the purchase.

The Human Resources Director signs for HR related invoices for example: drug testing, employee background checks, payments for small medical claims, insurance and tuition reimbursement.

All required approval signatures must be obtained prior to placing an order with the vendor contractor.

Only the Executive Director is authorized to enter into any contract (verbal or written) on behalf of PEACE, Inc.

The Controller may sign in place of the CFO for any appropriate items (not just when CFO is not available).

Small, recurring purchases made routinely through the year may be supported by an annual memo of authorization. This letter would reflect the dollar limit and type of purchase, along with "allowable under grant/cost center" and "grant funds available" clauses. This annual memo is signed by the Program Director or authorized person.

Cash disbursements that do not require a PO and do not involve vendor sourcing do not require the Purchasing Director signature. Examples are the cash transfer from the operating account to the Captive account, issuance of the Captive stop payment and Captive administrative fee, and other like items.

Emergency trips for medical attention may have signatures dated after the medical visit, to ensure medical issues are addressed as soon as possible.

Standard deliveries of contracted items such as uniforms may have invoices signed by accountant, as the program director originally signed the contract.

Professional services procured will be reviewed by appropriate staff every 3-5 years. Criteria considered will be: satisfaction with the vendor, reasonable price, timeliness, professionalism, etc. This

review will be documented, and a decision made to continue the services, or obtain 3 bids for future services. An individual purchase of services will be made based on a review of the above criteria

#### **77.1 Allowable Purchases (12/14), (2/16)(10/17)**

It must be determined that a purchase is allowable under the grant/cost center. To accomplish this:

There is a box on the Purchase Order and Cash Disbursement Request that must be checked and signed by the Program Director that the item is allowable. At times this box may be checked and initialed on the requisition or request, and attached to the Purchase Order.

A Partial Listing of Allowable/Unallowable Expenses for Head Start has been forwarded to Head Start Senior Leadership

CFR, Subpart E, 200.420-200.475 Selected Items of Cost and Selected Unallowable Cost Items are forwarded to Senior Leadership periodically.

See also CFR, Subpart E, 200.402 – 200.411 for Basic Consideration regarding costs.

#### **78. Required Solicitation of Quotations from Vendor Contractors (12/14), (2/16)(9/16)(11/17)(10/18)(11/18)(11/21)(5/22)(6/22)**

Also see CFR D 200.319

PEACE, Inc.'s choice of vendor contractors is based on full open and free competition. We choose the vendor contractor most responsive to the solicitation and advantageous to the agency.

Refer also to CFR, Subpart D, 200.319.

Purchases of **\$10,000 or** more (unless discussed in other sections of this manual – example Section 76), will be supported by quotes as required (see section 77). These quotes can be in the form of either bids per purchase (documented by the Vendor Contractor Quote Verification – vendor contractor quote form), indication on the NYS Contract list, sole source, or an annualized bid. An annualized bid is a sampling of commonly used items in specific groupings ie: hardware, plumbing products, electrical products, office supplies, food products, and is reevaluated on a yearly basis and determines reasonable priced vendor contractors in locations common to our facilities. For purchases of multiple items such as hardware, novelty goods, etc. from vendor contractors that do not have an annual bid on file it is permissible to do a price comparison on a random sampling of those items to prepare a vendor contractor quote form.

Petty cash purchases (section 126) do not require bids, but have free and open competition. Staff may use a vendor contractor they feel is in the best interest for the agency.

Required governmental fees and similar situations where we have no control over the vendor contractors used do not require bids. An example would be if we are required by contract to reimburse expenses to a landlord or vendor contractor is specifically written into the grant. We would then review for reasonableness.

Certain purchases such as license fees, job fair fees, trainers, postage, mileage reimbursements, subscriptions, memberships, consultants such as engineering consultants, etc (list is not all-inclusive) do not require bids or sole source forms. We would review for reasonableness.

Written quotes are required for purchases of **\$10,000** or more. Exceptions to the three quote requirement are: if the vendor contractor is on an approved New York State bid list, specialized contract services ex: auditors, lawyers, consultants (who are reviewed periodically) or if a vendor contractor is considered sole source of a product. (A sole source form must be filled out and attached to the purchasing package).

A sole source form is to be used only when there is no other vendor contractor (not because they are the lowest cost).

If a new vendor contractor is being considered, the staff person responsible for the purchase must confirm with the Purchaser that the vendor contractor is not on the disbarment list, before committing to the purchase.

All Purchase decisions of **\$250,000** or more shall be made by obtaining written competitive proposals from at least three (3) responsible vendor contractors. Sealed bids shall be utilized when required by a Federal awarding agency.

Solicitations for goods and services (requests for proposals) should provide for all of the following:

1. A clear and accurate description of the technical requirements for the material, product or service to be procured. In competitive procurements, such a description shall not contain features, which unduly restrict competition.
2. Requirements which the bidder/offeror must fulfill and all other factors to be used in evaluating bids or proposals.
3. A description, whenever practicable, of technical requirements in terms of functions to be performed or performance required, including the range of acceptable characteristics or minimum acceptable standards.
4. The specific features of "brand name or equal" descriptions that bidders are required to meet when such items are included in the solicitations.
5. Preference, to the extent practicable and economically feasible, for products and services that conserve natural resources and protect the environment and are energy efficient.
6. A description of the proper format, if any, in which proposals must be submitted, including the name of the PEACE, Inc. person to whom proposals should be sent.
7. The date by which proposals are due.
8. Required delivery or performance dates/schedules.

9. Clear indications of the quantity(ies) requested and unit(s) of measure. (does not apply to annual bids, as do not know quantities)

#### **79. Evaluation of Alternative Vendor Contractors for Proposals (1/6/09)**

PEACE, Inc.'s choice of vendor contractors is based on open and free competition. We chose the vendor contractor most responsive to the solicitation and advantageous to the agency.

Alternative vendor contractors shall be evaluated on a weighted scale that considers the following criteria:

1. Adequacy of the proposed methodology of the vendor contractor
2. Skill and experience of key personnel
3. Demonstrated company experience
4. Other technical specifications (designated by department requesting proposals)
5. Compliance with administrative requirements of the request for proposal (format, due date, etc.)
6. Vendor contractor's financial stability
7. Vendor contractor's demonstrated commitment to the nonprofit sector
8. Results of communications with references supplied by vendor contractor
9. Ability/commitment to meeting time deadlines
10. Cost
11. Minority- or women-owned business status of vendor contractors
12. Other criteria (to be specified by department requesting proposal)

Not all of the preceding criteria may apply in each purchasing scenario. However, in each situation requiring consideration of alternative vendor contractors, the department responsible for the purchase shall establish the relative importance of each criterion prior to requesting proposals and shall evaluate each proposal on the basis of the criteria and weighting that have been determined.

#### **80. Affirmative Consideration of Minority, Small Business and Women-Owned Businesses**

Positive efforts shall be made by PEACE, Inc. to utilize small businesses, minority-owned firms, and women's business enterprises, whenever possible. The following steps shall be taken in furtherance of this goal:

1. Ensure that small business, minority-owned firms, and women's business enterprises are used to the fullest extent practicable.
2. Make information on forthcoming opportunities available and arrange time frames for purchases and contracts to encourage and facilitate participation by small business, minority-owned firms and women's business enterprises.