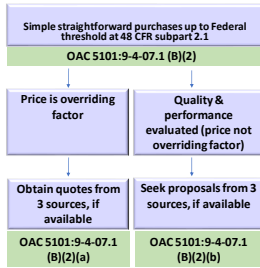


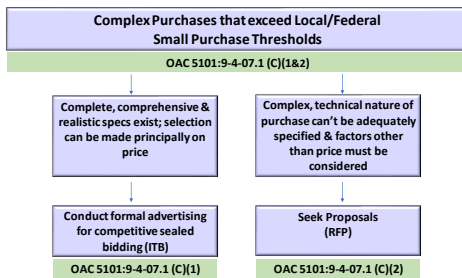
Small Purchase Procedure



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When making procurement decisions which policy takes precedence?

- A) Local policy
- B) Most restrictive policy
- C) Federal policy
- D) Least restrictive policy

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Which statement is true?

- A) An agency can use the Cooperative Purchasing Program contract prices as a quote when doing a small purchase procurement.
- B) An agency can access state purchasing contracts when competitive bidding by the county has already occurred because agency staff did not like the quotes they received.

Ms/2021

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What is the minimum number of quotes/proposals an agency tries to get when using a small purchase selection method?

- A) 1
- B) 3
- C) 5

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When an agency uses the formal advertising for sealed bidding method of procurement which response does the agency ask for?

- A) Invitation to bid (ITB)
- B) Request for proposal (RFP)

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Non Competitive Procurement

- 1. Sole Source**
- OAC 5101:9-4-07.1 (C)(3)(a)(i)
- 2. Emergency Situations**
- OAC 5101:9-4-07.1 (C)(3)(a)(ii)
- 3. Awarding Agency Authorizes Noncompetitive Proposals**
- OAC 5101:9-4-07.1 (C)(3)(a)(iii) & FAPL 36
- 4. Prices Established by Law for Equipment Requiring Standardization & Interchangeability**
- OAC 5101:9-4-07.1 (C)(3)(a)(iv)
- 5. Failed Procurement**
- OAC 5101:9-4-07.1 (C)(3)(a)(v)

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Cost and Price Analysis 5101:9-4-07 (B)(1)(a)(i) & (ii)

Complete cost or price analysis for every procurement > Federal Small Purchase Procedure threshold (\$150K) – includes contract mods. Make Independent estimates before receiving bids/proposals.

- Use **cost** analysis when bidder submits elements of estimated cost (e.g. professional consulting & a/e service contracts).
- Use **cost** analysis if no price competition. Includes sole source procurement, unless reasonable price can be established using catalog or market prices; or prices set by law/regulation.
- Use **price** analysis in all other cases to determine reasonable contract price.
- Local restrictions may apply – use most restrictive.

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Cost and Price Analysis cont.



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Negotiating Profit

5101.9-4-07 (B)(1)(b)

- Negotiate profit separate of price for each contract with no price competition and all cases where cost analysis is done.
- To establish fair and reasonable profit, consider:
 - complexity of work performed
 - risk borne by contractor
 - contractor's investment
 - amount of subcontracting
 - past performance record
 - industry profit rates in geographic area for similar work

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Cost and Price Analysis – Misc.

5101.9-4-07 (B)(1)(c) & (d)

- Costs or prices consistent with federal cost principles (necessary, reasonable, allocable).
- Cost plus a percentage of cost and percentage of construction cost methods of contracting unallowable.

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At what point in the procurement or competitive selection process should you do an independent estimate?

- A) Before receiving bids or proposals
- B) After receiving bids or proposals but before awarding a contract
- C) Before entering a subgrant agreement

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Select the items below that are triggers for doing a cost or price analysis.

- A) Procurement action in excess of one hundred and fifty thousand dollars
- B) When the bidder is required to submit elements of the estimated cost
- C) In all other instances to determine the reasonableness of the proposed contract price

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1. Talkenatya County: Needs to buy a van with a wheelchair lift and additional seating for up to five people.
 - This vehicle is not available from the Ohio Cooperative Purchasing program.
 - County small purchase threshold at \$25,000.
 - Independent estimates place the cost at approximately \$42,500.

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2. Talkenatya County: Hand off the operation of work programs for FAET and OWF to the community college.
 - Community college will be running the FAET/OWF work programs.
 - Community college to take full responsibility for meeting state and federal requirements.

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