



# Procurement 101: Getting To Know The Essentials

# What Does Procurement Mean?



- ▶ **ECONOMY**
- ▶ **EFFICIENCY**
- ▶ **EXPEDIENCY**
- ▶ **ENVIRONMENTAL IMPACT**
- ▶ **SUSTAINABILITY**
- ▶ **QUALITY & QUANTITY**
- ▶ **IN TIME**
- ▶ **BEST VALUE**

# Course Objectives

- ▶ **Principles of Public Procurement**
- ▶ **Your Role in Procurement**
- ▶ **Purchasing Thresholds**
- ▶ **Emergency Purchases**
- ▶ **Soliciting Suppliers**
- ▶ **How to Communicate with Suppliers**

# Principles of Public Procurement

## Private Sector

- ▶ Competition vs speed
- ▶ Fairness ensures competition

**GOAL:** Profit!

## Public Sector

- ▶ Good stewardship of tax dollars
- ▶ Laws and regulations are created to promote fairness

**GOAL:** A fair process that is transparent, accountable and seeks best value

# Principles of Public Procurement

- ▶ **State of Georgia laws**
- ▶ **City of Roswell Code of Ordinances, Section 2.7**
- ▶ **City of Roswell Purchasing Manual**
- ▶ **Operating Guidelines of the Purchasing Division**

# Your Role In The Procurement Process

- ▶ **Early cooperation and collaboration on projects and issues (before)**
- ▶ **Become familiar with applicable policies and procedures (before)**
- ▶ **Understand your Department's needs (before)**
  - ▶ **Develop specifications and scopes of work (before)**
- ▶ **Document any issues or concerns with the supplier (after)**
- ▶ **Help us to improve the procurement process**

# Your Role In The Procurement Process

## Before

Cooperate and collaborate with the Purchasing Division.

Become familiar with applicable policies and procedures.

Understand your Department's needs. Develop specs and scopes of work.



## During

Attend and participate in supplier/bid conferences and answer questions from suppliers.

Serve on RFP Evaluation Committees.

Help verify supplier responsibility.

Present your project to City Council for award to a supplier.



## After

Document any issues or concerns with the supplier.

Provide feedback on the Procurement Process to help us improve!



# Purchasing Thresholds

- ▶ Does your purchase fall under “Goods & Services” or “Professional Services”?
- ▶ What threshold will your purchase fall into?





# Purchasing Thresholds

Goods & Services		
\$ Threshold	Purchasing Method	Responsibility
> \$75,000	Formal Procurement Process	Purchasing Division
\$25,000 - \$75,000	Three Written Quotes	Purchasing Division
\$2,500 - \$25,000	Three Written Quotes	Your Department
< \$2,500	Non-Competitive	Your Department

  

Professional Services		
\$ Threshold	Purchasing Method	Responsibility
> \$25,000	Formal QBS Procurement Process	Purchasing Division
\$2,500 - \$25,000	QBS Process with Department Head Justification	Your Department
< \$2,500	Non-Competitive	Your Department



# How Do I Count Thresholds?

- ▶ **Does your budget for the service or good exceed its normal threshold?**
  - ▶ You may need to use a competitive process.
- ▶ **Do you need to make an unexpected purchase related to a service or good which puts the sum total over a threshold?**
  - ▶ It doesn't necessarily mean you'll violate a threshold requirement.
- ▶ **Putting a purchase into a threshold can be a gray area. Contact the Purchasing Division for help!**

# Emergency Purchases

- ▶ **Purchases essential to protect life or property**
- ▶ **Authorized by City Administrator**

# Methods of Solicitation (Informal)

- ▶ Request for Informal Quote
- ▶ Informal Request for Qualifications

**No formal advertisement requirements**

- **Less time**
- **No City Council award requirements**

# Methods of Solicitation (Formal)

- ▶ Invitation to Bid
- ▶ Request for Proposals
- ▶ Request for Qualifications

# How To Communicate With Vendors

## **DON'T**

- ▶ Create expectations
- ▶ Provide sensitive data
  - ▶ i.e. your cost estimates
  - ▶ i.e. sensitive spec info
- ▶ Create unequal access

## **DO**

- ▶ Be polite and courteous
- ▶ Gather information
- ▶ Meet with vendors (all or none) who request a meeting