

## **DBA MVL Non-Profit Procurement Policy (in compliance with 24 CFR 84.40 – 84.48)**

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

### **Code of Conduct**

A code of conduct shall govern the performance, behavior and actions of the DBA and MVL (hereinafter "Organizations"), including Board Members, employees, directors, volunteers, or agents who are engaged in any aspect of procurement including, but not limited to, purchasing goods and services; awarding contracts and grants; or the administration and supervision of contracts.

1. No employee, officer, director, volunteer or agent of the Organizations shall participate in the selection, award or administration of a bid or contract supported by Federal funds if a conflict of interest is real or apparent to a reasonable person.
2. Conflicts of interest may arise when any employee, officer, director, volunteer or agent of the Organizations have a financial, family or any other beneficial interest in the vendor firm selected or considered for an award.
3. No employee, director, volunteer or agent of the Organizations shall do business with, award contracts to, or show favoritism toward a member of his/her immediate family, spouse's family or to any company, vendor or concern who either employs or has any relationship to a family member, or award a contract or bid which violates the spirit or intent of Federal, State and local procurement laws and policies established to maximize free and open competition among qualified vendors.
4. The Organizations' employees, officers, directors, volunteers or agents shall neither solicit nor accept gratuities, gifts, consulting fees, trips, favors or anything having a monetary value in excess of five hundred dollars (\$500.00) from a vendor, potential vendor, or from the family or employees of a vendor, potential vendor or bidder; or from any party to a sub-agreement or ancillary contract.
5. As permitted by law, rule, policy or regulation, the Organizations shall pursue appropriate legal, administrative or disciplinary action against an employee, officer, director, volunteer, vendor or vendor's agent who is alleged to have committed, has been convicted, disciplined or pled no contest to a procurement violation with grant management, procurement actions or bids, consistent with State or Federal policy.

### **Solicitation and Competition**

All procurement transactions will be conducted to provide – to the maximum extent possible – free and open competition among suppliers. The Organizations must begin with an analysis of the need for the procurement, to avoid the purchase of unnecessary items (this may include an examination of lease verses purchase alternatives). The purchaser must then identify and clearly specify standards for the goods or services desired, and seek competitive offers where possible to obtain the best quality at the best possible price. For procurements under \$1000, the grantee or project manager may make the decision.

**In general:**

- Some form of cost or price analysis shall be made and documented in the procurement files in connection with every procurement action. Price analysis may be accomplished in various ways, including the comparison of price quotations submitted and market prices, together with discounts.
- Bids must be sought for goods and services exceeding \$5000.00.
- For procurements that exceed the Federal “small purchase” threshold of \$100,000 competitive bids will be utilized and requests for these bids will be written in a way that does not restrict competition.
- Whenever possible, the Organization should engage in affirmative efforts to utilize small businesses, minority owned firms and women’s business enterprises.

**Selection**

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

- There should be an objective method for selection, and any factors for evaluation and selections should be listed in the procurement documents.
- Awards shall be made to the bidder of offeror whose bid is responsive to the solicitation and is most advantageous to the Organizations.
- A bid may be rejected when it is in the Organization’s interest to do so.

**Documentation**

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

- Executed price sampling for small purchases;
- Selected the method for procurement;
- Determined which bids or proposals to accept/reject; and
- Determine the basis for the contract cost or price.

The Organization’s contract administration system must ensure that the method of procurement is documented and records maintained for five years after final payment is made.