

FIRST 5 HUMBOLDT Policy for Contracting and Procurement

Amended Date: June 14, 2007

Second Amended Date: 5/12/16

Background:

By the governor's signature AB 109 was codified in Chapter 284, statutes of 2005 effective January 1, 2006. This law requires several changes in Section 130140 of the Health and Safety Code. Among these changes is a requirement that county First 5 Commissions adopt, in a public hearing, policies and processes establishing the county commission's contracting and procurement systems that are consistent with state law and with the Commission's Strategic Plan.

It is the practice of FIRST 5 HUMBOLDT to enter into contracts and procure goods and professional services in a manner that is consistent with the Commission's Strategic Plan and comply with the following applicable state laws governing contracting and procurement:

- Article 7 (commencing with Section 54201) of Chapter 5 of Part 1 of Division 2 of Title 5 of the Government Code: Requirement that policies and procedures governing purchase of supplies and equipment by written rule or regulations.
- Chapter 2 (commencing with Section 2000) of Part 1 of Division 2 of the Public Contract Code: Commissions are permitted to award contracts that meet goals regarding minority-owned businesses, women-owned businesses, disabled veteran-owned businesses, and small businesses, but must do so according to the rules set out in this chapter.
- Section 3410 of the Public Contract Code: Commissions are required to give preference to United States-grown produce and United States-processed foods when there is a choice and it is economically feasible to do so. The public entity must make the determination of what is "economically feasible," considering the total cost, quantity, and quality of the food and the budget and policies of the entity.
- Chapter 3.5 (commencing with Section 22150) of Part 3 of Division 2 of the Public Contract Code: Commissions are required to purchase recycled products, instead of non-recycled products, whenever recycled products are available at the same or lesser total cost than non-recycled items. Commissions may give preference to suppliers of recycled products and may define the amount of this preference.

Scope of Policy:

This policy shall apply to the contracting and procurement activities of FIRST 5 HUMBOLDT. Contract and procurement provisions are limited to goods and professional services received by the Commission for their own purposes, and do not apply to FIRST 5 HUMBOLDT grant awards and initiatives.

Policy Guidelines:

- A. FIRST 5 HUMBOLDT will enter into contracts and procure goods and services in a manner that is consistent with its Strategic Plan.
- B. FIRST 5 HUMBOLDT will comply with the following applicable state laws governing contracting and procurement:
- Article 7 (commencing with Section 54201) of Chapter 5 of Part 1 of Division 2 of Title 5 of the Government Code: FIRST 5 HUMBOLDT will have policies and procedures governing purchase of supplies and equipment by written rule or regulations.
 - Chapter 2 (commencing with Section 2000) of Part 1 of Division 2 of the Public Contract Code: FIRST 5 HUMBOLDT is permitted to award contracts that meet goals regarding minority-owned businesses, women-owned businesses, disabled veteran-owned businesses, and small businesses.
 - Section 3410 of the Public Contract Code: FIRST 5 HUMBOLDT will give preference to United States-grown produce and United States-processed foods when there is a choice and it is economically feasible to do so. .
 - Chapter 3.5 (commencing with Section 22150) of Part 3 of Division 2 of the Public Contract Code: FIRST 5 HUMBOLDT will purchase recycled products, instead of non-recycled products, whenever recycled products are available at the same or lesser total cost than non-recycled items
- C. All purchase of goods and professional services for FIRST 5 HUMBOLDT shall be within funding allocations approved by the Commission.
- D. All purchases of goods or professional services which exceed \$5,000 per unit, but are less than \$50,000 shall be purchased through an informal competitive bid process, and will be reviewed by the Fiscal Subcommittee for recommendation to the Commission. Purchase for goods or professional services in an amount less than \$5,000 per unit may be purchased without competition.
- Informal Competitive Bid Process: A minimum of three bids shall be obtained prior to selection. Written or documented oral quotations and statements of capacity must be obtained and presented to the Executive Director prior to contracting for these goods or services. Selection of the vendor shall be made with consideration of the bid price and the capacity of the bidder to fulfill the scope of work and must be approved by the Commission.
- E. A formal bid process shall be used for purchases in excess of \$50,000, regardless of unit price.
- Formal Competitive Bid Process: Competition must be secured by quotations from three or more vendors who normally deal in goods or services to be obtained.
- The written quotations must include budgets detailed by line item and include specific information as to the capacity of the vendor.

- Written scoring criteria must be provided in a published request for bids. The request for bids shall be published a minimum of three times in at least two local newspapers.
 - Selection of the vendor shall be made with consideration of the bid price and the capacity of the bidder to fulfill the scope of work and will be reviewed by the Fiscal Subcommittee for recommendation to the Commission.
 - The selected bid must be approved by the Commission.
- F. For the purchase of goods or professional services in special situations when it is determined that it is impractical to secure competition, and the unit price exceeds \$5,000 per unit, a “Waiver of Competition Determination” must be made in writing with a specific justification for the determination and approved by the Commission prior to the purchase. No “Waiver of Competition Determination” may be approved for purchases of goods or services that exceed \$25,000.
- G. Special Procedures for Funding County Programs. To address concerns about any decisions to fund county programs given statutory requirements concerning the composition of local commissions, the commission will require all decisions relating to county program funding be reviewed by the Fiscal Subcommittee, with county employees or elected officials serving on the Fiscal Subcommittee recusing themselves. The Commission will provide ample notice and opportunity to have input at the meeting(s) during which the Fiscal Subcommittee considers its recommendations relating to the merits of using First 5 monies for county programs should be provided. The Fiscal Subcommittee’s recommendations (and reasoning underlying the recommendations) will be included in the Fiscal Subcommittee meeting minutes to the First 5 Commission. County employees or elected officials of the First 5 Commission will not participate in the decision on funding county programs.