



**COUNTY OF SAN BERNARDINO
POLICY MANUAL**

No. 11-05

ISSUE

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By

EFFECTIVE 11/05/10

SUBJECT

PROCUREMENT OF SERVICES

APPROVED

GARY C. OVITT
CHAIRMAN, BOARD OF SUPERVISORS

POLICY STATEMENT

It is the policy of the Board of Supervisors to utilize the services of Internal Service Departments and Divisions pursuant to Policy 11-03, then when necessary, to utilize the services of outside service providers. The Board of Supervisors has set purchasing limits of authority at the statutory limits set by the State of California Government Code (GC 25502.5).

POLICY AMPLIFICATION

1. When a department seeks a service, Policy 11-03 will be followed with respect to procuring services which can be provided by Internal Service Departments and Divisions.
2. Outside service providers will be utilized when:
 - A. There is a need for special expertise or experience beyond the capability of County staff; or
 - B. There is a need for review of work performed by County staff to ensure that such work represents the best possible solution; or
 - C. County staff is unable to perform the needed work within the time required and the public interest requires such work to be done; or
 - D. Use of outside service providers is more cost-effective.
3. County agencies, departments or Board-governed special districts must utilize the competitive procedures established by the Board of Supervisors, County Administrative Office and the Purchasing Agent through Ordinance, Policies and Standard Practices or the County Procurement Manual.
 - A. Competitive and non-competitive procurement of services up to \$100,000 may be approved by the Purchasing Agent after conducting a good faith review of available sources (GC 25502.5, County Code sec. 14.0102).
 - B. Competitive contracts for professional consulting services where the annual aggregate cost is between \$50,000 and \$100,000 per scope of services, per vendor, per agency, department or Board-governed special district additionally require review and approval of the County Administrative Officer or designee.
 - C. Documentation demonstrating that a competitive process was used must be provided to the Purchasing Agent for the procurement of services in excess of \$3,000. Documentation for procurement of services in an amount less than \$3,000 must be maintained by the agency, department or Board-governed special district.
 - D. If a department maintains that it is in the best interest of the County to obtain services without a competitive process, the agency, department or Board-governed special district must provide the Purchasing Agent with detailed written evidence to support a non-competitive determination. The Purchasing Agent may require that negotiations be conducted as to price, delivery and terms. In the event the non-competitive procurement

must be approved by the Board of Supervisors, the written evidence to support a non-competitive determination must be provided to the Purchasing Agent in advance of submission to the County Administrative Office for review and placement on the agenda for approval by the Board of Supervisors. Justification referencing the non-competitive determination by the Purchasing Agent must also be included in the agenda item.

- E. All contracts for services (including purchase orders) in excess of \$100,000 must be approved by the Board of Supervisors, including:
- Contracts where the aggregate annual cost of multiple purchases exceeds \$100,000 per scope of services, per vendor, per agency, department or Board-governed special district.
 - Annual contracts that exceed \$100,000 after three consecutive annual periods per scope of services, per vendor, per agency, department or Board-governed special district; and
 - Multiple-year contracts where the aggregate annual cost over the term of the contract exceeds \$100,000 per scope of services, per vendor, per agency, department or Board-governed special district.
- F. For the purposes of this Policy, “scope of services” means all the work and materials necessary to complete a contract, job or project. Also for purposes of this Policy, with respect to any Board-governed special district managed by and reporting to the County Special Districts Department (or its successor department or agency), the \$100,000 limit applies to the cumulative total of all the special districts, not to each individual special district.
- G. For the purposes of this Policy, the word “annual” means “fiscal year”.

4. Selection Process

- A. Selection of outside service providers shall be conducted through a competitive process based upon demonstrated competence, and on the professional qualifications and capabilities necessary for the performance of services required at a fair and reasonable price to the County. The selected vendor shall provide the overall best value to the County, based on the evaluation criteria set forth in the RFP. Therefore, cost is not necessarily the primary factor in the selection process, but should be an important consideration in the evaluation and selection process.
- B. Departments seeking services in excess of \$150,000 must submit a Request for Proposal (RFP) for approval by the County Administrative Officer or designee prior to release. Board of Supervisors approval for RFP's in excess of \$150,000 is not required. All RFP's must utilize standard language provided by the Purchasing Department and be reviewed by Purchasing and County Counsel prior to submission to the County Administrative Office.
- C. The maximum contract term is three (3) years, including the initial term and any renewals. Contracts exceeding a three-year term may be approved by the Board of Supervisors. No indefinite term contracts are permitted.
- D. Contracts governed by California Government Code section 4525, et seq. (contracts for professional services for architectural, landscape architectural, engineering, environmental, land surveying and construction project management services) are subject to a formal selection, negotiations and approval process as described in 11-05SP1.
- E. Personnel involved in the selection process shall not engage in practices which might result

in unlawful activity including, but not limited to, rebates, kick-backs, or other unlawful consideration or violation of County Policy 11-02. County employees are prohibited from participating in the selection process when the employees have a relationship with a person or business entity seeking a contract which would subject those employees to the prohibitions of Government Code sections 87100 and 1090 et seq. or when such participation might result in a violation of County Policy 11-02.

F. All outside service providers must conform to County Equal Opportunity programs, and, if applicable, County Policy on Emerging Small Business Enterprises.

6. Exceptions To Policy - Exceptions to this Policy may arise through the following:

A. Law. State or Federal law, or State and Federal grant terms and conditions if applicable, may specifically govern the procurement of services. If such law or grant terms and conditions mandates the procurement of services in a certain manner, then the State or Federal law or grant terms and conditions will govern the acquisition of those services.

B. Emergency. Procurement of services for: (i) any local emergency as proclaimed by the Board of Supervisors or an official designated by ordinance, pursuant to Government Code section 8630 (or its successor) or (ii) the preservation of life or property, or (iii) in the event the Purchasing Agent or any assistant or deputy authorized to make purchases is not immediately available, and the item or items are immediately necessary for continued operation of the entity and undue delay would cause substantial loss to the County, is to be made pursuant to 14.0106 of the County Code. Timely approval and confirmation by the Board of Supervisors must be obtained for the procurement of services in excess of \$100,000. The following procedures will govern emergency procurement of services:

An item requesting approval and confirmation of emergency purchases as defined above that exceed \$100,000, shall be submitted to the Board of Supervisors at the next scheduled Board meeting following the emergency.

If the aggregate cost of the purchase of services is undetermined, yet there is a reasonable expectation that the aggregate cost will exceed \$100,000, an item requesting approval and confirmation of the emergency purchase shall be submitted to the Board of Supervisors at the next scheduled Board meeting following the determination that the costs might exceed \$100,000.

In the event that the incident is catastrophic enough to prevent immediate submittal to the Board of Supervisors for consideration, the recommendation of approval and confirmation shall be submitted to the Board of Supervisors for consideration as soon as reasonably possible following the emergency.

Standard purchasing policies and procedures will be utilized to the extent practicable during a local emergency. If not practicable, any reasonable procedures (considering the totality of the circumstances) will be utilized.

C. Board action. The Board of Supervisors may make exceptions to this Policy by affirmative action and waiver of this Policy.