
Purchasing Department Manual of Policy and Procedures

Prepared by the City
of New Bedford
Purchasing
Department
(revised 2018)

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Director of Purchasing



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Introduction

This manual is intended to provide departments of the City of New Bedford with an overview of the procurement process. This manual is set up as a User/Reference Manual. Recognizing that procurement requirements are varied and numerous, this manual does not, nor is it intended, to cover every possible issue or situation that may arise. The Purchasing Department will review the procedures periodically and make changes accordingly. If you have any questions, problems, concerns or require additional information concerning these procedures or other procurement matters, please feel free to contact the Purchasing Department and we will be happy to assist you.

1.1 Mission Statement

It is the mission of the Purchasing Department:

To be primarily responsible for all purchases related to the City of New Bedford, including goods and services, construction and public works projects.

To work cooperatively with departments to insure that the City is able to make purchases in a timely and efficient manner

Developing sources of supply, developing and assisting departments in developing specifications, soliciting bids, proposals and quotations, negotiating contracts and interacting with vendors.

To assure that the City of New Bedford complies with all state and local purchasing guidelines that are applicable.

1.2 Purchasing Staff

<u>Name/Title</u>	<u>Telephone</u>	<u>E-mail Address</u>
Susan Bruce Director of Purchasing	508-979-1433	susan.bruce@newbedford-ma.gov
Richard Calderon Assistant Procurement /Buyer	508-979-1433	richard.calderon@newbedford-ma.gov
Joyce Audette Sr. Account Clerk	508-979-1432	joyce.audette@newbedford-ma.gov
Francelina Abreu Account Clerk	508-979-1400	fran.abreu@newbedford-ma.gov
Eric Cohen Compliance Officer/ Counsel I	508-979-1446	eric.cohen@newbedford-ma.gov

1.3 Specifically Prohibited Actions by Departments

Confirming Requisitions

It is a violation of purchasing policies and procedures for a department or individual to make any commitment with a vendor for the purchase of materials, supplies, equipment without first receiving a valid Purchase Order or specific authorization as allowed in this manual.

Contract Signatures

Departments are not authorized to sign or execute any contracts or agreements on behalf of the City of New Bedford. All contracts may be signed only by authorized individuals. To avoid any confusion, forward all contracts to Purchasing for review and signature.

1.4 Code of Conduct

1.4.1 Conflict of Interest

No employee, officer, or official of the City of New Bedford shall participate in the selection, award, or administration of a contract, if a real or apparent conflict of interest would be involved. Conflict of Interest occurs when, in performing official duties, an employee can be-or appears to be- influenced to make a decision that benefits them personally. Conflicts of Interest need to be managed to ensure the procurement process is objective and fair.

1.4.2 Gratuities

No employee, officer, or official of the City of New Bedford may solicit nor accept gratuities, favors or anything of monetary value from suppliers, contractors, or parties to subcontracts.

1.5 Intergovernmental Cooperative Purchasing – Departments are to contact the Purchasing Department prior to procuring from a Intergovernmental Cooperative Purchasing Agreement.

2.0 Policies pertaining to Supplies and Services M.G.L. 30B

2.1 Purchases under \$10,000 - Use sound business practices, quotes are not required. Departments are authorized to obtain information for purchase of materials, supplies, equipment, or services with an **aggregate cost** of not more than \$10,000. This cost is for the entire City and all of its departments. It is the goal of the City to be as competitive as possible in all of its procurement activities. Therefore, competition is **encouraged** but not required for orders under \$10,000.

All purchases are to conform with City policy. Purchases under \$1,000 do not require that a purchase order be obtained. Purchases of \$1,000.01 and over do require that departments obtain a purchase order prior to purchase. The department head or manager must verify the accuracy of account numbers and sufficiency of funds.

Once the requisition is received by Purchasing through MUNIS, it is reviewed by the Director of Purchasing. Pricing and specifications are confirmed and a Purchase Order is prepared. .

- 2.2 Purchases between \$10,000.01 and \$50,000** - require three written quotes from vendors who customarily provide the supply or service. Departments must complete a quote sheet listing estimated costs, make and/or model numbers, specifications, delivery requirements, etc., contacted vendor name and address. If you have received a price quotation(s) for the items, keep the document on file. **All quotes must be entered into Munis at time of requisition entry under General Notes or Vendor Sourcing Notes.**

Purchasing reserves the right to obtain an additional quote(s) if these guidelines are not followed or the information submitted is insufficient.

If a department is unable to obtain three written quotes, make sure to document that there was an attempt and no response was received from the vendors.

- 2.4 Purchases \$50,000.01 or more** *must be procured* through either an *Invitation for Bid* or *Request for Proposal*.

For purchases reasonably expected to exceed the "small procurement" threshold (\$50,000), competitive sealed bidding will be used unless specifically exempted under Massachusetts General Law.

Departments must contact the Purchasing Department if what is required is expected to exceed \$50,000.01 Purchases by competitive sealed bid are required to be advertised in a newspaper of local jurisdiction, the Goods and Services Bulletin, and on CommBUYS, the State's procurement website at least two weeks before bids are due. If the order involves the preparation of a complex solicitation, the entire process may take from 6 – 8 weeks, therefore it is important to start as soon as possible. Failure to allow sufficient time for processing these orders could result in an interruption of services being provided while the order is awaiting the proper reviews and approvals.

2.4.1 Invitation for Bid – IFB

Purchases costing more than \$50,000.01 require special treatment under Massachusetts General Law; these purchases require a competitive sealed bid process. These bids are required to be advertised in a local newspaper, publically opened, awarded to the lowest responsive, responsible bidder conforming to specifications, and must be formally awarded by the City.

An Invitation for Bid (IFB) provides vendors with the information necessary to prepare and submit a responsive bid. Purchases solicited by and Invitation for Bid shall be awarded to the most responsible, responsive bidder offering the best price. In using the Invitation for Bid process, the objective is to obtain the best value and ensure the quality of supplies or services needed from a vendor that is capable of performing the contract.

An IFB consists of the following components:

- Purchase description or scope of services;
 - Evaluation criteria, including quality requirements and lowest price;
 - The rule of award;
 - Documents incorporated by reference if any;
 - Contract terms and conditions;
 - Bid submission requirements

The Invitation for Bids process is as follows:

Advertise the bid in all required publications at least two weeks before bids are due.

Preparation of Specifications

It is the responsibility of the using department to provide to the Purchasing Department accurate specifications for the service or product, including brand or trade name, descriptions of physical or chemical properties, blueprints or dimensional tolerances, and/or the intended performance of the material. The objective of all specifications is to secure exactly the right quality at the best price. The Purchasing Department shall assist using departments in preparing Invitation to Bid packets.

Typical components of a purchase description are:

- Description of the supplies or services required
- Quantities requires
- Schedule of Performance
- Delivery terms

Preparation of the Bid Package

After the technical specifications are prepared, the Purchasing Department will (a) select the time, date and place of the bid opening; (b) prepare the bid package and the bidders list; and (c) advertise the solicitation. The Purchasing Department normally allows three weeks between the bid advertisement and bid opening. A copy of the bid documents package will be emailed to each vendor on the bidders list on the day the bid is advertised. Any additional vendors requesting the documents will also receive a bid package.

Public Bid Opening

Representatives of the department are invited to the bid opening and will work with the Purchasing Department to analyze the bids and make recommendations as to the responsibility of the bidder submitting the low responsive bid. It is the responsibility of the department to verify that all items submitted in the bid meet specifications.

Tie Bids

If all aspects of the bids are determined to be equal, the Director of Purchasing documents that fact and recommends award by one of the following method:

Coin Toss as recommended by the Inspector General's Office

If there is a potential for collusion, the Director of Purchasing may re-advertise and re-solicit.

2.4.2 Request for Proposals – RFP

When determined by the department and the Director of Purchasing that an Invitation for Bid is not appropriate or in the best interest of the City for the procurement of certain services and or commodities, the procurement may be made through a Request for Proposals (RFP). The RFP Process permits you to weigh the relative merits of the proposals submitted by competing Offerors. The Contract is awarded to the offeror submitting the most advantageous proposal, taking into consideration the proposal's merits and prices. If it is decided to utilize the RFP process, the decision must be documented. The written rationale must specify the reason(s) for the determination that the City's interests will be served by a process that allows the City to select a proposal that exceeds the quality requirements, even if it does not offer the lowest price. The following are examples of services and commodities that may be purchased by competitive sealed proposals: contracts for technical services, professional services, consultants, and/or highly complex and sophisticated systems and/or services.

Preparation of the RFP

The RFP must contain all of the information that proposers will need to prepare a responsive proposal. An RFP consists of the following major components:

- Purchase Description;
- Plan for providing he supplies or services, if required;
- Evaluation criteria, including quality requirements, comparative evaluation criteria and lowest price;
- Rule for award;
- Documents incorporated by reference, if any'
- Contract terms and conditions;
- Standard forms; and
- The requirements for submitting proposals

Preparation of the RFP Package

Plan for providing the supplies or services, if required. When using the RFP process, the City has the option of requiring vendors to include a plan for providing the proposed supplies or services. The contents of the plan must be evaluated and the elements of the proposed plan may be negotiated with the proposer.

Evaluation Criteria: All of the criteria to be used to evaluate the RFP must be included. The City may not evaluate proposals against any other criteria. It is important to ensure that the evaluation criteria in the RFP reflect the full range of standards the City wants to apply to the proposals received to maximize the likelihood of receiving responsive proposals that are geared to the needs of the City.

Quality Requirements: Quality requirements reflect those standards or attributes that are considered essential to the satisfactory performance of the contract,

Proposal Evaluation

Specifications and evaluation criteria are prepared concurrently to assure that proposals are evaluated relative to what is specified, and, therefore, relative to what is needed.

3.0 Policies pertaining to Construction M.G.L. Ch149 – Vertical Construction (building)

3.1 Purchases under \$10,000 - use sound business practices.

3.2 Purchases between \$10,001 and \$50,000 require the solicitation of three written quotes. Use a written scope of work statement to solicit written responses from no fewer than three persons who customarily perform such work.

3.3 Purchases of \$50,000 - \$150,000 :

Sealed Bids utilizing M.G.L. Ch. 30, s. 39M (Public Works Construction)

3.4 Purchases over \$150,000:

Sealed bids using M.G.L. Ch. 149, s. 44A-44J (Vertical Construction)

4.0 Policies pertaining to Public Works M.G.L. Chapter 30, 39M – Horizontal Construction - (non building)

4.1 Purchases under \$10,000 – sound business practice.

4.2 Purchases \$10,000 - \$50,000 – Use a written scope of work statement to solicit a written response from no fewer than three persons who customarily perform such work.

4.3 Purchases over \$50,000-Use a sealed bid process.

5.0 Sole Source Purchases – A sole source procurement is a purchase of supplies or services without advertising or competition.

You cannot make a sole source procurement of more than \$50,000 except for the following:

Utilities, software maintenance, library books and educational materials are the only exemption to the sole source dollar threshold. Verifiable justification must be placed in file that there is only one practicable source for the items.

6.0 Special Areas of Procurement

6.1 Blanket Purchase Orders –With the implementation of Munis, departments now have the ability to create “Blanket Purchase Orders (BPOs)”. A BPO enables a department to create one large purchase order for a selected vendor to be utilized for repetitive small

purchases over the course of the fiscal year. All BPOs will be closed on June 30 each year. Questions and or training on BPO should be addressed to MIS

6.2 Equipment Repairs

Departments are responsible for equipment repairs and must follow established purchasing policies established by dollar thresholds.

6.3 Emergencies

When it is determined that the health and/or safety of the public is at risk, an emergency procurement may exist. There are certain procedures that must be followed when an emergency procurement is deemed necessary. Prior to purchase, departments are advised to contact the Director of Purchasing, describe the emergency and the remedy required to resolve issue. The Director of Purchasing (or designee) will advise the department and assist in the process of any and all necessary paperwork (if required) with the appropriate agency or agencies, such as notification, advertising, etc. The Purchasing Department will create and maintain the procurement file.

6.4 Architectural/ Designer Services –If the estimated cost of construction is less than \$100,000 or the estimated design fee is less than \$10,000, advertising in the Central Register and/or a newspaper is not required. Departments should solicit qualifications and prices from at least three designers. If the estimated cost of construction is greater than \$100,000 and the estimated design fee is \$10,000 or more (both ECC and EDF must be met) a Request for Qualifications utilizing the Designer Selection Law process must be followed. Please contact Purchasing to obtain specifics.

6.5 Maintenance Agreements

The Purchasing Department is responsible for the procurement of several different maintenance agreements with City Hall.

a. Printers, fax machines etc are handled by MIS. Please contact MIS for assistance.

b. Postage Machine, Meter, Stacker, etc. are handled by Purchasing.

6.6 Office Supplies

In an effort to condense and reduce the spiraling costs of office supplies, the Purchasing Department in conjunction with the CFO office has established a “Standardized List” of the most commonly ordered office supply items (a copy of which is attached - Form A). Departments will be required to order using this new list effective July 1, 2016.

Any office supply item not on the Standardized List which a department requires in order to perform a specific task will need to be ordered utilizing Form B (copy attached).

Office supplies are procured through the Purchasing Department. Departments are to complete a supply requisition form (**Appendix A**) and submit to Purchasing. The

Purchasing Department will order and pay for the product requested. A service transfer (bill) is generated on a monthly basis, forwarded to the Auditor and a copy is sent to the department so they can adjust their accounts and/or reimburse Purchasing directly. Departments are not to purchase office supplies on their own unless otherwise specified. Office furniture can be purchased by departments directly upon approval of Purchasing.

6.7 Advertising

All advertising requests are to be forwarded to Purchasing for approval by the Purchasing Agent. Departments should provide a publication date, funding source (org & object) for the service transfer and a copy of the advertisement to be placed. Purchasing **will return** approved paperwork to the requesting department for their direct handling. All advertising for IFB's and/or RFP's is processed by Purchasing and paid through a service transfer. Service transfers (bills) are created on a monthly basis and sent to the Auditor's office. A copy is sent directly to the department to adjust accounts accordingly and/or reimburse Purchasing.

6.8 Spring Water

Spring Water is supplied through state contract to various departments. Purchasing receives monthly invoices and pays the vendor directly. Service transfers (bills) are created monthly and forwarded to the Auditor's office and a copy is sent directly to the department to adjust accounts accordingly and/or reimburse Purchasing. If a water cooler requires service please contact this office prior to calling Poland Springs. Poland Springs requires the location number of the cooler in question. Once you have this information you may then call Poland Springs directly at 1-800-950-9396. Departments **are not authorized** to order other items that may be provided by the vendor without prior authorization from Purchasing.

6.9 Contracts

There are two types of contracts: Mini and General and three "enforcement" methods. **Encumbered, Non-Encumbered, and Not to Exceed.**

MINI:

Is created whenever a vendor provides a service to a City department on a continuing basis (ex: consultant, maintenance, monitoring, etc.) These types of contracts are normally procured through quotes and are less than \$25,000. Departments are to contact Purchasing which will assign a contract number and provide the department with the proper documentation that they need to complete. Once completed, departments must send original contract to purchasing, who will obtain all of the required signatures. Once finalized, (2) copies will be sent to the department (1) for vendor and (1) for department. A mini-contract is usually entered as an "**Encumbered**" contract. **Encumbered contracts do not require that a purchase order be created.** (Contract numbers

must be entered during invoice entry. Contact MIS for instructions if assistance is needed).

If a change order results in procurement dollar threshold being exceeded, a justification must be submitted to Purchasing. Purchasing will then determine if approval is accepted or if service must now be done thru bid process.

GENERAL CONTRACT:

Is created when procured through and IFB or RFP process for goods/services that have a total value of Over \$35,000. (procedures under section 2.4)

These contracts are entered into Munis by purchasing. Contracts that are Non Encumbered or Not to Exceed, require that a purchase order be created in order to draw against the contract.

6.A Credit Card Policy

7. Switchboard

7.1 Office Telephone Policies

8.0 Minority/Women-Owned Business Enterprise, Disadvantage Businesses, Residency Requirements

For the purchase of goods, the Purchasing Department recommends that whenever possible departments purchase goods/services from local vendors. Several of the contracts currently being utilized have MBE/WBE certified vendors as a source of the supply. In relation to construction projects sponsored by the City, the Contract Compliance Officer, under the direction of the Purchasing Agent, ensures that contractors and their subs are fulfilling the MBE/WBE/DBE as well as the residency requirements whenever possible.

9.0 Shipping

9.1 United State Postal Service (USPS)

The mailroom is located in the Purchasing Department. All departments must presort their mail (027, out of town) and place in the corresponding coded container. Any department that is required to enter information into the log book must do so at time of mail drop off.

Any department that needs to send out 200 or more pieces of mail must notify Purchasing **24 hours in advance** and deposit the mail by 10:00 a.m., Wednesday or Friday (presort days) All regular mail is sent to the post office by 3:30 daily.

Purchasing does not have the capability to ship large packages. Departments are advised to obtain postage from Purchasing and bring their packages directly to the post office. Please use express mail when items must be delivered overnight, Priority Mail or Standard Mail otherwise. Any department that needs to send out 50 or more pieces of certified mail, should notify Purchasing prior to dropping off the items.

9.2 Fed-Ex/UPS

The City does have an active account with FEDEX – Departments can obtain the necessary supplies from the Purchasing Department. Departments are to contact FEDEX to arrange pickup and are directly responsible for any and all payments.

The City does not have an active account with UPS. UPS can only be used if the receiver specifically requests such and provides *their account number.*

10.0 Surplus Property Disposal

Departments that have surplus or outmoded items must notify the Purchasing Department by completing the Surplus designation form (Appendix F). Purchasing will notify other departments about the item's availability, if there are no claim requests purchasing will make arrangements to have the item(s) picked up and disposed of by DFFM . Item(s) having values of \$10,000 designated as surplus will be forwarded to the City Property Committee.

11.0 Munis Procedures

11.1 Vendors Add/ Change

Departments should use Munis's search function to ensure that a vendor is not already listed. If the vendor is not listed please follow these procedures:

- a. To add a **NEW** vendor – **Complete** Vendor Add/Change Form (Appendix C) **in full** and submit along with W-9 to Purchasing. Purchasing will add the vendor and scan the W-9 into Munis. Incomplete forms will be returned to department.
- b. To **change** a vendor address – **Complete** Vendor Add/Change Form **checking correct boxes for request** and submit along with letter on letterhead from company, a new W- 9 or a copy of an invoice with the correct remit address.
- c. To add a remit address – **Complete** Vendor Add/Change Form **checking correct box for request.**

ALL REQUESTS ARE TO BE SCANNED AND FORWARDED TO:

Fran.abreu@newbedford-ma.gov - (not necessary to send hard copies)

Telephone calls and/or Faxes will not be accepted.

****Please note that it is the responsibility of the requesting department to ensure that all necessary information is listed on the Vendor form. This includes any and all DBA information for both the main screen as well as the remit address screen.**

11.1.1 One Time Pay

Below are the vendor numbers that are to be used for these type transactions.

999990 – ONE TIME PAY SCHOOL
999993 - EMPLOYEE REIMBURSEMENT/ONE TIME PAY TRAVEL
999994 – ALL TAX REFUNDS (EXCISE, REAL ESTATE etc)
999995 – CLAIMS, SETTLEMENTS, JUDGEMENTS
999997 – MISCELLANEOUS, NON EMPLOYEE REIMBURSEMENTS, ETC.
999998 – INACTIVE

Please follow steps in Munis to process these types of payments:

- From the Munis menu, select Financials>Accounts Payable> Invoice Processing> Invoice Entry
- Create the batch as you normally would (follow the Munis training guide)
- In the Invoice Entry Screen:
 - Tab past the PO Field
 - Enter the appropriate vendor number
 - You will then be prompted to enter the Name, D/B/A*, and the address.
 - Once that is complete, hit accept and you will go back to the invoice entry screen where you would complete the rest as you normally would (follow the Munis training guide)As for the back-up documentation to be sent to Auditor's, please follow the same instructions as you did prior to the implementation of Munis.
*D/B/A is not available yet but this issue is being addressed.

11.2 Contracts/Contract Change Orders – All Contracts must be sent to Purchasing for proper processing.

Once a contract or change order is drafted and signed by the vendor, department head, and Purchasing Agent, it must be entered into Munis prior to the Auditor's approval. Departments are responsible for getting the necessary account(org & object) information to avoid change orders in the future.

- Encumbered Contracts: Most of the City's contracts will be entered as encumbered which encumbers the monies in the account designated by the department without a purchase order. If you have an encumbered contract you do not need to create a purchase order to process payment. **Encumbered contracts do not require a purchase order . When in invoice entry, make sure to reference contract number**
- Non-encumbered: Will only be for "flat-rate" or multi-year contracts. This does not encumber the funds and a blanket purchase order should be created at the beginning of the fiscal year to avoid overspending.

- Not to exceed contracts are for procuring services or products that are utilized by more than one department as well as Master Service Agreements. Purchase orders are required.

*****Please note*** If you create a purchase order in conjunction with an encumbered contract, the invoice amount and purchase order amount must match in order to be processed correctly. This is the only time that a purchase order can be created after the invoice date since the items or services were procured and funding was encumbered before the invoice date.

11.3 Purchase Order Change Orders

The following changes can be made to purchase orders:

- Vendors
- Dollar Amount
- Organization/Object Codes
- Cancel/Close a Purchase Order
- Change Description Information
- Update Shipping Information

All requests for purchase order changes should be forwarded to Joyce Audette at joyce.audette@newbedford-ma.gov . Please include the purchase order number and what changes need to be made. All requests must be submitted electronically. If an invoice has been processed and changes need to be made while in the “proof” status, end-users must FIRST delete the invoice from the batch. No changes can be made until this is done first.

Purchase orders requiring the following are changes cannot be made and must be cancelled/closed and resubmitted:

- Adding Contract Numbers
- Changing Quantities

Glossary of Terms

The following are definitions of some commonly used Purchasing terms for which the general meaning may not be known or understood by the campus community:

ADVERTISING – The solicitation of competition through public announcement (i.e., electronic media, bulletin boards, newspapers).

AWARD – The presentation of a purchase agreement or contract to a bidder after all necessary approvals have been obtained; the acceptance of a bid or proposal.

BID – A competitive price offer made by an intended seller, usually in reply to an invitation for bid

BIDDER – Someone that is acting or competing to get a Purchase Order or Contract by submitting a response to an Invitation for Bids or a Request for Quotes.

BID BOND – An insurance agreement in which a third party agrees to be liable to pay a certain amount of money in the event of specific award bidder fails to sign the contract as bid. See Bid Deposit.

BID DEPOSIT - A sum of money or check, deposited with and at the request of the city to guarantee that the bidder (depositor) will, if selected, sign the contract as bid. If the bidder does not sign the contract, the deposit is forfeited in the amount of the deposit.

BID OPENING - The act of publicly opening the bid envelopes at a specified date and time.

BIDDERS LIST - A list of potential vendors including names and addresses from who bids and proposals may be solicited. Inclusion on the bidders list does not guarantee mailing of a copy of every solicitation for the commodities or services indicated. It is each bidder's responsibility to regularly contact the Buyer(s), and to check the bid board in the Purchasing Department for bid opportunities.

BLANKET PURCHASE ORDER - A blanket purchase order is a purchase order that is established to permit repetitive small purchases from a vendor over a given period of time. All BPO's expire at the end of each fiscal year.

CERTIFICATE OF NON-COLLUSION - A statement signed by a bidder and submitted with bid to affirm that bid is made freely without consultation with any other bidder.

CHANGE ORDER – Purchaser's written modification or addition to a Purchase Order.

COLLUSION – A secret agreement or cooperation between two or more persons to accomplish a fraudulent, deceitful or unlawful purpose.

COMMODITY - An item of purchase which may include office goods, materials, food, printing, building materials and other items necessary to support the normal day-to-day operations of an agency. Commodity does not include leases of real property.

COMPETITIVE BIDDING - The offer of firm bids by individuals or firms competing for a contract, privilege, or right to supply specified services or merchandise.

CONTRACT - A signed agreement entered into for the procurement of capital improvement, material, supplies, equipment or services. Refer to **Section 9** for signature authorizations.

CONTRACTOR - Someone that sells a service or a service with goods. A contractor has a relationship defined by a contract.

EMERGENCY – An emergency situation is one that, if not resolved immediately, would threaten the well-being and safety of the community or cause an instructional function to stop operating completely

ENCUMBRANCE – Obligations in the form of a Purchase Order or contract, which are chargeable to an appropriation reserved. They cease to be encumbrances when paid or when the actual liability is set up.

END USER – Any department, or other unit in the City of New Bedford using the commodities or services.

EVALUTION OF BIDS – The process of examining a bid after opening to determine the bidders' responsibility, responsiveness to requirements, and other characteristics of the bid relating to the selection of the award bid.

FISCAL YEAR - A period of twelve consecutive months selected as a basis for annual financial reporting, planning of budgeting (July 1 – June 30).

FORMAL BID PROCEDURE – An advertised request for the submission of bids in a sealed envelope and in conformance with a prescribed format to be opened publicly at a specified time.

INFORMAL BID PROCEDURE - A request for written price quotations for materials, supplies, equipment or services that does not require advertising, a public opening or reading of bids

INVITATION FOR BIDS (IFB) – A solicitation for bids based on a group of specifications. Awarded to eligible responsible bidder offering the goods/services at the lowest price. The specification may include details of the brand name, delivery schedule, and/or the qualifications of the bidder in addition to the details of the performance of the goods or service to be bought. The award is made to the lowest responsive bid by a responsible bidder.

LEASE PURCHASE AGREEMENT – An acquisition contract in which the lease's periodic payments or parts thereof are applied both to fulfill the lease obligation and as installments for equity and eventual ownership of the commodity upon completion of the agreement.

MAINTENANCE – The recurrent, periodic or scheduled work necessary to repair, prevent damage or sustain existing components of a facility, structure or building (including built-in equipment). Maintenance, includes, but is not limited to routine and emergency repair work, replacements, roof work, site upkeep and utilities. Maintenance does not include repairs to office equipment, i.e. typewrites, copiers, etc. See definition of service agreement.

MATERIALS - See Commodity.

MINORITY BUSINESS ENTERPRISE (MBE) – Any legal entity, other than a joint venture, organized to engage in commercial transactions, which is at least 51 percent owned and controlled by one or more minority person (African Americans, Hispanics, American Indians, Asians, women, and the physically or mentally disabled), or a nonprofit entity organized to promote the interests of the physically or mentally disabled.

NO BID – A response to an invitation for bids stating that respondent does not wish to submit a bid at this time but wishes to remain on the bidders list.

PAYMENT BOND - A bond furnished by a surety company that provides security that subcontractors and vendors will be paid.

PERFORMANCE BOND – A bond furnished by surety company that provides security that all work will be performed.

PRE-BID/PRE-PROPOSAL CONFERENCE – Meeting held with prospective bidders prior to solicitation of bids or proposals, to recognize state of the art limits, technical aspects, specifications and standards relative to the subject and expertise and bidders interest in pursuing the task.

PROCUREMENT – Purchasing, renting, leasing, or others acquiring any commodities, services, or construction; includes all functions that pertain to the acquisition, including description of requirements, selection and solicitation of sources, preparation and award of contract, and all phases of contract administration. The combined functions of purchasing, inventory control, traffic and transportation, receiving, receiving inspection, and salvage and disposal operations.

PURCHASE ORDER – Primary contract by which City of New Bedford enters into agreements for the procurement of capital improvement, commodities, equipment or services. The document shows all terms and conditions of the purchase.

QUOTATIONS - See Invitation for Bids.

REQUEST FOR PROPOSAL (RFP) –A solicitation for proposals based on a scope of services defined by the city. The scope of services must include the scope of the contract and the results to be achieved or the services to be provided. The award is based on the results of an evaluation that includes the technical as well as cost aspects of the contract to be awarded.

REQUEST FOR QUALIFICATIONS – A solicitation for proposals based on qualifications through an evaluation process. Price is negotiated.

SERVICES – The rendering of a person’s time, effort or work rather than the furnishing of a specific physical product other than reports incidental to the required performance of the service. Services include, but are not limited to, the professional, personal or contractual services provided by attorneys, accountants, consultants, and temporary office services. Service also includes the provision of expertise and/or labor, e.g. property management, janitorial services, security services, waste disposal, pest control, elevator operations or environmental control.

SINGLE SOURCE PURCHASING – Obtaining supplies, equipment, services, maintenance or construction where more than one vendor is available but only one source is considered acceptable. Sufficient justification must be submitted to support this request.

SMALL PROCUREMENT – Orders for materials, supplies, equipment or services not to exceed \$34,999.

SOLE SOURCE PURCHASING – Purchase of supplies, equipment, services, maintenance or construction when competitive bidding and competitive negotiation cannot be used in awarding the

contract because there is only one known available source for the subject of the contract. This situation usually exists when patents, copyrights, etc. are involved.

SUPPLIES – See Commodity.

TABULATION OF BIDS - The recording of bids and bidding data that was submitted in response to a specific invitation for the purpose of comparison, analysis, and record keeping.

UNAUTHORIZED PURCHASES – Purchases made by the using agency without the prior approval of the Department Head, and/or Purchasing Agent. A justification detailing the nature of the purchase must accompany the Requisition Form.

VENDOR - Someone that sells either services or goods. Vendors are distinguished from other sellers in that they do not have a specific relationship with the City.

VENDOR PERFORMANCE – The extent to which a vendor has met their obligations to the City of New Bedford. Vendor performance may be related but not restricted to the following areas.

- Timeliness of deliveries, back order record and policy.
- Substitution or exchange policy.
- History of competitive, stable pricing commensurate with prevailing market conditions
- Shipping reliability and adequate response to emergency requests.
- Prior notification of price changes.