

CITY OF INDIANAPOLIS AND MARION COUNTY PURCHASING MANUAL



CITY OF INDIANAPOLIS AND MARION COUNTY PURCHASING DIVISION

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Dear City-County Employees:

As mayor of Indianapolis, I am pleased to present this updated edition of the Purchasing Manual, which is based on the Indiana Public Purchasing Code (IC 5-22), City-County Ordinance (202-204) and long-established administrative policies. These laws establish the Purchasing Division as the Purchasing Agent for the City and County and each of their respective departments, divisions, agencies and offices.

This policy manual clearly defines the City-County's uniform procurement procedures and is intended to eliminate a great majority of procurement questions and concerns. To all of our staff engaged in governmental purchasing, I strongly encourage you to rely on this manual as a resource for procuring goods and services in the most efficient and economical manner.

Thank you for your dedication to public service and your support of this effort to preserve the fiscal integrity of our community.

Sincerely,

A handwritten signature in black ink, which appears to read "Joseph H. Hogsett". The signature is written in a cursive, flowing style.

Joseph H. Hogsett
Mayor
City of Indianapolis

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CHAPTER ONE. INTRODUCTION

This manual is published by the Consolidated City of Indianapolis and Marion County (“City/County”) Office of Finance and Management (“OFM”) Purchasing Division. The OFM Purchasing Division is the Purchasing Agent, as defined in state law, for the City and County. (REV. CODE 202-202 and IC 5-22). As such, the Purchasing Division is charged with establishing written policies for purchases made by the City/County. (IC 5-22-3-3 and Rev. Code 202-204). This manual is provided for the use of all City/County Agencies to assist in the efficient and economical procurement of goods and services.

The intent of this manual is to provide information regarding the basics of the Procurement Process. It is not intended or possible to address the needs of every situation. Purchasing materials and services can be a complicated process, and therefore, at times it will be necessary to get input from the Purchasing Division, the Office of Corporation Counsel or occasionally utilize experts from the community.

All operations within the City and County require individuals working together as a team. Our procurement team is composed of professionals who work in each of the City and County agencies and the staff of the Purchasing Division. We share in the task of making each purchase a “best value.” As such, communication between and among all members of the team is critical. The Purchasing Division is pleased to publish the Procurement Manual to assist City and County Agencies to make the best possible purchasing decisions. We are available to assist each procurement team member in its use, as well as with any other issues that relate to purchasing activities for the City of Indianapolis Marion County. Do not hesitate to contact the Purchasing Division for assistance.

SECTION 1.01 WHY DO WE HAVE A PURCHASING PROCESS?

As employees involved in the procurement of goods and/or services for the City of Indianapolis or Marion County, each of us is responsible for serving the best interests of the public by performing our part of the process in an effective and timely manner. We are custodians of public funds and must ensure that public funds are wisely spent. Doing so requires:

1. Understanding the Public Purchasing Law set forth in Article 22 of Title 5 of the Indiana Code (IC 5-22) and Article 1, Chapter 12 of Title 36 of the Indiana Code (IC 36-1-12);
2. Understanding the ordinances outlining the duties of the City Controller and the Purchasing Division set forth in Section 202-202 to 202-205 of the Revised Code of Indianapolis/Marion County (“Revised Code”) (REV. CODE 202-202 through 205);
3. Using policies and procedures that implement these ordinances; and
4. Maintaining the highest levels of professional objectivity and personal integrity while carrying out these duties.

SECTION 1.02 ETHICAL PROCUREMENT PRACTICES

The nature of the public purchasing function makes it critical that all players in the process remain independent, free of obligation, completely impartial, fair and above suspicion or reproach. Maintaining the integrity and credibility of a purchasing program thus requires that a clear set of rules and responsibilities govern purchasing behavior. Credibility and public confidence are vital throughout the public purchasing and contracting system.

Employees who perform public purchasing functions should be mindful of compliance with public purchasing laws (IC 5-22 and 36-1-12) and the City and County's ethics policy (Rev. Code § 293).

In summary, all purchasing professionals should:

1. Refrain from any private business or professional activities that would create a conflict between personal interests and those of City of Indianapolis Marion County.
2. Avoid solicitation or acceptance of any money, loans, credits, gifts, entertainment, discounts, favors, or services from present or potential suppliers, which might influence or appear to influence procurement decisions.
3. Handle information of a confidential or proprietary nature with due care and proper consideration of ethical and legal ramifications.
4. Promote ethical, honest and positive vendor relationships through courtesy and impartiality in all phases of the procurement cycle.
5. Obey the letter and the spirit of laws governing the purchasing function and remain alert to the legal ramifications of purchasing decisions.
6. Demonstrate support for and encourage participation of small and women-owned, minority, veteran and disability-owned businesses.
7. Promote full and open competition to ensure that the best interests of City of Indianapolis Marion County are being served.
8. Be mindful that certain items may not be purchased using public funds, particularly those for personal use by employees. *For a list of items not to be purchased with public funds see EXHIBIT L.*

If an employee is in doubt as to the ethical nature of a situation, please contact Counsel to the City/County Ethics Commission, Office of Corporation Counsel, at 327-4055.

SECTION 1.03 THE PURCHASING DIVISION

The Purchasing Division is a division of the Office of Finance and Management, created by ordinance. (Rev. Code (Sections 202-202 through 202-205)). These ordinances, pursuant to state Statute, establish the Purchasing Division as the sole authority for the establishment of procurement policy for all procurement actions not directly addressed under State procurement law. (IC 5-22-4-3 & 5).

The Purchasing Division functions as an internal service agency providing services and

assistance to other Agencies of the City/County. In order to achieve the best value for the City/County, the Purchasing Division has Certified Professional Public Buyers (“CPPB”) on its staff. It is the goal of the Purchasing Division to provide the highest level of assistance to City/County agencies while maintaining efficiency and ensuring compliance with State and local purchasing law.

SECTION 1.04 LEGAL FOUNDATION

In order to ensure that public funds are used in the most efficient manner while promoting fair competition for governmental contracts, the General Assembly of the State of Indiana has passed statutes which govern the public purchasing process. Additional legal requirements are provided by the City/County Council through the adoption of ordinances to further achieve better purchasing standards. The Purchasing Division in turn develops procedures and guidelines so that operational performance complies with or promotes the purposes of those statutes and ordinances. It is a primary function of the Purchasing Division to ensure that all purchases made by the City/County comply with State and local purchasing law.

(A) THE CONSOLIDATED CITY OF INDIANAPOLIS AND MARION COUNTY REVISED CODE (SECTIONS 202-202 THROUGH 202-205)

The Office of Finance and Management shall include a purchasing division, which shall be the *purchasing agency*, as defined and used in IC 5-22, for the city and county, and for each of their respective departments, divisions, offices and agencies.

The powers and duties of the Purchasing Division shall include:

1. Obtain materials, supplies, equipment or contractual services, other than personal services, for the City and County;
2. Establish purchasing and contractual procedures;
3. Prepare specifications, notice to bidders and assure required notices are published;
4. Ensure funds are available prior to making purchases and that acquisitions are within the limits of the budget appropriations of the department, division, office or body in need of the material;
5. Serve as the repository for all executed contracts of the city and county agencies except as provided by Rev. Code 202-204(b)(6), and maintain a database on these contracts listing all contracting parties and encumbrances;
6. Exercise any other powers granted by statute, ordinance or delegated by the mayor;
7. Promote the purchase of United States manufactured products as set forth in IC 5-22-15-21.

Sec. 202-205. Validity of contract when the Purchasing Division not acting as purchasing agent.

A contract that is executed by the city, county, or a city or county agency, officer, or employee pursuant to a process in which the Purchasing Division did not act as the purchasing agent as required by statute or ordinance, shall be voidable on that basis alone; however, this section shall apply to the prosecuting attorney only with respect to contracts for the purchase of office supplies,

and shall not apply to contracts for core prosecution functions, or contracts entered into by the Circuit Court, Marion Superior Court, or the City/County Council.

(B) STATE STATUTE (IC 5-22)

Applies to every expenditure of public funds for the city and county except public-private agreements and public works construction.

1. Requires public bids for purchase of goods equal to or greater than \$150,000.
2. Requires written quotes for purchase of goods equal to or greater than \$50,000.
3. Requires purchase of supplies from the Department of Correction or from a Rehabilitation Center unless:
 - a. Items cannot be furnished in a timely manner;
 - b. Items do not meet specifications;
 - c. Items are not offered at a fair market price.
4. Requires supplies manufactured in the United States be specified and purchased unless:
 - a. Supplies are not manufactured in the United States in reasonable quantities;
 - b. Price exceeds by reasonable amount those manufactured outside the United States;
 - c. Quantity is substantially less than the comparably priced available supplies in the United States;
 - d. Purchase of supplies manufactured in the United States is not in the public interest.
5. Prohibits entering into a cost plus a percentage of cost contract.
6. Limits initial term of contracts for the purchase of supplies to four (4) years.
7. Contract renewals must be for a like or lesser term of the original contract and at the same pricing.
8. Establishes a method for special procurement for emergency conditions, sole source contracts and other specific situations.
 - a. Requires approval of the purchasing agent (Administrator of Purchasing).
 - b. Must be made with as much competition as practicable under the circumstances.
 - c. Requires a separate file to be maintained by the purchasing agent.
 - d. File is subject to annual audit by state board of accounts.

(C) STATE STATUTE (IC 36-1-12) (APPLIES TO PUBLIC WORKS CONSTRUCTION)

“Public work” means the construction, reconstruction, alteration, or renovation of a public building, airport facility, or other structure that is paid for out of a public fund or out of a special assessment. The term includes the construction, alteration, or repair of a highway, street, alley, bridge, sewer, drain, or other improvement that is paid for out of a public fund or special assessment. This term includes any public work leased by a political subdivision that contains an option to purchase.

1. The Board may use its own workforce if the cost of the project is less than \$150,000 and if employees are capable of performing the construction.
2. Requires any project at \$150,000 and over to be competed by sealed public bid.
3. Requires any project estimated between \$50,000 and \$150,000 to be competed by sealed written quote.

4. Projects estimated to cost less than \$50,000 are to be competed through the informal quote process.
5. Bid, Payment and Performance bonds are required for projects estimated over \$200,000, but may be required for projects estimated under \$200,000.
6. Projects over \$100,000 require vendor to provide a financial statement.
7. Must award to the lowest responsive and responsible vendor or reject all bids.
8. Bid award requires board or commission approval.
9. Public works on a building for over \$100,000 must be approved by a licensed architect or Engineer.

SECTION 1.05 DEFINITIONS

Administrator – The Purchasing Administrator is the director of the Purchasing Division of the Office of Finance and Management.

Affidavit of Non-Collusion – A form required for all public bids and sealed written quotes attesting that bidders have not directly or indirectly entered into any combination, collusion, undertaking or agreement relative to the price to be bid by any person, or to prevent any bidder, or bidders, from bidding.

Agency – means any office, officer, board, commission, department, division, committee, or business unit of the Consolidated City of Indianapolis and/or Marion County. The term does not include the City/County council or any department of state government.

Agency Buyer – means the employee within each Agency, whose responsibility it is to dispatch purchase orders in PeopleSoft on behalf of the Agency.

Agency Requestor – means the employee within each Agency, whose responsibility it is to initiate purchases in PeopleSoft on behalf of the Agency.

Approver – Agency authority who reviews and approves Requisitions on behalf of the Agency.

Bid Bond - The purpose of the bid bond is to ensure that the vendor will honor the commitment of the bid and that it was submitted in good faith. Bid bonds are required for all construction projects estimated over \$200,000.00, but may be required for projects estimated under \$200,000.00. A bid bond may be required on other bids or quotes as deemed necessary. Bid bonds are to be submitted by all bidders with their bids.

Bidder – the term refers to any person, or company, who responds to a request for quotes, request to bid, request for purchase, or any other solicitation for the procurement of goods or services, issued by the City/County.

Category Code – a number assigned to each good or service which identifies the type of purchase and ensures that funds are drawn from the correct account.

Category Only Contract – A PeopleSoft system document where the line item is defined by a specific category and account. Category Only Contracts are normally utilized for Professional Service Contracts.

City/Countywide Agreement – is an agreement for goods or services that has been competed by

the Purchasing Division. The City/County Wide Contract establishes the price and terms & conditions applicable for the purchase of the service or good. Any Agency may perform a “contract release” against the City/County Wide Contract in order to issue a PO and purchase goods or services at the prices listed in the Contract.

Contract Item Request Requisition – A requisition that uses pre-determined items associated with a current term contract.

Contract Summary Sheet – A contract checklist form which must be completed and attached to each contract when submitted to the Purchasing Division. It is used to document the Agency’s method of source selection, whether board approval is required, the cost of the action and total cost of the agreement, notes the required supporting documentation and serves as a routing sheet for the contract.

Debarment – Exclusion of a person or company from participating in a procurement activity for an extended period of time, as specified by law, because of previous illegal or irresponsible action.

Debarment Verification Form – An electronic search is performed to determine whether a specific vendor has been listed excluded from Federal, State or Local procurement activity. Verification of a Debarment search must accompany a Contract Summary Sheet when a contract is submitted to the Purchasing Division. A link to the appropriate debarment website is available on the Purchasing Division website.

E-Verify Affidavit – Contractor shall enroll in and verify the work eligibility status of all newly hired employees of contractor through the E-Verify Program, a web-based program that is used to check an individual’s immigration status, to verify the citizenship of all new hires. An E-Verify Affidavit is required to be filed with the Contract before the contract can be fully executed.

Encumber – the act of reserving funds within the Agency’s budget for a specific purchase or contract.

Encumbrance - the funds which are specifically reserved within the Agency’s budget for an identified purpose.

Financial Forms – Financial forms #96 or #102 are approved by the State Board of Accounts and are required from any vendor bidding on a public construction project costing \$100,000 or greater.

Insurance Certificate – A copy of an insurance certificate is required when proof of insurance coverage is requested for a specific project. Coverage may vary from contract to contract.

Item Based Contract: A PeopleSoft system document where the line items are defined by a unique item number and description. Item Based Contracts are normally utilized for Competed Supply & Service Contracts.

Originating Agency – the Agency initiating a procurement document.

Payment Bond – A bond that is utilized almost exclusively in construction and is required from a vendor after bid award. The purpose of this bond is to guarantee payment of suppliers and subcontractors. A payment bond is required for projects estimated over \$200,000.00, but may be required for projects estimated under \$200,000.00.

PeopleSoft – the City-County’s enterprise resource planning (ERP) system, which is a computer

software solution to perform administrative business functions such as financial accounting, procurement and human resources.

Performance Bond – The purpose of the performance bond is to protect the City or County against a contractor’s failure to fulfill contractual requirements. A performance bond is required on all construction projects over \$200,000.00 and may be required on other bids as deemed necessary by the Agency. This type of bond is submitted by only the successful bidder after award.

Pre-encumber – funds are set aside in the Agency’s budget by way of a requisition document. The funds become encumbered when a requisition is budget checked.

Promotional Purchase - Items such as refreshments, giveaways, employee recognition items, etc. that must be paid for through the departmental promotional account. *Require prior OFM approval.*

Purchase Order (P.O.) – a written document to a vendor formalizing the terms and conditions of a proposed transaction, i.e. description of requested items, delivery schedule, payment terms and transportation. A vendor may not accept an order without a valid purchase order.

Purchasing Buyer – A certified professional, working in the Purchasing Division, who assists Agencies in competing Purchases.

Purchasing Division – refers to the Purchasing Division of the Office of Finance and Management as established by Rev. Code 202-204.

Purchasing P-Card – A highly secured and limited range card for use in public procurement payments.

Recommended Vendor – If a request for purchase exceeds \$2,500, the originating Agency may request the Purchasing Division to include specific vendor(s) in the solicitation.

Responsive Bidder – a vendor who has submitted a bid which conforms in all material respects to the requirements stated in the RFB. (See below for procedures on determining whether a bidder is responsive).

Responsible Bidder – a bidder who has the capability in all respects to perform fully the contract requirements, and the experience, integrity, reliability, capacity, facilities, equipment and credit which will assure good faith performance. (See below for procedures on determining whether a bidder is responsible).

Request for Bid (RFB) – A request for bid (Public Bid/Competitive Sealed Bidding) is generated by the Purchasing Division and must be completed and returned by the vendor to the Purchasing Division on or before the opening date. This method is for procurements over \$150,000.

Request for Proposal (RFP) – A method of competition utilized when the skills and experience of a vendor are a strong consideration in addition to price. (See Chapter 6, Procuring Services).

Request for Information (RFI) - A method of multi-step competition, where the Agency may wish to obtain proposals to assist in development of specifications. (See Chapter, 6 Procuring Services)

Request for Quote (RFQ) – Slightly less formal or lengthy than a Public Bid, this Purchasing Division method known as Sealed Written Quote is for procurements between \$50,000 and

\$150,000, or for any contract below \$150,000.

Request for Qualifications (RFQual) – A method of multi-step competition where the vendors submit their proposals and qualifications in the first step and submit pricing in the second step. (See Chapter, 6 Procuring Services)

Request for Specifications (RFS) – A Request for Specification is not a distinct method of competition under the City/County purchasing policy. A Request for Information is the approved method to utilize when a more flexible competition method is desired for procuring services

Request for Service (RFS) – A Request for Services is not a distinct method of competition under the City/County purchasing policy. A Request for Proposal is the approved method to utilize when a more flexible competition method is desired for procuring services.

Requisition (REQ) – A requisition is a document created in PeopleSoft by an Agency Requestor to request the purchase of goods or services. Requisitions are created for all purchases and can be classified as, Special Request Requisitions, Contract Item Request Requisitions, and Zero Dollar Requisitions.

Special Procurement – A method for procuring goods or services without soliciting bids or proposals. These methods are specifically authorized by law and may only be used if a specific legal exemption authorizes the procurement. A special purchase must be made with competition as is practicable under the circumstances. See IC 5-22-10.

Special Procurement Form (aka: Source Selection Authorization Form) – A form submitted by the Agency to the Purchasing Division to request authorization to make a Special Procurement.
EXHIBIT B

Term Agreement – A contract established for a period of time within which a vendor agrees to provide goods or services, at a fixed price, to a purchaser on an on demand basis. The contract establishes prices, terms and conditions for a specified period of time, although no quantities are specified. In PeopleSoft these are referred to as “PS Supply” and “PS Service” agreements. Term Agreements may also oftentimes be referred to as a Blanket Purchase Order (BPO).

Vendor - refers to any person or business that does business with, or desires to do business with, the City/County. The term includes but is not limited to, contractors, sole-proprietors, professionals, corporations, business entities or any other person or business who wishes to provide products or services to the City/County.

Vendor Registration Form – Vendor registration forms are required from any vendor wishing to register with the City/County. This form is available on the Internet as an on-line form and may be submitted electronically or in hard copy form that may be obtained from the Purchasing Division.

Zero Dollar REQ - A PeopleSoft system document where the requisition encumbers no actual funds. The Zero Dollar REQ acts as a placeholder in the PeopleSoft system and allows the Purchasing Division to award PeopleSoft Contracts. Once the PeopleSoft contract is established, agencies are able to create requisitions and attached them to the PeopleSoft Contract.

CHAPTER TWO. PROCESS OUTLINE

SECTION 2.01 PROCUREMENT ROLES AND RESPONSIBILITIES

(A) THE PURCHASING DIVISION'S ROLE:

1. To ensure compliance with public procurement laws.
2. To develop procurement policy.
3. To satisfy customer needs within these laws and policies.
4. To ensure open and fair competition.
5. To train and assist customers and vendors.
6. To ensure cost-effective procurement.

The Purchasing Division Organization Chart and Buyer Assignments are available on the intranet <http://gateway.indy.gov/sites/OFM/purchasing/default.aspx>.

(B) THE AGENCY'S ROLE:

1. To select a Purchasing Coordinator
2. To determine goods and service needs.
3. To ensure availability of funds.
4. To express needs to the Purchasing Division and work as a partner in developing specifications.
5. To evaluate the responses to competition as the subject matter expert.
6. To make recommendations, when required, to a governing or any relevant board.
7. To monitor compliance of agency contracts providing feedback to the Purchasing Division on vendor performance.

(C) SELECTING A PURCHASING COORDINATOR

Each Department Director, Division Administrator or Agency Head should select one or more Agency Purchasing Coordinator(s) to act as a liaison between the Agency represented and the Purchasing Division. This individual is responsible for all procurement activities within the represented agency, division, or section. Therefore, selecting a Coordinator for one or more of these locations is critical to the success of that location's ongoing operations. The selected individual should have strong organizational and communication skills, as well as a working knowledge of accounting and/or procurement practices.

In addition to the above duties, the Agency Purchasing Coordinator should be prepared to attend the Combined Accounts Payable Purchasing (CAPP) meeting, held every quarter. It is crucial that the Agency Purchasing Coordinator disseminate information on contracts, specifications, and other purchasing issues to appropriate agency staff.

The Purchasing Division consults individually on an as needed basis with both new and existing Coordinators. To discuss training issues or to schedule any additional training the Agency should contact the Purchasing Systems Coordinator at 327-4972.

SECTION 2.02 SELECTING THE APPROPRIATE PROCUREMENT METHOD

It is often difficult to determine which procurement method applies to a purchase. The proper procurement method is typically determined by a combination of factors, including, what is being procured (e.g. good or service, type of service, type of project, etc.) and the anticipated cost of the good or service. It is important to identify the correct method of procurement at the beginning of a project to ensure that the procurement flows in a smooth and timely manner. A little research into choosing the appropriate method at the beginning of a project can save you both time and money. A quick reference chart is provided to assist you in determining the appropriate method; however, if you have any concerns regarding the appropriate method to plan for, please contact the Purchasing Division, we are happy to assist you in pursuing the correct method.

Where a purchase includes both goods and services, the method of competition is determined by the primary objective and proportionate cost of the goods and services. Please contact the Purchasing Division as soon as possible to determine whether a combined purchase should be competed as a good or service.

Timeliness: The originating Agency should refer to the following charts when planning for the timely receipt of the desired goods and/or services. Processing times listed are the minimum time-frames from the date a fully complete and accurate request is submitted to the Purchasing Division, to when you can expect the competition or processing to be completed. These times do not include obtaining Board approval, contract negotiation and execution, or ordering and delivery times. Circumstances **may** change or delay these times. For large, complex, or very technical projects and requirements, you must allow additional time, which can vary depending upon size and complexity of the project. Notify the Purchasing Division as soon as you begin the project to make certain that the purchasing process is completed in a timely manner.

Purchasing Method Quick Reference Chart

This chart is intended to provide you with a quick reference guide to assist in identifying the appropriate method for an intended purchase. Please refer to the chapters listed in the column to the right to confirm that the selected method is appropriate and to determine all requirements applicable to each method.

Goods/Supplies

Estimated Cost	Competed by: A: Agency P: Purchasing	Method	Minimum Processing Time Required	Notice Requirement	Authority	Contract Required?	Chapter
< \$499.99	A		NA	N	IC 5-22-8-2; Policy	N	4
\$500 - \$2,499.99	A	Informal Quote of 3 vendors (incl. at least one M/W/V/DOBEs)	NA	N	IC 5-22-8-2; Policy	Consult OCC	4

\$2,500 - \$49,999.99	P	Informal Quote of 3 vendors (incl. at least one M/W/V/DOBEs)	7-10 business days	N	IC 5-22-8-2; Policy	Consult OCC	4
\$50,000 - \$149,999.99	P	Sealed Written Quote	10 Business Days	Seven days prior to receipt of quotes.	IC 5-22-8-3	Consult OCC	4
> \$150,000	P	Bid	Six Weeks	Newspaper publication 14 days prior to opening.	IC 5-22-8-3 IC 5-3-1-2	Y	4
Term Contracts for Goods	P	Bid	6 weeks	Newspaper publication 14 days prior to opening.	Policy per 202-204	Y	11.05
Emergency	A	Quotes, minimum two	NA	None, Special Procurement Method must be followed.	IC 5-22-10-4	Consult OCC	8.04

Services

Estimated Cost	Competed by: A: Agency P: Purchasing	Method	Minimum Processing Time Required	Notice Requirement	Authority	Contract Required?	Chapter
Competable < \$50,000	P	Informal Quote	7-10 business days		IC 5-22-3-3 IC 5-22-6-1 Policy	Y	6 & 7
Competable \$50,000 – \$149,999.99	P	Sealed Written Quote	20 - 30 Business Days		IC 5-22-3-3 IC 5-22-6-1 Policy	Y	6 & 7
Competable > \$150,000	P	Sealed bid; RFP upon request	Public Bid <u>30 – 60 days</u> RFP 6 months – one year.	Newspaper publication 14 days prior to opening.	IC 5-22-3-3 IC 5-22-6-1 IC 5-22-9 Policy	Y	6 & 7
Professional	A	Informal Negotiation, Competition is encouraged, where practicable; RFP upon request.	10 business days		IC 5-22-3-3 IC 5-22-6-1 IC 5-22-9 Policy	Y	6 & 7
Personal < \$2500	A	Informal Negotiation	10 Business Days		IC 5-22-3-3 IC 5-22-6-1 Policy	Consult OCC	6 & 7
Personal > \$2500	A	Informal Quote	10 Business Days		IC 5-22-3-3 IC 5-22-6-1 Policy	Consult OCC	6 & 7
Non-Competable	A	Special Procurement Form – explaining why service is non-competable.	10 business days		IC 5-22-3-3 IC 5-22-6-1 Policy	Consult OCC	6 & 7

Public Works

Public works projects include any project which requires construction, reconstruction, ALTERATION, or renovation of a public building, or other structure that is paid for out of a public fund or special assessment. It includes construction, alteration, or repair of a highway, street, alley, bridge, sewer, drain or other improvement that is paid for out of a public fund or special assessment. (IC 36-1-12-2). If you are unsure as to whether your project constitutes a public works project, please consult with your Agency’s OCC Attorney.

Estimated Cost	Competed by: A: Agency P: Purchasing	Method	Minimum Processing Time Required	Minimum Notice Requirement	Statutory Authority	Contract Required?	Chapter
< \$50,000	P	At least 3 Informal Quotes	Three weeks	Seven days prior to receipt of quotes.	IC 36-1-12-5	Y	5
\$50,000 - \$150,000	P	Sealed Written Quote	Four weeks	Seven days prior to receipt of quotes.	IC 36-1-12-4.7	Y	5
< \$150,000; utilizing department’s own workforce	P	Utilize methods provided in Goods and Supplies chart above.		>\$100,000, Newspaper publication twice, 14 and 7 days prior to opening.	IC 36-1-12-3	Y	5
< \$150,000	P	Utilize methods provided in Goods and Supplies chart above.		Newspaper publication twice, 14 and 7 days prior to opening.	IC 36-1-12-4.9	Y	5
> \$150,000	P	Public Works Bid	Six weeks	Newspaper publication twice, 14 and 7 days prior to opening.	IC 36-1-12-4	Y	5
Emergency	A	Quotes, minimum two	NA	NA	IC 36-1-12-9	Consult OCC	5.02

CHAPTER THREE. SPECIFICATIONS

SECTION 3.01 DEVELOPING SPECIFICATIONS

To be certain that solicited bidders fully understand the requirements of the items or products to be purchased, a detailed specification must be provided. Indiana Code (IC) 5-22-5-3 declares that all specifications must promote the overall economy for the purpose intended, and must encourage competition in satisfying the needs of the governmental body.

The term “specifications” relates to the technical and descriptive requirements of a product, and to its intended use. Good specifications will identify the Agency’s reasonable requirements while allowing competition among bidders. They will also list methods for testing compliance with the specifications and provide for an equitable award. Specifications should promote long-term value and economy and must encourage competition to the maximum extent practicable. While not prohibiting the purchase of quality goods and services, the principle of economy indicates that “needless frills” are to be avoided. Similarly, competition in purchases in the interest of conserving taxpayer dollars is a high priority. The **sole source** is truly the exception rather than the rule.

Allow time in your procurement for Specification Development

The writing of effective bid specifications is not an easy task. In fact, the writing of clear, concise and competitive specifications can be one of the more difficult and time-consuming steps in the procurement process. Yet, in the end, effective specifications are essential to ensuring that an agency receives the product or service that best serves its needs.

Specification writing ranges from simple projects to ones that are very complex and take significant time in research and drafting. The time devoted to specification writing should reflect the project complexity and the level of funds involved. *A simple project typically takes one week to complete, while a complex project may take up to several months.*

Specifications Assistance

The Purchasing Division has an employee on staff devoted to specification development and review. Agencies may prepare their own bid specifications; however, the Specification Writer has several responsibilities in the process. These include: developing a file of “standard” specifications; assisting in the writing of “custom” specifications for an agency or city county acquisition; rendering opinions on the appropriateness of specifications; and providing generalized training and other assistance to the Agency. The Specification Writer will develop requirements for most city/county bids. Construction project specifications are generally developed by a licensed professional. For assistance, please contact the Contract Manager or your Purchasing Buyer.

SECTION 3.02 PREPARING A SCOPE OF WORK.

Many projects and contracts begin with identifying the need of the Agency. A good scope of work will be used in developing the specifications for quotes, bids and RFP’s as well as in drafting the final contract.

1. The scope of work should contain the following elements:

- a. Introduction and General Information. Purpose or objective, history and background, contact persons, bidding method, etc.
 - i. Could also contain: pre-bid conference, contractor qualifications, calendar of events.
 - b. Task Description - Work to be done by the contractor.
 - i. An effective scope of work will let the vendor know exactly what is expected of him or her. The Agency's needs will be conveyed in terms of what awarded Contractor shall or shall not do.
 - c. Constraints on the Contractor - Work site conditions, ordinances, security.
 - d. Contractor Personnel Requirements - Qualifications of key personnel, employee identification, additional personnel responsibilities.
 - e. Contractor Responsibilities - Quality control program, service complaints, emergency assistance, work schedule(s).
 - f. City/County Responsibilities - What the City/County must do for, or provide to, the contractor.
 - g. Evaluation of Contractor Performance - Performance standards, evaluation forms, incentives, liquidated damages.
 - i. Setting clear expectations and time frames will help the Agency to avoid miscommunications which lead to the necessity of enforcing the terms of a resulting Agreement. Clearly identifying deliverables, deadlines and expectations will make an Agreement more easily enforced by the Agency.
 - h. Reporting Requirements and Procedures - Contractor's reporting schedule and responsibilities.
2. Through the process of competing the project via RFP or negotiating a professional service, the original scope of work may be changed by negotiation. The project manager should review the final draft of the SOW to make sure it matches the original concept of the service to be provided prior to entering a contract.

SECTION 3.03 SPECIAL CONDITIONS

“Special conditions” means those provisions that are specific to a particular purchase. While special terms for purchases are not always considered to be part of the specification writing process, they may be necessary to address a specific need or to avoid issues inherent to the particular purchase. It is important to consider true needs and the requirements for competition in this area, just as is the case with technical specifications. There is the potential for many subjects to be addressed, depending on the goods or services purchased, but below are some of the more common special conditions:

Packaging & Marking Requirements	Demonstrations
Shipping & Handling Instructions	Required References
Delivery Timeframes	Samples
Installation	Product Literature
Testing	Training
Warranty Stipulations	

If an Agency has a particular need not addressed in the general specifications, please make sure that you notify the Buyer and Specification Writer to insure that we address the necessary terms.

CHAPTER FOUR. PROCURING GOODS

SECTION 4.01 PROCURING GOODS OVERVIEW

There are several methods which may be used when procuring Goods. The method you should use will be determined primarily by the anticipated cost of the purchase. The most efficient method for procuring goods and supplies is to estimate the total amount which you may need for the year and to compete the product one time. A Term contract may be entered which will allow items to be ordered on an as needed basis throughout the year. This is called the “Just in Time Method” and is discussed in further detail below.

The primary methods of competition for procuring goods are as follows:

1. Small Purchase Methods
2. Written Quote
3. Public Bid

SECTION 4.02 SMALL PURCHASES

Small Purchases are those Purchases estimated to cost less than \$2,500.00. These purchases may not require a formal contract in addition to the Purchase Order. The Agency will make a decision regarding contract requirements in consultation with the Agency’s legal counsel.

(A) CRITICAL CONSIDERATIONS

1. In accordance with IC 5-22-8-1, it is **PROHIBITED** to artificially divide procurements to qualify for a Small Purchase Method. All like items that can be procured from similar sources shall be grouped together on a requisition. Examples of “artificially dividing” procurements include, but are not limited to, the following:
 - a) Placing like or similar items on different requisitions due to differing points of delivery, installation, or other reasons not directly tied to budgetary or accounting practices. For example, placing orders for square signposts on two separate requisitions to be delivered at the same time is not an acceptable practice.
 - b) Unnecessarily purchasing supplies or equipment on separate requisitions over a period of time when the full requirements are known, foreseeable and planned ahead of time. Again, this practice is not acceptable unless tied to budgetary or accounting reasons.
 - c) Otherwise splitting procurement into smaller purchases to avoid either fiscal or procedural controls.
 - d) A single purchase order can specify delivery to various locations and/or delivery over a period of time.

NOTE: If the Purchasing Division suspects purchases may have been artificially divided (bid splitting), the Purchasing Division will contact the Agency to request an explanation.

WARNING - A DELIBERATE ATTEMPT TO CIRCUMVENT PUBLIC BIDDING LAWS OR POLICY BY ARTIFICIALLY DIVIDING PURCHASES, WILL SUBJECT USER TO SUSPENSION OF HIS/OR HER PEOPLESOFT SECURITY ACCESS AND PROBABLE FURTHER DISCIPLINARY ACTION OF ALL APPROVERS.

2. The small purchase method allows agencies to solicit and support local vendors and minority suppliers. This method allows minority suppliers to play a greater role in the procurement process.
3. Bids may be awarded to one vendor or split between two or more vendors to maximize savings or to complete an order.
4. Awards shall be made to the lowest responsive and responsible vendor. Furthermore, any preference between bids that is not based on the stated or written specifications shall not be considered in making an award.
5. Please refer to EXHIBIT C for the policy regarding the purchase of products manufactured in the United States.
6. Purchases made pursuant to this chapter will be monitored to ensure compliance with these policies.

When the Purchasing Division is conducting the competition for an Agency, **ONLY THE PURCHASING DIVISION** shall have contact with potential vendors from the time that a request is submitted to the Purchasing Division until an award is made. Any contact initiated by a vendor to a user area during this time shall be referred to the Purchasing Division Buyer administering the request. Contact with a potential supplier during this time may lead to the delay or cancellation of an originator's request and could be considered a violation of procurement rules or law.

As in any procurement, **NO COMMITMENT** should be made to any vendor until an encumbered purchase order is received.

(B) PURCHASES OF LESS THAN \$500

Procurement with a total estimated cost not to exceed five hundred dollars can be made under the procedure described in this section. The competition for these purchases is conducted by the Agency.

- a) A quote shall be invited from at least one person known to deal in the goods and/or services to be procured. It is recommended to seek quotes from 2-3 vendors, Contact names and pricing should be stated in the comments section of the requisition header.
- b) The originating location shall consider minority vendor participation whenever possible.
- c) Assure that you are obtaining the goods and/or services by the best means possible.
- d) Always keep in mind that competition and best price remain important, even with this size of purchase.

No contract is required for the purchase of goods less than \$500.00; only a requisition and subsequent purchase order budget checked and dispatched to the vendor by an individual with the required level of signatory authority is required. See EXHIBIT A *for more information*.

The originating Agency may obtain the requested item(s) by creating a Requisition in PeopleSoft. The Agency Buyer will expedite the request to purchase order, dispatch the purchase order and

forward it to the vendor.

(C) PURCHASES GREATER THAN \$500 BUT LESS THAN \$2,500

In processing small purchases of this value competition is required; the originating Agency shall do the following:

- a) Quotes shall be invited from at least three vendors known to deal in the goods and/or services to be procured. Every attempt should be made to include one M/W/V/DOBEs business.
- b) Quotes may be requested by telephone, fax or internet solicitation.
- c) It is required that the following documentation be noted by the Agency in the comments section of the requisition header in PeopleSoft.
 - Company name
 - Contact name (first and last name)
 - Prices quoted
 - Date and time quote is received
 - Department/Agency contact name and phone number
- d) **NEVER** share the pricing or other information with any of the competitors until all quotes have been received. This is a serious violation of the competitive quote process.
- e) The originating Agency may obtain the requested item(s) by creating a Requisition in PeopleSoft. The Agency Buyer will dispatch the purchase order and forward it to the vendor. See EXHIBIT F *for more information. You may find the form attached as EXHIBIT K helpful in keeping track of information obtained through soliciting telephone quotes.*

(D) PURCHASES GREATER THAN \$2,500 BUT LESS THAN \$50,000

Processing this type of purchase is handled by the Purchasing Division using the information and specifications forwarded from the originating Agency.

When requesting goods and/or services over \$2,500, the originating Agency should do the following:

- a) Prepare a Special Request Requisition in PeopleSoft.
NOTE: REQs which do not contain the required information shall not be processed to Purchase Order and will be returned to the Agency for correction.
- b) Budget check the requisition for the estimated cost of the purchase in PeopleSoft.
- c) Carefully identify user requirements and prepare written specifications or contact the specification writer in the Purchasing Division for assistance.
- d) Prepare a recommended vendor list, if desired. This list may be communicated to the Purchasing Buyer through the comments section of the requisition header.
- e) Ensure that a knowledgeable individual is available within the originating Agency to answer questions about the request that may arise from the Division and review the bid responses that are received (if necessary).
- f) After the procurement method has been completed and all internal and external approvals have been granted, the award will be processed and a purchase order will be dispatched to the successful vendor.
- g) If the purchase is a Good, the Agency's OCC Attorney will determine if a supply contract

is required. Copies of the executed supply contract will be forwarded to the vendor and the Agency. The final copy will be retained by the Purchasing Division.

- h) If the request for purchase is a service, the encumbered purchase order will be forwarded to the successful vendor with a copy of the executed service contract. A second copy is forwarded to the Agency and the third copy will be retained by the Purchasing Division.
- i) The Purchasing Division will retain documentation pertaining to each purchase.

See EXHIBIT G for more information.

SECTION 4.03 SEALED COMPETITIVE QUOTES/BIDS

(A) WRITTEN QUOTES (\$50,000 BUT LESS THAN \$150,000)

The Purchasing Division, on behalf of the Agency, administers the competitive written quote process. The Purchasing Division follows State Purchasing law in procuring items by written quote. See IC 5-22-8-3. Action will normally be taken by close of the business day following receipt of the requisition. Written quotes are generally left open for ten days but may be shortened to seven days if the situation necessitates a shorter turn-around time. The minimum amount of time for leaving an invitation to quote open is seven days. (IC 5-22-8-3).

Individual boards may require written quotes to be presented to them for award. Please contact your Agency's OCC Attorney to determine if quotes must be approved by your board.

A written contract must be executed for goods/services within the \$50,000 - \$150,000 range.

Process:

- a) Prepare a Special Request Requisition or Zero Dollar Requisition in PeopleSoft. (If you need assistance determining which type of requisition is right for your purchase, please contact your Purchasing Buyer.)
- b) Budget check the requisition for the estimated cost of the purchase in PeopleSoft.
- c) Carefully identify user requirements and prepare written specifications or contact the specification writer in the Division for assistance.
- d) Prepare a recommended vendor list, if desired. This list may be communicated to the Purchasing Buyer through the comments section of the requisition header.
- e) Ensure that a knowledgeable individual is available within the originating Agency to answer questions about the request that may arise from the Purchasing Division and review the bid responses that are received (if necessary).
- f) NOTE: If Board approval is required, the Purchasing Administrator must concur with the Agency recommendation and sign the Contract Summary Sheet prior to submittal to board.
- g) Upon receipt of all necessary approvals, contact your Agency's OCC Attorney to determine the appropriate form of the required contractual agreement. Upon receiving the vendor and Agency signatures, forward three executed copies to the Purchasing Division. Copies of the executed contract and the encumbered purchase order will be forwarded to the vendor and the Agency. The final copy will be retained by the Purchasing Division.
- h) After the procurement method has been completed and all internal and external approvals have been granted, the award will be processed, and a purchase order will be dispatched to the successful vendor. The Purchasing Division will retain documentation pertaining to each purchase.

See EXHIBIT H for more information.

(B) PUBLIC BIDS (OVER \$150,000)

The Purchasing Division competes Public Bids over \$150,000.00 for the originating Agency following the procedures for competitive bidding as specified in IC 5-22-7. By its nature, the sealed bid process can be time consuming. Originating agencies should allow sufficient time for specification development and review, legal advertising, and receipt of bids, evaluation, award, contract preparation, and encumbrance of a purchase order. Please refer to Chapter 3 on Specification Development for additional assistance in developing specifications.

- a) The Agency must submit Specifications and a fully processed requisition to the Purchasing Division.
- b) When preparing a requisition for purchases under this method, the originating Agency shall follow the same instructions as listed under Purchases Greater than \$50,000 but less than \$150,000.
- c) Those requests submitted by 12:00 noon on Tuesday will be advertised the following Monday barring any unforeseen problems with specifications or approvals. To meet this deadline **BOTH** the REQ and the final approved specifications must be received by noon on Tuesday for advertising the following Monday.
- d) Bids are opened after they have been advertised two consecutive Mondays and then ten days after the second advertisement. Bid openings are held on Thursdays at 10:00 am EST. All interested individuals are invited to attend.
- e) Following the public bid opening, the Purchasing Division will review the bids submitted for completeness. IE: if applicable - bonds attached, bid forms signed, affidavits notarized, etc. Copies of all bids received will be released to the Agency for review within one day following the bid opening.
- f) The Agency must make a determination of responsiveness of the bid and responsibility of the bidder prior to determining the lowest bidder. The recommendation for award shall go to the lowest responsive responsible bidder.
- g) Public Bids require submittal to the governing board for approval. Please contact your Agency's OCC Attorney for guidelines.
- h) **NOTE:** If Board approval is required, the Purchasing Administrator must concur with the Agency recommendation and sign the Contract Summary Sheet prior to submittal to board
- i) A contract must be prepared for all goods and services over \$150,000.00 and dispersed accordingly.

See EXHIBIT I for more information.

CHAPTER FIVE. PUBLIC WORKS

SECTION 5.01 PUBLIC WORKS

Pursuant to IC 36-1-12, "Public Works" means the construction, reconstruction, alteration, or renovation of a public building, airport facility, or other structure that is paid for out of a public fund or out of a special assessment. The term includes the construction, alteration, or repair of a highway, street, alley, bridge, sewer, drain, or other improvement that is paid for out of a public fund or special assessment. This term includes any public work leased by a political subdivision under a lease containing an option to purchase.

NOTE: Public Works Construction Bids are subject to statutory limitations on the length of time between advertising and bid opening. If the estimated cost of the project is less than \$25 Million, the first publication may not be more than 6 weeks prior to opening; if the estimated cost exceeds \$25 Million, the first publication may occur no more than 10 weeks prior to opening (See IC 36-1-12-4).

1. Public Works Construction for projects estimated below \$50,000
 - a. Public works construction projects that are estimated less than \$50,000 can be competed as an informal quote by the Purchasing Division.
 - b. Allow about three weeks from the date the complete special request requisition is submitted to the date that the Purchasing Division issues the award letter. If information submitted to the Purchasing Division is incomplete, it could delay the processing of your request.
2. Public Works Construction for projects estimated from \$50,000 to \$149,999
 - a. Allow a minimum of 45 days from the date the purchasing request is submitted to the Purchasing Division. If information submitted to the Purchasing Division is incomplete, it could delay the processing of your request.
 - b. Public works construction projects must be processed as a sealed written quote by the Purchasing Division.
 - c. These projects are posted on the Internet and on a public bulletin board in the Purchasing Division office.
 - d. Quotes are open for a minimum of seven days.
 - e. Quotes are opened in the Purchasing Division at 10:01 am EST on the appropriate due date.
 - f. Quotes are tabulated and checked for accuracy.
 - g. Copies of quotes and quote tabulations are provided to the Agency for evaluation. The bid tab will note any inaccuracies in the quote response.
 - h. Agency determines whether each quote is responsive and whether the Vendor is responsible.
 - i. Awards must be made to the lowest, responsible, responsive bidder as defined in Chapter 1, Section 1.05.
 - j. The Agency then evaluates the responses and prepares the recommendation. The Agency recommendation is then communicated to the Purchasing Buyer.
 - k. Purchasing Buyer notifies vendor upon approval if bonds and/or insurance are requested.

- l. Purchasing Buyer notifies vendor to sign contracts.
 - m. After contracts are signed by the successful vendor, they are forwarded to the City Controller for final execution.
 - n. Upon receipt of the fully executed contract, the Purchasing Buyer processes a purchase order and mails the purchase order and contract to the successful vendor. The Purchasing Division will forward a copy of the completed contract to the Agency and will place a copy of the contract on the City-County's online public portal and keep a copy in Purchasing Division's files.
 - o. Agency issues notice to proceed after contracts are fully executed.
3. Public Works Construction greater than \$150,000

The above procedures are the same with the following exceptions:

- a. Allow two to three months from the date the purchasing request is submitted to the Purchasing Division to the date of the award letter is issued. If information submitted to the Purchasing Division is incomplete, it could delay the processing of your request.
- b. At least one set of approved plans and a posted requisition must be submitted to the Purchasing Division by Tuesday at 12:00 noon to be advertised on the following Monday, barring any unforeseen problem with specifications or approvals.
- c. Projects are advertised in a minimum of two publications on consecutive Mondays and are opened publicly at 10:01 AM on Thursdays, ten days after the second publication.
- d. All public works bids require board approval, prior to execution of the contract. Allow adequate time to prepare the award recommendation, obtain Purchasing Administrator review, and Board approval prior to submitting contracts to Purchasing to obtain vendor signature and completing contract execution.

SECTION 5.02 PUBLIC WORKS CONSTRUCTION EMERGENCY

Pursuant to Indiana Code 36-1-2-4.5 an emergency is defined as "**a situation that could not be foreseen and that threatens the public health, welfare, or safety and requires immediate action.**"

To determine whether a public works purchase qualifies as an emergency, consider:

- a. Could this situation have been foreseen or anticipated (therefore avoided)?
- b. Does the situation threaten the public health, welfare or safety?
- c. Does the situation require immediate action?
- d. The Agency must be able to answer yes to all three of these questions before it may make an emergency purchase.

Process:

- a. Agency recognizes that an emergency exists. Agency requests quotes, in written form, from at least two vendors known to do this type of work.
- b. Agency Director declares the emergency by sending a memo to the Purchasing Administrator requesting that an emergency purchase order be issued.
- c. The Agency creates and fully processes a requisition to the vendor that submitted the low quote.

- d. The Purchasing Buyer dispatches the purchase order, budget checks the PO and forwards it to the vendor.
- e. If the emergency work is over \$150,000, a declaration of an emergency by the appropriate board is required and an inclusion of the declaration and of the quotes received shall be made in the board's minutes (IC 36-1-12-9). This should be done at the first available board meeting after the emergency.

NOTE: Please refer to EXHIBIT D for the policy regarding procurement of steel products.

CHAPTER SIX. PROCURING SERVICES

SECTION 6.01 PROCURING SERVICES OVERVIEW

There is a vast array of services that the City/County may request. Generally, they fall into one of the following categories:

1. Competable Services (e.g. janitorial, housekeeping, mowing, consulting, etc.)
2. Professional Services (requires licensing to perform the service, i.e., accounting, engineering, architecture, medicine, land surveying)
3. Personal Services (e.g., technical editor, lecturer, instructor, actuarial insurance agent)
4. Non-Competable Services (short term facility/booth rental, utilities where no other option is available, hotel room and conference room rental)

The Purchasing Division is responsible for the competition of general services. The Purchasing Division coordinates with the Agency regarding the solicitation for bids or quotes, subsequent evaluation, award and obtaining the signatures on the contracts (when appropriate).

The requesting Agency is responsible for the competition of professional and personal services. This includes choosing the method of creating, approving, competing (when required by policy), producing contracts (when appropriate) and obtaining the vendor's signature on the contract. However, please note that some types of competition require the prior approval of the Purchasing Administrator. A completed contract summary sheet must accompany the contracts when submitted to Purchasing. Each of the methods of competition is described in greater detail in the next chapter.

Combined Services/Goods: if a contract for services includes the procurement of goods incidental to the service then the contract may be competed per the appropriate method of competition for the contract. Goods are incidental to a service contract if they are required for the service to be performed and the services comprise the majority (80% or greater) of the contract cost.

Procurement of services is described in greater detail in the following sections. If you are uncertain which guidelines should be followed for the service you are requisitioning, please contact the buyer in the Purchasing Division responsible for your Agency.

Note: If the contract is funded in whole or part by a state or federal agency, a competitive vendor selection method may be mandated by the funding Agency. The Agency must carefully review underlying legislation or grant documents to identify what restrictions or requirements may pertain when the service is paid for with state, federal or private funds.

SECTION 6.02 COMPETABLE SERVICE CONTRACTS

The Purchasing Division is responsible for the competition and vendor selection of all competable general service contracts. Examples of *Competable Services* include, but are not limited to: Janitorial, Mowing, Vending, Appraisal, Printing, Non-Proprietary Computer Services, Consulting Services or Automotive Repair.

Methods of Competition

The Purchasing Division chooses one of the following methods to solicit vendors:

1. Informal Quote (under \$50,000)
2. Sealed Written Quote (\$50,000 - \$149,999)
3. Competitive Sealed Bidding (RFB) (\$150,000 or more)
4. Request for Proposal (RFP) (Upon approval)
5. Request for Information (Upon approval)
6. Request for Qualifications (In limited circumstances and upon approval).

SECTION 6.03 PROFESSIONAL SERVICE CONTRACTS

Agencies are responsible for the competition and vendor selection of all professional service contracts.

A *Professional Service* is defined as: Services which require a license and formal education, including the practice of accounting, architecture, law, medicine, land surveying or engineering.

Methods of Competition

Competition is encouraged, where appropriate. If Competition is not feasible (ex: only one vendor is capable of providing the required service), it is not required. Agency chooses one of the following methods to solicit vendors:

1. Negotiation: Agency identifies qualified vendors and negotiates an acceptable price for the services. If Agency needs assistance in identifying professionals in the required field, please contact Purchasing for assistance.

SECTION 6.04 PERSONAL SERVICE CONTRACTS

Agencies are responsible for the competition and vendor selection for all personal service contracts. A *Personal Service* is defined as: Services which are typically performed by an individual for a specific duration of time within which the individual performs the service, but produces no deliverable for the City/County, for example, teach a class, giving a lecture, or officiating a sporting event. These providers include for example: expert witnesses, lecturers, instructors, officials for sporting events, etc.

Method of Competition

Agencies choose one of the following methods to solicit vendors:

1. Negotiation: Agency identifies qualified vendors and negotiates an acceptable price for the services. If Agency needs assistance in identifying professionals in the required field, please contact Purchasing for assistance.

2. Request for Qualifications (RFQ).

SECTION 6.05 NON-COMPETABLE SERVICES

Some service contracts may not need to be competed. *Non-competable Services* are defined as: Services where competition is not possible and/or practical, such as banquet facility or booth rental, not-for-profit organization agreements, interdepartmental agreements, memberships, travel related reservations of hotels or publically available transportation (rental of a bus or vehicle where the timing and destination of the transportation is determined by the City/County is a competable service).

A contract summary sheet (EXHIBIT B) is required, fully explaining why the service is non-competable. This sheet should be submitted prior to the Administrator to board approval (if board approval is required).

SECTION 6.06 NON-COMPETED CONTRACT PROCESS

The following are steps used for Professional, Personal, and Non-competable Service Contracts (EXHIBIT J):

- a. The Agency identifies a vendor capable of providing the service.
- b. Agency completes a contract summary sheet. The contract summary sheet must include a brief explanation as to why competition was not possible or practical, or where competition was conducted, a brief summary of the method used.
- c. If Board approval is required, prior to submittal to the board for consideration, the completed contract summary sheet and the Agency's recommendation to the board must be sent to the Purchasing Administrator for review and approval.
- d. Upon completion of review of whether the Agency performed the appropriate method of competition, or provided a valid basis for no competition, the Purchasing Division notifies the Agency that the contract summary sheets are ready for pick-up. The Purchasing Division will strive to notify the Agency by the close of the third business day.
- e. Agency creates a Special Request Requisition for the amount that is expected to be spent against the contract for the current year. The requisition should be budget checked but NOT submitted for approval in PeopleSoft.
- f. If insurance is required, the Agency obtains a copy of the certificate to include in the contract packet.
- g. Agency obtains proof of debarment and includes it in the contract packet.
- h. Agency obtains the notarized E-Verify form and includes it in the contract packet.
- i. Agency forwards board resolution, fully executed contract summary sheet and three copies of the contract with the Agency Head's signature, legal counsel's signature and vendor's signature to the Purchasing Division to process.
- j. Purchasing Division will process the contracts through the Controller's Office for budget

analyst review and the Controller's Signature.

- k. Purchasing Division Buyer creates a contract in PeopleSoft and communicates the contract number to the Agency. The Agency attaches the Special Request Requisition to the PeopleSoft Contract.
- l. Once the requisition is approved, the Agency Buyer expedites it to a purchase order. The Agency Buyer budget checks the Purchase Order and dispatches it to the vendor.
- m. The Purchasing Division returns two (2) copies of the contract to the Agency and maintains the original contract in its files. The Agency is responsible for sending out one copy of the contract and purchase order to the vendor.

SECTION 6.07 PROCURING SERVICES WITH GRANT FUNDS

Grant funded programs and contracts financed by state, federal, or local funding are required to follow a competitive vendor selection process as mandated by the funding agency, or the procurement policies established by the Purchasing and Grants Divisions. Agencies seeking to utilize this funding must first determine the appropriate procurement method for securing **contractual services** or **distributing grant funds to a subrecipient**. Below are guidelines for establishing grant programs.

All agency or department grants including grant funded contracts should be awarded within a competitive process, under an established grant program with clear award criteria. Exceptions to this policy may be grants directly awarded to organizations by council ordinance.

- a. Grant funded contracts involving **subrecipient grant awards** valued over \$25,000 must be processed through the e-Civis grant system. The Grants Division will assist agencies in creating program solicitations for subrecipient awards. It is crucial for all grant programs to have well-defined scopes and specific criteria for project awards. All subrecipients responsible for depositing, distributing, or processing federal, state, or local funds are required to maintain a fidelity bond to safeguard against intentional acts of fraud, theft, or misconduct. For more on federal grant regulations regarding crime or fidelity bonds, see [2 CFR 200.304](#), and for state and local grant regulations see SBOA IC 5-4-1. For further information on developing grant programs for City/County projects, contact the Grants Division at ofmgrants@indy.gov.
- b. Grant projects involving **competitive services** valued between \$2,500 and \$50,000 will be required to obtain at least three quotes prior to contracting for services. Processing this type of purchase is handled by the Purchasing Division using the information and specifications forwarded from the originating Agency. For more information, please see section 4.0 2 (B) of the Procurement Manual or contact the Purchasing Division at purchasing@indy.gov for further assistance.
- c. Grant projects requiring **competitive services** ranging from \$50,000 to \$150,000 will be procured through a Request for Qualifications (RFQual). The Purchasing Division will aid in the development and solicitation of this type of grant award and the RFQual documents should include requirements related to experience, financial stability, capacity to deliver services, and references. All RFQuals will be

published on the Purchasing Division's website to enhance vendor opportunities and ensure public transparency. For additional details on the RFQual procurement method, please refer to section 7.04 (B) of the Procurement Manual or contact the Purchasing Division at purchasing@indy.gov for further assistance.

- d. Grant projects that involve **competitive services** with a value exceeding \$150,000 will be managed through a Request for Proposal (RFP) process. The Purchasing Division will assist in creating the solicitation for grant awards and must outline the necessary qualifications, including experience, proof of financial stability, ability to deliver the service, references, and other relevant criteria in accordance with IC 5-22-9-2. The RFP will be published on the Purchasing Division's website and advertised in compliance with IC 5-22-9-3. For additional details regarding the RFP process, please refer to section 7.03 of the Procurement Manual or reach out to the Purchasing Division at purchasing@indy.gov for additional support.

CHAPTER SEVEN. METHODS OF COMPETITION FOR SERVICE AGREEMENTS

SECTION 7.01 SEALED WRITTEN QUOTE (REQUEST FOR QUOTE)

The Purchasing Division, on behalf of the Agency, administers the competitive written quote process. The Purchasing Division follows State Purchasing law in procuring items by written quote. See IC 5-22-8-3. Action will normally be taken by close of the business day following receipt of a requisition. Written quotes are generally left open for ten days but may be shortened to seven days if the situation necessitates a shorter turn-around time. The minimum amount of time for leaving an invitation to quote open is seven days. (IC 5-22-8-3).

A written contract must be executed for goods/services within the \$50,000 - \$150,000 range.

Process

- a) Prepare a Zero Dollar Requisition in PeopleSoft.
- b) Budget check Requisition in PeopleSoft. Carefully identify user requirements and prepare written specifications or contact the specification writer in the Purchasing Division for assistance.
- c) Prepare a recommended vendor list, if desired. This list may be communicated to the Purchasing Buyer through the comments section of the requisition header.

Attach quotes obtained for budgetary estimate to the REQ.

- d) Ensure that a knowledgeable individual is available within the originating Agency to answer questions about the request that may arise from the Purchasing Division and review the quote responses that are received (if necessary).
- e) After the procurement method has been completed and all internal and external approvals have been granted, the award will be processed, and a purchase order will be sourced to the successful vendor and expedited. NOTE: If Board approval is required, the Purchasing Administrator must concur with the Agency recommendation and sign the Contract Summary Sheet prior to submittal to board.
- f) Upon receipt of all necessary approvals, contact OCC to determine the appropriate form of the required contractual agreement. Upon receiving the vendor and Agency signatures, forward three (3) executed copies to the Purchasing Division. Copies of the executed contract and the encumbered purchase order will be forwarded to the vendor and the agency. The final copy will be retained by the Purchasing Division.
- g) After the procurement method has been completed and all internal and external approvals have been granted, the award will be processed, and a purchase order will be dispatched to the successful vendor
- h) The Purchasing Division will retain documentation pertaining to each purchase.

SECTION 7.02 COMPETITIVE SEALED BID (REQUEST FOR BID)

This method, commonly known as a Request for Bid (RFB) is used for acquiring services exceeding \$150,000 and is the method of choice for most labor intensive or general-support-service contracts for which the Purchasing Division prepares and makes available detailed specifications to interested vendors. Pre-bid conferences are encouraged, especially for larger scale projects. Pre-bid conferences ensure that the Agency and the contractor are clear on the

scope of work and specifications. Some of the advantages of this method are: 1) the risk of increased cost during the contract term lies solely with the contractor, the City has no responsibility or liability if the contractor underestimates the cost of providing the service or if changing market conditions increase the contractor's cost during the contract term; 2) competition among bidders is based on price, the award is made to the lowest responsive and responsible bidder; and 3) the award process typically is clear-cut and uncomplicated.

When using the bid method of competition, the Purchasing Division must issue a Request for Bid (RFB). A description of the steps for preparing and issuing the RFB follows:

- a. The Agency submits a Zero Dollar Requisition in PeopleSoft.
- b. The requesting Agency submits specifications for the service to the Purchasing Division. The Specification Writer in Purchasing should be contacted to assist in preparation of the specifications. Special care should be taken to ensure that the specifications are open and allow for fair competition. If a formal contract is required, the specification packet should include a copy of the sample contract with opportunity for bidders to take exception. (Note: Bidders should not be allowed to submit contract exceptions after bid opening).
- c. The Purchasing Division prepares and issues the Request for Bid in PeopleSoft. The bid is posted on Purchasing Division's web site and advertised according to state statute.
- d. A Pre-bid Conference or site visit will be conducted (when appropriate).
- e. Vendors are instructed that any questions they might have at the conference must be followed up with a written submittal in order to receive the City County's "official" answer. Purchasing with input from the Agency will post the questions and answers as an addendum to the bid to the Purchasing Division's website.
- f. The Purchasing Division receives and publicly opens bids.
- g. Bids are reviewed for responsiveness. Generally, a manager and OCC reviews and approves any rejections concerning any material exceptions of a bid.
- h. Manager and OCC provide instructions to the evaluation panel.
- i. Evaluate accepted bids and determine responsibility of the lowest bidder.
- j. Agency selects the lowest responsive and responsible bidder.

SECTION 7.03 REQUEST FOR PROPOSAL (RFP)

This method can be quite lengthy and complicated. Allow a minimum of 4-6 months for completion.

This section covers the basics of conducting an RFP. For more detailed information, please refer to the Manual on Requests for Proposal.

Upon approval by the Purchasing Administrator, a Request for Proposal process can be utilized to compete services (See EXHIBIT B Request for Authorization Form). This method is generally best when other factors such as vendor qualifications and past experience for the service are as important as price in determining the best vendor. Vendor qualifications are requested in the RFP;

prices are also requested but may be negotiated. After the evaluation of responses, the contractors most likely to be considered for award are selected and interviewed. Two or more of the finalists are then selected for simultaneous negotiations covering both the price and content of the proposal. A best and final price is requested from each finalist, and the award is made to the contractor with the best combination of proposal, qualifications, and price. The evaluation team must prepare and submit an evaluation matrix that outlines the evaluation process. Negotiations will proceed with the highest ranked contractor first, and so on with others, if negotiations fail with the highest ranked.

There are several advantages to the request for proposal competition method. First, the scoring, interview, and negotiation processes permit in-depth analysis of every vendor's qualifications and capabilities and not just those of the lowest bidder. Under competitive sealed bidding, only the lowest responsive and responsible bidder can be considered for award, regardless of the qualifications of the remaining bidders or how close their price may be to that of the lowest responsive and responsible bidder.

Second, the service specifications and price may be negotiated to meet the Agency's needs. If the original prices are too high, negotiation helps bring them within budget. The scope of work also may be negotiated. (Under competitive sealed bidding, when unacceptably high prices are received, usually the sole remedy is to cancel the solicitation and start the process over again under revised specifications designed to lower the bid prices.)

Third, the ability to negotiate a price is an effective technique in a market in which contractors may have little or no competition. (Under competitive sealed bidding, when only one or two firms deliver a service, they tend to price the service higher than when the market includes many firms. In a limited market, there is little incentive to reduce prices.)

There are a few disadvantages to the method; however, they are significant. First, the evaluation and award process can be lengthy; a forty-five to sixty-day period between receipt of the proposals and the award is not unusual. Second, considerable record keeping, and sometimes-complex scoring methods are necessary. If protests are received, the Agency may be required to defend subjective decisions made during the selection process. Third, the entire process must be managed carefully to make sure that evaluations and the final award are as objective as possible and that every bidder receives fair and equal treatment. Fourth, agency staff without experience in negotiations can be at a disadvantage dealing with experienced private sector bidders who have trained negotiators on their staff.

Process

The following are steps used in request for proposal method:

- a. The Agency must obtain approval of the Purchasing Administrator prior to using the RFP method of competition. (See EXHIBIT B, Request for Authorization)
- b. Upon obtaining the Purchasing Administrator's approval, the Agency prepares the scope of work, and sends it to Purchasing's specification writer.
- c. The Agency submits a Zero Dollar requisition using a \$0.00 in the price field in PeopleSoft.
- d. The Agency manager reviews the final draft of the scope of work to be sure that it matches the original concept of the service to be provided.

- e. The Purchasing Division prepares the RFP and issues it. The RFP is posted on the Purchasing Division's web site and advertised in accordance with state statute.
- f. A pre-proposal conference or site visit may be conducted and a question-answer period follows. The Agency provides answers to the Purchasing Division; the Buyer will complete an Addendum and post the answers on Purchasing Division's web site.
- g. The Agency selects individuals to serve on the evaluation panel. Members include the Purchasing Division Buyer and other objective persons with knowledge of the service. All members sign a Confidentiality Statement, as information regarding the proposal must not be disclosed until award.
- h. The Purchasing Division receives, opens and reviews proposals for compliance with the RFP.
- i. The Purchasing Division maintains a "Register of Proposals," the register must be open for inspection only after a contract is awarded.
- j. Evaluation team evaluates proposals based on the evaluation criteria established in the RFP.
- k. Evaluation team selects finalists.
- l. Conduct negotiations.
- m. Select successful vendor.

SECTION 7.04 MULTI-STEP BIDDING

Multi-step bidding is not used as frequently as competitive sealed bidding or competitive negotiation, possibly because the process tends to generate more bidder protests than the other methods. Multi-step bidding includes Requests for Qualifications (RFQ) and for Information (RFI). Multi-step bidding provides more flexibility than competitive sealed bidding, because it permits an element of negotiation within the framework of competitive sealed bidding. During the first steps of the process, negotiation of the content of the proposals which does not include prices is permitted; in the last step, the method requires award to the lowest responsive and responsible bidder.

A principal advantage of multi-step bidding is that the first steps of the process also serve as a method for pre-qualification of the respondents; those with unacceptable qualifications can be eliminated. Multi-step bidding is usually permitted when the following conditions have been met:

- a. The scope of work cannot be accurately and completely defined.
- b. The service can be provided in several different acceptable ways.
- c. The expected responses may contain a different level of service than that requested, requiring negotiation to match the proposal with the needs of the Agency.

The multi-step bidding process has two or more steps. The first is the submission of the contractor's statement of qualifications and a technical proposal (does not include pricing) describing the proposed service delivery method submitted in a sealed envelope marked "Technical Proposal."

Price may be submitted at this time in a separate sealed envelope marked "Price," or it can be submitted later, as the last step in the process. The Agency evaluators decide which bidders qualify and can be considered for award. Unacceptable technical proposals or technical proposals from unqualified bidders are rejected. Affected bidders are notified of the rejection, and their "Price" envelopes, if submitted, are returned to them unopened.

If necessary, negotiations are conducted with the remaining qualified bidders to amend their technical proposals to make them more acceptable for award. Care must be taken to be sure that each bidder's technical proposal represents a generally equivalent level of resources required to deliver the service. If one technical proposal requires more staff and equipment to implement than another does, they should not be considered equivalent. When the technical proposals of all the finalists are deemed acceptable for award, the sealed "Price" envelopes of all finalists are opened. The award, based on price alone, is then made to the lowest responsive and responsible bidder.

(A) REQUEST FOR INFORMATION (RFI)

This method is utilized as the first step in a multistep process, when the Agency is uncertain of the exact specifications necessary to complete the project. This method is typically used on major procurements, where a requirement could potentially be met through several alternate means. The Agency, upon obtaining approval to proceed from the Purchasing Division Administrator, will publish a RFI following the timelines and processes required for an RFP. An RFI is primarily used to gather information to help make a decision on what steps to take next. An RFI is not the final stage of a procurement, and does not result in award. It is instead used in combination with a Request for Proposal (RFP) or Request for Bid (RFB) to obtain the final proposal and pricing.

Upon receipt of the proposals, the Agency will use the proposals to identify the specific needs required, and then publish an RFP to determine the final pricing.

(B) REQUEST FOR QUALIFICATIONS (RFQ)

An RFQ may be used, upon approval of the Purchasing Administrator, for competing Professional Services or Competable Services. The requirements vary slightly depending upon the type of service being competed.

Professional Service RFQ:

Professional Services can be competed utilizing the Request for Qualifications (RFQ) to identify professionals meeting the required qualifications standards. Upon qualifying all respondents who meet the required qualifications the Agency may proceed to negotiate prices with qualified vendors. This method is particularly useful for hiring engineering firms, construction inspectors, legal services and other professional services.

Competable Service RFQ:

This process is utilized when the Agency needs to identify qualified vendors who can perform a specific service at a specified and predetermined unit price, typically on an on-call basis, but where the exact project location or scope may be indefinable.

The most qualified respondents are selected as finalists. The finalists are interviewed by an evaluation panel and ranked in order of their qualifications. Typically, a group of qualified vendors are selected through this process.

Pricing is determined one of two ways:

- i. For on-call services where the project location and scope are undefined at time of RFQ

- publication the qualified vendors are then permitted to bid on one or more projects during the qualification period.
- ii. Where the unit price is predetermined by statutory or other legal requirements, so that the bid price will be the same for every vendor, the unit price will be specified in the RFQ. Therefore, the vendors will only be responding based upon their qualifications and capacity. The award is made to the most qualified vendor or group of vendors who are deemed responsible and responsive.
 - a. General format:
 - 1) In the introduction of the RFQ, briefly explain the purpose of the document. In general terms, describe the services to be purchased and the approximate size of the contract.
 - 2) List the requirements for experience, evidence of financial stability, capacity to perform the services, references, and other pertinent criteria. Request copies of any required licenses or certifications.
 - 3) Describe the method to be used by the department/agency to qualify respondents. Use qualification criteria that clearly establish a pass/fail standard. For example, a pass/fail standard for basic experience may be that a vendor must have successfully completed two contracts of the same size and scope within the past two years. The pass/fail standard is expressed in words “of the same size and scope.” This eliminates inexperienced contractors who may want to expand into larger contracts, while attempting to learn at the Agency’s expense.
 - 4) Include the general terms and conditions and insurance requirements of the final contract. Require that any exceptions to the sample contract be identified in the response.
 - b. Process:

When using the pre-qualification method, the project manager or project team must issue the RFQ. The format should be kept as simple as possible. A description of the steps for preparing and issuing the RFQ follows:

- 1) Identify the service or create a list of all projects that can be initiated based on funding and other resources.
- 2) The Agency develops a Request of Qualifications (RFQ) document that is used to identify firms that have the necessary qualifications needed to complete the identified services. As part of this step, the Agency’s intent is to have the firm submit a resume and job history information that will aid the Agency in selecting the appropriate firm for each project or service to be performed. The RFQ can be submitted to the Agency either electronically or in hard copy format.
- 3) The Agency receives the RFQ information from those companies desiring to be considered for the identified projects.
- 4) The Agency evaluates the RFQs, focusing on the individual or firm’s overall qualifications for the project or service. This may include but is not limited to

availability of the company's staffing resources during the timeline for the project, reports on existing or completed projects, internal evaluations, and problems the City/County may have had with a particular firm.

- 5) The project manager or project team reviews all responses and selects those that meet the requirements. If only one or two responses are received when more were expected, conduct a telephone survey to all contractors who received the RFQ to determine why they did not respond. It is likely that the original qualifications were too restrictive. If the number of respondents does not offer adequate competition, adjust the qualifications to attract more respondents and reissue the RFQ. It is better to reissue an RFQ than to have a limited respondent list. When reviewing the respondent's responses, do not use any criteria that were not identified in the original RFQ.
- 6) The Agency prepares a listing of qualified/recommended firms to perform the work. This list is forwarded to the Agency Head for consideration and selection.
- 7) The Agency Head reviews the list and selects the firm(s).
- 8) The Agency Head sends the listing with selections back to the project team.
- 9) Options for obtaining pricing from the Qualified Vendors:
 - a. Predetermined Price: Where the unit price is determined prior to the bid, the Agency, upon award of contracts to a qualified vendor or group of vendors can call upon the qualified vendors to perform the services on an as needed basis,

for the term of the Agreement. (Ex. Mowing where the per unit rate is set by statute yet the location of the project is unknowable and frequently shifting).

- b. Demolition or services where the size and scope of projects is not quantifiable at the time of qualification, and may rotate quickly: The Agency maintains the list of qualified bidders for the predetermined period of qualification. When projects are identified, the qualified bidders bid on the specific projects.
- c. Engineering or Professional Services: The project team or manager schedules fee negotiation sessions with the firm(s) selected. The focal point is to communicate project scope and reach a decision on cost. The Agency utilizes a scoping document that contains data on the number of hours and estimated cost of similar projects completed. In the case of engineering projects, the department/agency gives additional consideration to projects that may require the acquisition of land or geo-technical work.

10) The Agency finalizes the selection of a vendor(s), obtains all necessary board approvals and executes all necessary contracts.

CHAPTER EIGHT. SPECIAL METHODS

SECTION 8.01 SPECIAL PROCUREMENT

Special circumstances may require the originating Agency to process procurements, including emergency situations, under a special procurement method. Day-to-day purchasing is rarely handled under this method, as circumstances surrounding special procurements are proven unique.

The need for emergency (expedited) procurements because of poor planning, overlooked requirements, inaccurate usage history, and inadequate forecasting, are not justifications for special procurement.

Critical Considerations in the Special Procurement Method

Special procurements may be made without formal competitive bidding, but must always be made with as much **COMPETITION AS PRACTICAL** under the circumstances. In all cases, verification of the existence of only one authorized source must be a part of the procurement file.

Special procurements require a letter of justification from the originating Agency detailing the unusual circumstances that exist to support a selection of the individual procurement method as well as the consideration of the recommended vendor. The justification must also indicate why the particular goods and/or service are the only ones capable of meeting the originating Agency's requirements. For those purchases whereby only one vendor can provide the goods and/or service due to a patent, verification of such patent numbers or a letter from the manufacturer or exclusive dealer, should be provided in addition to the justification.

The originating Agency must also indicate on a Source Selection Authorization form (EXHIBIT B) which category of the Special Procurement rule is used to justify this purchase.

The Purchasing Administrator must approve all non-emergency special procurements in writing.

SECTION 8.02 SPECIAL PROCUREMENT SITUATIONS

Special procurement may only be conducted in accordance with the provisions of IC 5-22-10. The following special purchasing methods are the only methods by which a special procurement may occur, and only upon the approval of the Purchasing Administrator:

1. Where there exists a unique opportunity to obtain supplies or services at a substantial savings to City/County.

From time to time, the City/County is given an opportunity to take advantage of special circumstances where substantial savings may be realized. This particular section may be used to authorize a special procurement when an originating Agency identifies that such a unique circumstance exists. The particular opportunity must be unique (it only occurs once or rarely due to special circumstances), and the possible savings must be considered substantial. By definition, a unique circumstance, is typically a one-time opportunity, it is not unique just because a good price has been negotiated, where there would be opportunity to negotiate a good price at any other time.

The application of this section often occurs where a commodity required by an agency becomes available in a used state. Such availability may occur when certain companies cease to operate or no longer require the particular commodity.

EXAMPLE: An auto repair shop will be going out of business, and as a result, has a surplus of tire changers available. A similar tire changer on the open market may sell for \$2,500, but the auto repair shop is willing to sell the tire changer to the City or County for \$1,000. An agency requiring a tire changer for vehicle maintenance may petition the Purchasing Division to make an award under the special procurement method citing the opportunity and substantial savings. With administrative approval, this purchase may be made quickly and without formal bidding. The originating Agency's justification must show the actual dollar amount of savings that may be realized by the procurement of the specific commodity as compared to the purchase of a similar commodity through normal channels.

2. For the procurement of data processing contracts or license agreements for software programs.
 - a. Software programs may be procured on behalf of the City/County under the special procurement. The originating Agency's justification must outline why the selection of the particular supplier and package is cost effective and in the City/County's best interest. Originating agencies should attempt to work with two or more software suppliers to maximize competition and product choice before making a selection.
 - b. Data processing supplies or services may be specially procured when only one source meets the City/County's reasonable requirements.

The compatibility of data processing equipment is critical in many situations. This section of the special procurement offers the City/County the ability to petition the Purchasing Division when only one product meets the requirements of the Agency.

EXAMPLE: The City/County may own twenty stand-alone work stations and desire to link these workstations into a network. Manufacturer A is the only company that produces network equipment capable of linking these stations together, but the network equipment is sold through numerous distributors and dealers. This procurement does not qualify (it may be procured through a number of sources), but a special procurement may be authorized by the Purchasing Division with proper justification supplied by the originating Agency.

Under this section of the procurement rule, the Purchasing Division may bid the equipment, specifying that the product bid must be produced by manufacturer A as the single product satisfying the requirements of the City/County.

3. Where the compatibility of equipment, accessories, or replacement parts is a substantial consideration in the procurement and only one source meets City/County reasonable requirements.

EXAMPLE: The City/County may desire to increase the number of units for the mobile communications (two-way radio) system due to an expansion of the facilities or an increase in personnel. The City/County currently owns a particular manufacturer's base, radio, and charger. Only the manufacturer of the currently owned equipment produces compatible radios, and only fully compatible radios meet the reasonable needs of the Agency.

Additionally, only one supplier can provide the specified radios. If a specific product can be provided by more than one vendor or supplier, competition for the specified product is possible, and this exemption does not apply. The originating Agency must provide evidence requesting the Purchasing Division to process the request as a special procurement.

4. Emergency Conditions occur when there exists a threat to public health, welfare, or safety. (*For non- public works emergency see Section 8.04, for public works see Section. 5.02*)
5. When the City or County has solicited for procurement under another section of this manual and has not received a responsive offer.

EXAMPLE: The City/County desires to procure a helicopter. If the Agency did not receive any price offers using a procurement method described in this manual, the Agency may petition the Purchasing Division to make an award under the special procurement method.

6. When procurement of the required supplies or services under another procurement method would seriously impair the functioning of the Agency.

7. For the evaluation of supplies or a system containing supplies to obtain functional information or comparative data for any other purposes that in the judgment of the City/County may advance the long-term competitive position of the Agency.

EXAMPLE: The City may desire to obtain several portable speed bumps to evaluate in the upcoming construction season. The evaluation results will be reviewed to see if it would be in the best interest of the Agency to use this type of a product in the future.

SECTION 8.03 PROCESSING A SPECIAL PROCUREMENT

1. Once a need has been identified that can only be met by a special procurement, the originating Agency must begin the justification process. The justification package submitted to the Purchasing Division will include:
 - a. the justification letter indicating the basis for this determination and why the particular supplier was selected;
 - b. a completed Source Selection Authorization form;
 - c. a Special Request Requisition;
 - d. specifications; and
 - e. vendor quotes.

The originating Agency must attempt to foster as much competition as is practical under the particular circumstances.

2. Fully process a Special Request Requisition for the total estimated cost in PeopleSoft.
3. The originating Agency shall forward the above justification to the Purchasing Administrator for approval. The Agency head must make all requests official. The Special Purchase MAY NOT be made without the approval of the Purchasing Administrator. Therefore, agencies intending to utilize these methods must submit the request as soon as possible.
4. After the procurement method has been completed and all internal and external approvals have been granted, the award will be processed and a purchase order will be dispatched by the Purchasing Buyer.
5. The encumbered purchase order will be forwarded to the vendor.
6. The Purchasing Division will retain documentation pertaining to each special procurement purchase as it is subject to annual audit by the state board of accounts.

SECTION 8.04 EMERGENCY PROCUREMENTS

This procedure is for the emergency purchase of goods only; see Section 5.02 for public works construction emergencies.

An emergency procurement may be conducted when there exists, under emergency conditions, a threat to the public health, welfare, or safety. (IC 5-22-10-4)

Poor planning, overlooked requirements, inaccurate usage history and inadequate forecasting, may result in emergency situations; however, such circumstances do not qualify for emergency procurements under IC 5-22-10-4. This procurement method is not intended to serve as a “**crutch**” for poor management. Emergency procurements are purchases for an immediate situation, **NOT FOR STOCKING**. The emergency purchasing method is not intended for circumstances which could have been prevented by better management or planning.

When it becomes necessary to procure goods and/or services in an immediate manner, the following procedures are to be followed: (Note: If an agency finds it difficult to follow this procedure, they should notify the Purchasing Division to seek alternatives.)

Emergency procurements occur:

1. When there exists, under emergency conditions, a threat to public health, welfare, or safety; or
2. When the procurement of the required goods and/or services under another procurement method would seriously impair the functioning of the agency.

When an emergency situation is identified and meets either of these criteria, the originating Agency shall:

1. Obtain two quotes that may be taken over the telephone and documented in the comments screen of a special requisition header screen in PeopleSoft. Upon evaluating the responses, the lowest responsive and responsible vendor shall be selected.
2. Prepare a full justification of the emergency situation, which must be documented by the Agency Director in a memorandum to the Purchasing Administrator. The justification shall outline the following:
 - a. Date of request.
 - b. Agency requesting the approval.
 - c. Fully describe the situation.

- d. Show how the situation justifies an emergency purchase(s) under the defined guidelines identified as IC 5-22-10-4 or IC 5-22-10-9 on the Special Procurement form.
 - e. If the emergency situation does not enable the requesting agency to obtain additional quotes, the location must provide justification for why.
 3. Fully prepare a Special Procurement form. All appropriate areas must be completed (i.e. recommended vendor, etc.). Identify the situation that best describes the circumstances and place a checkmark beside the emergency situation that applies.
 4. Attach as an approval request packet:
 - a. Special Procurement form;
 - b. Full justification of the emergency situation as outlined above; and
 - c. Copy of quotes obtained.
 5. Prior to receiving the appropriate approvals, the requesting agency must fully process a Special Request Requisition in PeopleSoft.
 6. Submit package to the Purchasing Administrator for approval. Upon receipt of approval, the Purchasing Buyer will process a purchase order and dispatch it to the vendor.

If an emergency exists after regular business hours or on a weekend, contact the Purchasing Division the next business day for PO assignments. If an after-hour emergency involves expenditure in excess of \$50,000 or a public works construction project in excess of \$50,000, contact the Purchasing Administrator directly for approval.

CHAPTER NINE. PROCURING IT GOODS AND SERVICES

SECTION 9.01 CONTRACT REQUIREMENTS FOR INFORMATION TECHNOLOGY PURCHASES

Information technology purchases require a specific contract template tailored to the information technology industry. Please consult with your Agency's OCC Attorney to determine the appropriate contract form.

(A) CONTRACT REQUIREMENTS FOR SOFTWARE LICENSE PURCHASES UNDER \$2,500

1. General Rule: Purchases of software licenses under \$2,500.00 do not require a written contract and can be executed with a purchase order. Examples include:
 - a. Direct off the shelf purchases
 - b. Purchases that merely require a click to accept licensor's terms and conditions.
2. If the following factors apply, then please seek advice from counsel regarding the necessity of a separate written contract:
 - a. If a vendor forwards their terms and conditions to the Agency for signature.
 - b. If the software has an impact on public safety.
 - c. If software malfunction could reasonably result in liability for the City.

(B) CONTRACT REQUIREMENTS FOR SOFTWARE LICENSE PURCHASES OVER \$2,500.00

DETERMINATION OF PURCHASE CATEGORY (Goods or Services?):

1. The Agency will make a determination as to whether the purchase is a purchase of a product (good) or services.
 - a. A software purchase is a purchase of goods or products, if it does not include any services. A product purchase could include warranty service, so long as it does not require on-site work to perform warranty service.
 - b. A software purchase that provides for vendor installation of the product requires programming, and/or customization of the software product would be a purchase of services.

2. Once it is determined what type of purchase it is, the appropriate contract document must be drafted and a completed Contract Summary Sheet must accompany the contract document and/or Special Procurement Form.
 - a. If it is a product purchase, then either:
 - i. A new supply agreement must be completed (see Product/Supply Approval Process below);
or
 - ii. For a renewal, when the original contract document was a PSA, OCC will help draft an appropriately revised renewal amendment.
 - b. If the purchase is for, or includes, a service, a PSA must be completed, including the appropriate E-verify documents.
3. Product Purchases/Supply Agreements – APPROVAL PROCESS:
 - a. If it is a new purchase it must be competed in accordance with the appropriate method of competition for goods. (See Chapter 4, Procuring Goods) If the product is not competable, then the Special Procurement Form must be completed, in full, including a written justification, and submitted to Purchasing for Approval.
 - b. If the purchase is for a product/supply purchase, then the e-verify requirement does not apply.
 - c. For existing licenses, or software purchases which cannot be bid, the special procurement authorization form must be submitted to purchasing with the supply agreement or renewal. There are two special purchase exemptions which may apply; the Agency should choose the one (or both) that best fits each product:
 - i. IC 5-22-10-7 permits a special purchase of data processing contracts or license agreements for (1) software programs; or (2) supplies or services when only one source meets the agency's reasonable requirements.
 - ii. IC 5-22-10-8 permits a special purchase when the compatibility of equipment, accessories or replacement parts is a substantial consideration and only one source meets the using agency's reasonable requirements.
 - d. When the Agency is renewing existing software and/or hardware licensing and maintenance agreements, and the Agency makes a reasonable determination that one of the above exemptions apply, the Agency may indicate the appropriate exemption on the special procurement form, no additional written justification will be necessary. This is a very limited exception for renewals only it does not apply to the purchase of new products and is specific to the software and hardware licensing and maintenance situation, not all purchases.

Remember: Renewals of software licenses and maintenance agreements are subject to the policy on service agreement renewal (Section. 11.03) and limitations on the number of times an agreement for the purchase of supplies or goods may be renewed (Section. 11.02).

SECTION 9.02 ISA POLICY AND PROCEDURE FOR INFORMATION TECHNOLOGY PURCHASES

Pursuant to the Revised Code Chapter 281, the Information Services Agency (“ISA”) and the Information Technology Board (“IT Board”) are charged with the planning and provision of enterprise-wide connectivity, compatibility, and integration of information technology. It is the goal of the IT Board and ISA to provide the most efficient and economical approach to meeting the technology needs of the City and County as a whole.

To ensure this approach, the IT Board has been given the authority to review and direct all purchases of IT services and goods, including telecommunications. Therefore, when planning for a technology purchase, the first step for any Agency should be to contact your designated ISA Business Services Consultant (BSC). Your BSC will discuss with you what your specific technology needs are, and the best approach to fulfilling those needs.

Should the Agency, in consultation with the BSC, determine that a technology solution must be procured the BSC and the Purchasing Technology Buyer will assist the Agency in determining an appropriate method of procurement.

All technology purchases must be approved by the Chief Information Officer (CIO) of ISA. The Purchasing Division may not take a technology purchase to a purchase order without the approval of the CIO.

For more information on technology purchases and step by step instructions, please see the IT Governance Policy and Procedures on ISA’s intranet site at @@.

CHAPTER TEN. PRECOMPETED PURCHASES

SECTION 10.01 CITY/COUNTYWIDE CONTRACTS

(A) CITY/COUNTYWIDE TERM AGREEMENTS

The Purchasing Division competes some commonly used services and purchases to establish City/Countywide Agreement (“CCA”). These contracts may be used by any Agency in need of the services or goods. Since these agreements are already competed, Agencies may make purchases from these contracts without competition. Some examples of City/Countywide service agreements include delivery services, security services and on-call repair services such as roofing, electrical and plumbing for small repairs. Examples of goods related contracts might include copiers, ammunition or uniforms used by multiple agencies. ISA also competes some contracts for

City/County wide use, such as telecom services, telephones and computer parts.

These CCA's are all made available as a City/County PeopleSoft Contract and any agency may issue a PO against the established contract. A list of available CCA's may be found on the Purchasing Division website. <https://indygov.sharepoint.com/sites/OfficeFinMgmt/purchasing/SitePages/Contract%20and%20Vendor%20Information.aspx>

(B) REQUIREMENT TO USE CITY/COUNTYWIDE AGREEMENTS

If there is an established CCA for an item or service, the originating Agency shall utilize the CCA. Any Agency desiring to compete a product or service for which an existing CCA already exists, must submit a written request to the Purchasing Administrator. The request must contain a written justification as to why the Agency believes it is in its best interests to compete the purchase. The justification should include an explanation as to why the existing agreement does not meet the Agency's reasonable needs and a cost benefit analysis of why competition is necessary. The cost benefit analysis must consider not only a savings in purchase price, but it must also address the operational costs to recompile something which has already been competed, including staff time of the requesting Agency, OFM, Purchasing and OCC.

In addition to the operational costs of establishing a CCA, there are requirements in a CCA that must be considered. CCAs typically require vendors to comply with state and local contracting laws, in addition to providing protections for the City-County, such as insurance, indemnification, and bonds. Therefore, a quote that does not require a vendor to provide the same protections as the City/Countywide contracted vendor, is not comparable. For that reason, the below guidelines will be used, in addition to those stated above, in the evaluation of a request to purchase goods or services from another source when a CCA is available.

In general, a service must save a minimum of 40% over the CCA service provider's quote. A good must save at least 20% over the contracted price.

SECTION 10.02 PURCHASES THROUGH A STATE QPA, FEDERAL GSA, OR COOPERATIVE

It is permissible for local governmental units to make purchases from contracts entered by the State of Indiana (State Quantity Purchase Agreements QPA), the United States (General Services Administration GSA) or other governmental purchasing cooperatives (Purchasing Cooperative).

It is important to note that this purchasing method permits governmental units to realize savings by waiving the solicitation requirements of Indiana law. (IC 36-1-7) It does not grant units the contractual relationship that exists

between the originating unit and the contractor/vendor. In the absence of a written agreement or addendum between the Agency and the vendor/contractor, the Agency may not benefit from the terms of the original contract.

Procurements utilizing a State QPA or approved Purchasing Cooperative under \$2,500 may be done at the Agency level following the recommended Purchasing guidelines (see Section 4.02). Processing this type of purchase over \$2,500 is handled through the Division using the information forwarded from the originating Agency.

(A) PURCHASING COOPERATIVE

A type of cooperative agreement that is used by government agencies to reduce costs of procurement and provide efficient public service through national contract purchasing solutions. Cooperatives can involve multiple governmental units (State or local) within a region or throughout the nation. Pursuant to Indiana Code 36-1-7-12, the Consolidated City of Indianapolis and Marion County, by and through its Office of Finance and Management, Division is granted authority to enter into such agreements.

The list of available Purchasing Cooperatives that have been approved by the Purchasing Division can be accessed at: <https://indygov.sharepoint.com/sites/OfficeFinMgmt/purchasing/SitePages/Contract%20and%20Vendor%20Information.aspx>

Agencies intending to make a purchase from one of the existing cooperatives should follow the following procedure:

1. All agencies requesting to make purchases from these organizations have the duty and responsibility to confirm that the goods were competitively bid in such a manner as would comply with INDIANA purchasing laws. If the bidding procedures used to compete the specific good or service sought by the Agency do not comply with Indiana purchasing requirements (IC 5-22), the purchase cannot be made from the vendor under the Agreement.
2. Upon determining that the method of procurement for the specific good or service is compliant with Indiana law, the Agency should contact their OCC Attorney to determine whether a cover agreement or key term addendum should be executed.
 - a. The Agency should review the entire Agreement with the vendor for any terms that would be inconsistent with the Agency's needs and/or City/County contract requirements.
 - b. When negotiating an additional Agreements with the vendor, pay attention to the payment terms (if less than 30 days you may need to negotiate an amendment to that provision).

Agencies who wish to make a purchase from a contract held by a purchasing cooperative not on the above list shall follow the following process:

1. Contact the Purchasing Division Contracts Manager to submit a request.
2. Purchasing will make a determination as to whether the requested cooperative conforms to Indiana purchasing laws, and whether an agreement may be entered with a cooperative. This process may take a few months or longer to confirm.

(B) INTERLOCAL COOPERATIVE AGREEMENTS

In some situations, involving small dollar purchases or special requirements, approved Interlocal Cooperative Agreements that have already been competitively bid, may be used directly without additional quotes. Specifications should be thoroughly reviewed and a keen awareness of pricing and current fair market value should be observed. It is recommended to check the market price on goods and/or services to verify Cooperative or QPA pricing. Always keep in mind that competition and best price remain important to assure that you are obtaining the goods and/or services by the best means possible.

Consult with your Agency's OCC Attorney regarding the potential need for an amendment or key term addendum.

Agencies may, in instances of a project involving more than one governmental entity, enter into an Interlocal Agreement which permits one of the entities to compete the purchases for all entities involved. Please consult with your OCC Attorney to negotiate this type of specialized Agreement.

(C) STATE OF INDIANA QUANTITY PURCHASE AGREEMENT (QPA)

Indiana State QPA <http://www.in.gov/idoa/2450.htm>. 402 W. Washington St., Room W-478, Indianapolis, IN 46204, Phone: (317) 232-3150.

Quantity Purchase Agreements (QPAs) are contracts between the State and vendors in which commodities are supplied to Indiana State Agencies on an on-going, as-needed basis. QPAs benefit the state by enabling the state to aggregate its purchases to achieve bulk pricing. QPAs are awarded via the competitive bid process.

Outside entities that wish to use the QPA pricing that has been established for the State of Indiana must contact the vendor to discuss the placing of orders and the vendor's specific terms and conditions. Pricing for items purchased from a QPA must be at the QPA listed price. A price below QPA pricing is a negotiated price and therefore not permissible under IC 36-1-7-12.

A listing of available QPAs can be found at the following link: <http://www.in.gov/idoa/2450.htm>.

1. Agencies wishing to make purchases from a QPA shall obtain a copy of the State's contract with the vendor. Review the contract to determine whether the specified goods/services meet the Agency's needs.
2. Contact your Agency's OCC Attorney to determine whether a QPA key term agreement is necessary. You should provide your counsel with a copy of the State's Agreement to assist in making the determination of whether additional contractual documents are required.

(D) FEDERAL GENERAL SERVICES ADMINISTRATION (GSA)

Purchases may be made from vendors with federal contracts, utilizing the GSA price, or lower pricing. (IC 5-22-10-14, IC 5-22-10-15). Purchases made utilizing federal contracts or GSA pricing must follow the Special Purchasing method in Chapter 21.

1. Agencies wishing to make purchases from a GSA shall obtain a copy of the GSA contract with the vendor. Review the contract to determine whether the specified goods/services meet the Agency's needs.
2. Contact your Agency's OCC Attorney to determine whether a key term agreement is necessary. You should provide your OCC Attorney with a copy of the GSA Agreement to assist in making the determination of whether additional contractual documents are required.

(E) U. S. GENERAL SERVICES ADMINISTRATION

Multiple authorized programs allow state and local governments the eligibility to use GSA Schedules for select purchases, saving taxpayers money.

Information on GSA programs and purchasing can be found at the following link: <http://www.gsa.gov/portal/content/202285>.

The supporting pages for each of these programs provide more information on conditions for the use of these programs, the Schedules included (when limited to select Schedules), and ordering procedures. GSA eLibrary designates vendors who are participating in the state and local Disaster Recovery and Cooperative Purchasing programs with an icon next to their names, as shown.

The programs that allow state and local government to use GSA Schedules for select purchases are listed below:

1. Cooperative Purchasing – Supplies and services can be purchased directly from two Schedules. Schedule 70 to purchase Information Technology supplies and services, and Schedule 84 to purchase supplies and

services related to any aspect of law enforcement, security, facility management systems, fire, rescue, special purpose clothing, marine craft, and emergency/disaster response.

2. Disaster Recovery Purchasing – Supplies and services can be purchased directly from Schedule contractors to aid in recovery from Presidentially-declared major disasters or acts of terrorism.
3. Public Health Emergencies (PHEs) – State, local, territorial, and tribal governments can purchase goods and services from all Schedules, using federal grant monies, in direct response to declared public health emergencies.
4. 1122 Program – Authorized state and local units of government may purchase equipment from selected GSA Schedules and Special Item Numbers (SINs), as well as vehicles from Autochoice, in support of counter-drug, emergency response, and homeland security activities.

SECTION 10.03 PURCHASES THROUGH A STATE RESOURCE

(A) PEN PRODUCTS

Indiana Code 5-22-11 states that a governmental body shall purchase goods and/or services produced or manufactured by the Department of Correction (PEN Products) as listed in the department's printed catalog. The Department of Correction shall furnish a catalog describing the goods and/or services along with pricing available for sale.

Because PEN Products has a wide range of manufacturing capabilities in their different shops, Procurement Coordinators or Buyers may contact a sales representative by calling (317) 387- 2000 to see if PEN Products can provide the supplies and/or services required.

If PEN Products cannot furnish the goods and/or services in a timely manner or cannot meet your stated or written specifications, documentation from PEN Products must be on file. <https://secure.in.gov/apps/doc/penproducts/>. PEN Products, Department of Correction, 2010 E New York Street, Indianapolis, IN 46201.

(B) INDIANA ASSOCIATION OF REHABILITATION FACILITIES (IN-ARF)

Indiana Code 5-22-12 states that a governmental body shall purchase articles produced by the rehabilitation center under the same conditions as articles produced by the Department of Correction under IC 5-22-11 unless the supplies do not meet the stated or written specifications and needs of the governmental body. The Bureau shall publish a catalog for the use of governmental bodies, showing the products and services available through

the rehabilitation center.

Telephone: (317) 634-4957
Website: <http://www.inarf.org/>
Address: 615 N. Alabama Street, Suite 410 Indianapolis, IN
46204

CHAPTER ELEVEN. CONTRACT ADMINISTRATION

SECTION 11.01 CONTRACT PROCESSING

By legal definition, each time a purchase order is processed, a contract exists. The elements of offer, acceptance, and consideration are all present. Generally, when the Purchasing Division refers to a “contract,” we are often using a more restricted definition of the term, one that is limited to certain types of procurement.

Agencies in a number of circumstances use the following contract documents:

1. Lease and rental of office equipment.
2. Lease and rental of construction equipment.
3. Maintenance agreements.
4. Professional Services (i.e., accounting, engineering, architecture, medicine, land surveying).
5. Personal Services (i.e., translators, mediators, technical editors, lecturer, insurance agent).
6. General supply or service contracts (i.e., janitorial, mowing, vending, appraisal, printing, non-proprietary computer services, consulting services or automotive repair).
7. Memorandum of Understanding (generally an agreement between government entities outlining duties of each in a joint venture).

The requesting Agency in consultation with its OCC Attorney decides whether a formal contract document is required. It is recommended that you consult your Agency’s OCC Attorney to decide whether a written contract is required and which contract document is most appropriate. REMEMBER: When signing or accepting by click to accept, or other method of acceptance of a vendor’s terms and conditions, you are committing the City/County to a contract and must consult your OCC Attorney prior to signing/accepting the document.

The Purchasing Division is the official repository for contracts. All contracts, including those that are initiated by the Agency are processed and distributed by Purchasing.

(A) REQUIREMENTS FOR CONTRACTS AND DOCUMENTS

The following Contract Requirements must be met before the Contract can be processed by the Purchasing Division:

1. The contract must contain the Contractor’s name as it conforms to the name on Contractor’s W-9 form.

2. The terms of the contract, including the length of the contract and the amounts to be paid under the contract, should match those in any required board resolution.
 - a. Example: if the resolution specifies a term of one year the contract should also specify a term of one year; if the resolution specifies an expiration date, the contract should specify the same expiration date.
 - b. If the contract and resolution do not match, you will have to re-execute the contract or go back to your board for a new resolution before the Controller will sign your Contract; therefore, your contract will not be fully executed on time and the release of your purchase order will be delayed. Remember, contractors SHALL NOT begin performance until the contract is executed.
3. Make sure to do your math correctly. Double check it and make sure the amounts on all resolutions, contracts, and summary sheets match.
 - a. Example: If a resolution provides \$20,000.00 annually for a two-year contract, the contract should specify a not to exceed amount of \$20,000.00 annually, with a total not to exceed amount for the term of the contract of \$40,000.00. It should not specify a total not to exceed amount of \$20,000.00 for two years. This would not add up correctly.
4. The insurance certificate (if required by the contract language) for the full amount of insurance coverage specified in the contract(s) must be on file in the Purchasing Division or submitted with the contract(s) for processing.
 - a. The name on the Certificate of Insurance must match the Vendor's name on the contract.
 - b. Check that the City is listed as an additional insured if this is required by the contract.
 - c. Note, only the director, or authorized designee, as indicated by a filed Contract Delegation Memorandum (EXHIBIT A) may approve insurance waivers after execution of the contract and filing with the Purchasing Division.
5. Contracts must comply with the signature requirements of Revised Code section 141-102 and shall, in addition to the vendor signature, contain signature blocks for the following: Mayor or Mayor's Designee (if there is no Board to approve the contract), director (or designee) signature, Corporation Counsel, and the Controller of the Consolidated City and County.

The appropriate signature blocks for the Controller are as follows:

When a City/County contract calls for funds to be utilized, the Controller's signature line should read:

APPROVED FOR AVAILABILITY OF FUNDING:

[Name]
Controller of the Consolidated City of Indianapolis and
Marion County

If funding is not required, the Controller's signature line should read: APPROVED FOR

EXECUTION:

[Name]
Controller of the Consolidated City of Indianapolis and
Marion County

(B) NON-COMPETED SERVICE CONTRACT PROCESS:

See EXHIBIT J for workflow chart.

Prior to submitting a contract to Purchasing, the following criteria must be met:

1. The contract(s) must have a requisition appropriating the full amount of the obligation, or in the case of a multiple year contract, a requisition appropriating the full amount for the current-year expenditure.
 - a. If the contract does not have a cost associated with it (no-cost or revenue- generating contracts), no requisition is required; however, the agreement should still be filed with the Purchasing Division.
2. A fully completed Contract Summary Sheet must be attached. (EXHIBIT B)
3. The insurance certificate (if required by the contract language) must be on file in the Purchasing Division or submitted with the contract(s) for processing.

If any portion of the insurance has been appropriately waived, then the contract packet should include a notation indicating that the insurance has been waived and indicate who authorized the waiver.
4. Notarized E-verify form must be attached.

If the contract involves a grant award, proof of e-verify enrollment must also be included.

5. Proof of the vendor debarment verification must be submitted with the contract(s). Debarment verification includes checking federal and state debarment lists, as well as the state investment in Iran list.
6. The signed board resolution (if applicable) must be on file in the Purchasing Division or submitted with the contracts for processing.
7. At least one copy of the contract.

When the above criteria have been met, the contract(s) may be submitted to the Purchasing Division for recording and creation of a contract number in PeopleSoft. The Purchasing Division will obtain the Controller's signature.

Once the Purchasing Division has obtained the Controller's signature on the contract(s), Purchasing will approve the PeopleSoft Contract and notify the Agency that the contracts are ready for pick-up. One copy of the contract will remain on file in the Division and be placed on-line by the Purchasing Division in accordance with Revised Code Sections 141-103 & 105. The Agency is responsible for dispatching the purchase order and sending it, along with one executed copy of the contract to the vendor.

(C) COMPETED SERVICE CONTRACT PROCESS:

The award of a competitive procurement will most likely result in a contract. The Agency will work with its OCC Attorney to produce the written contract. Prior to submitting a contract to Purchasing, the following criteria must be met:

1. A Requisition will have been submitted to purchasing prior to the competitive process.
2. A fully completed Contract Summary Sheet must be attached. (EXHIBIT B) CSS must be signed by Agency authority, CFO, and legal counsel.
3. The Agency shall obtain the Director's signature, on the contract.
4. Proof of the vendor debarment verification must be submitted with the contract(s).

Debarment verification includes checking federal and state debarment lists, as well as the state investment in Iran list.

5. The signed board resolution (if applicable) must be on file in the Purchasing Division or submitted with the contracts for processing.
6. At least one copy of the signed contract.

7. The Purchasing Division will issue an award letter notifying the vendor that the contracts are available for signature and requiring the vendor to provide any of the following documents that are required:
 - a. The insurance certificate (if required by the contract language) for the full amount of insurance coverage specified in the contract(s);
 - b. Notarized E-verify form and proof of e-verify enrollment if required.
 - c. Any bonds which are required by the competition.
8. After the vendor has signed the contract and provided all required documentation, the Purchasing Division will obtain the Controller's signature.
9. Once the Purchasing Division has obtained the Controller's signature on the contract(s), Purchasing will approve the PeopleSoft Contract and notify the Agency that the contracts are ready for pick-up. One copy of the contract will remain on file in the Purchasing Division and be placed on-line by the Purchasing Division in accordance with Revised Code Sections 141-103 & 105. The Agency is responsible for dispatching the purchase order and sending it, along with one executed copy of the contract to the vendor.

SECTION 11.02 POLICY ON CONTRACT TERM AND LIMIT ON ADDITIONAL RENEWALS

All Contracts should specify a term for the Agreement. The term is the length of time within which services shall be performed or goods and supplies may be ordered under the terms of the Agreement. The term may be specified by indicating specific dates within which service shall be performed, specifying a termination date for the agreement, or specifying a time frame in terms of months or years. The preferred method is to specify a date upon which the contract will expire, as this is the simplest and clearest method for determining when a contract will be completed.

Contracts which do not specify a term or expiration date, or which "automatically renew" are not permissible. An initial contract for supplies may not exceed four (4) years (IC 5-22-17-3).

The length of an additional term in a contract may not exceed the length of the original contract term (IC 5-22-17-4).

The permissible number of renewal terms for a contract are as specified below:

- a) One year contracts may be renewed up to three times for a total of four years.
- b) Two year contracts may be renewed two times for a total of six years.
- c) Three year contracts may be renewed one time for a total of six years.
- d) Four year contracts may be renewed one time for a total of eight years.

Initial Term	Renewal Options			Total Term Of Contract
1 year	1 year	1 year	1 year	4 years
2 years	2 years	2 years	N/A	6 years

3 years	3 years	N/A	N/A	6 years
4 years	4 years	N/A	N/A	8 years

SECTION 11.03 RENEWAL

The City/County must challenge its vendors through the bidding process to provide the best price possible.

Every contract pertaining to goods and competed services shall be reviewed, to determine whether need still exists and whether the pricing is still competitive, six months prior to the contract's expiration date by the agency managing the affected contract. After review, the Agency shall submit a recommendation to the Purchasing Division as to whether the contract should be renewed or rebid.

In conducting this review, the Agency may consider a variety of factors, including: current market prices, performance of the vendor, length of the contract, consolidation of services, priorities of the Agency, and any other reasonable criteria the agency sees fit. Upon completion of the review the Agency shall submit its conclusion and criteria to the Purchasing Division.

Enforcement

Purchasing Division will send a monthly update to the contract managers on which contracts will be expiring in the ensuing six-month period.

No contract will be renewed or renegotiated unless a recommendation from the Agency is received six months prior to the expiration date of the contract. All contracts lacking a recommendation within the specified time period will be automatically rebid.

The Purchasing Division may, for individual, isolated instances, accept documentation attempting to justify why a recommendation was not made within the required time period. In addition, the Purchasing Division may require a meeting for further explanation. The Purchasing Division, in their sole discretion, may allow or not allow an agency recommendation to be considered if made after the required six-month period.

SECTION 11.04 CONTRACT AMENDMENTS

Contract amendments are processed in much the same way as new Contracts.

When drafting an amendment, ensure that your amounts add up. If you are adding an additional amount to a contract you must add the new not to exceed amount to the existing contract amount to obtain the total amount expended under the contract.

1. When amending a contract to increase the not to exceed ("NTE") amount, make sure to add the amount by

which you are increasing the contract (“new NTE”) to the existing contract amount (“old “NTE”) to come up with the new total NTE for the entire contract.

- a. Ex: Old contract NTE \$50,000 + amendment amount \$25,000 = new contract NTE amount \$75,000.00.
- b. Also, don’t forget to be specific when the NTE is intended to be an annual amount.

You can make certain this is clear by putting in both the annual NTE and the total contract NTE. For example: Not to exceed \$25,000 annually for a total contract amount not to exceed \$100,000 (assuming a 4-year contract).

2. Double check numbers and calculations including:

- a. Do the amounts on the board resolution and the contract match up?
- b. Does the amount on the contract summary sheet match the other numbers?
- c. Do the original contract and amendment totals add up?
- d. Check any calculations or formulas.

SECTION 11.05 TERM AGREEMENTS (AKA ITEM BASED CONTRACTS)

The City-/County has adopted a policy to purchase supplies using the Just in Time Method (JIT). The vendor is responsible for carrying an inventory of supplies rather than the City-County. The JIT method saves carrying costs, such as, warehouse/inventory storage space (including associated labor costs) and prevents inventory spoilage and obsolescence. In addition, the City-County does not incur costs for the disposition of excess supplies. One of the best methods for JIT supply ordering is the establishment of a Term Agreement.

A Term Agreement is a contract between the City-County and a vendor whereby the vendor guarantees firm pricing for items for the length of the contract period, with items being purchased on an "as needed basis." Quantities are estimated at the time of contract award, but are not guaranteed by the City/County. This type of contract is known as a "term contract" in purchasing; a Term Contract may be created by using either a Supply Agreement or a Service Agreement. Consult with your Agency’s OCC Attorney to determine the appropriate form.

Term Agreements (“TA”) are used to provide a method of procuring goods and/or services required on a repetitive basis. The TA agreement is not a procurement method in itself, but is established as the result of a competitive bid process. With the agreement of the contractor, the Agency and the purchasing agent, a contract may be renewed. The term of a renewed contract may not be longer than the term of the original contract. *See Section 11.02 above.*

(A) ESTABLISHING THE TERM AGREEMENT

An agency may submit a request to the Purchasing Division to establish a TA agreement.

The originating agency shall prepare a requisition package in accordance with the instructions described below.

1. In addition to the instructions described in your training manual received in PeopleSoft Requisition Processing class, the following phrase shall be indicated in the comments section on the requisition header: “This is a request to establish a Term Contract for *(description of the items)* for the period of *(beginning date desired through and ending date desired)*.”
2. A Zero Dollar requisition shall then be created in the PeopleSoft System. Note that a Zero Dollar REQ does not encumber any funds in PeopleSoft. The REQ should be submitted at the same time submitting the bid package to the Purchasing Division for processing.
3. A copy of the specifications and a sample contract, estimated delivery time expected by the vendor upon the receipt of order and how long the agreement should be established (maximum of four years) shall be included as part of the bid package.

Once a vendor is selected through the appropriate competition method and the contract is fully executed, the Purchasing Buyer will create an Item Based Contract in PeopleSoft, which will include the items specified in the original bid specifications. Upon completion of the Item Based Contract agencies are authorized to purchase against the established prices using Contract Item Request Requisitions and attaching them to the Item Based Contract.

(B) ORDERING FROM TERM AGREEMENTS (ITEM BASED CONTRACTS)

When the Agency requests goods and/or services from an existing TA, the originating agency shall prepare a requisition against the appropriate contract number in PeopleSoft. For instructions on preparing a TA order release, please refer to the appropriate training materials received in PeopleSoft’s Requisition and Purchase Order training classes.

(C) TERM AGREEMENT RENEWALS

In an effort to find savings during current budget constraints, the Mayor initiated a policy to review all term contracts at least six months prior to expiration. While there are several factors that should be considered, the focus is to understand the current market prices of the items under contract and compare them to current market prices. If contract prices are lower than current market prices, the contract may be renewed as long as it meets the schedule above. If contract prices are greater, the goods or services should be competed and a new contract should be established.

Process:

1. The Purchasing Division notifies the Agency that the present TA will be expiring. This information will be forwarded at least six months prior to the expiration date.

The Agency reviews the term contract and after considering the factors listed in the Mayor's policy will notify the Purchasing Division that it wishes to either renew, renegotiate (for RFP competed service contracts only), or rebid.

If the Agency wishes to renew the contract, and it meets the renewal schedule above, justification must be provided to Purchasing's Contract Manager for approval. The justification must be based on one or more of the factors listed in the policy. If approval is not given, the Purchasing Division will begin the process to rebid the contract.

2. If approval is given to renew the contract, the Purchasing Buyer will contact the vendor to see if the vendor agrees to renew. Note: The vendor must agree to renew with no change to the current terms or pricing.
3. If the vendor does not agree, Purchasing will also notify the Agency so that they may prepare for a new bid.
4. Contract amendments are prepared by the Agency and submitted to Purchasing (along with board approval, if applicable).

After contracts are fully executed, the Division will update the TA in PeopleSoft to reflect the new date of expiration.

SECTION 11.06 PERFORMANCE

The purpose of Contract Administration is to ensure that both the requesting Agency and the vendor perform according to the requirements and terms/conditions of the contract/purchase order. The obligations of each party are written into the contract document, but since there is no way to ensure that either party will automatically live up to its obligations, a certain amount of monitoring and management control is necessary for every contract/purchase order executed. Overall effective post-award contract administration involves a series of organized and coordinated activities.

(A) OBJECTIVE OF CONTRACT ADMINISTRATION:

1. Satisfying the Agency's requirements; this means seeing to it that the requesting Agency receives the

goods and/or services called for in the specifications or statements of work.

2. Ensuring timely delivery; this means making sure that the requesting Agency receives the goods and/or services when specified.
3. Protecting the financial interests of the Agency, including monitoring payments to a vendor to ensure that payment conforms to the procedures agreed upon in the contract; making certain that goods and/or services have been received before payment is made; and, in all instances, making sure that the money spent represents the value of the goods and/or services that were received.

(B) COMPLAINT PROCEDURE:

1. Complaints - A Division Contract Manager should be contacted for assistance with resolving a contract dispute or vendor complaint.

Agency shall document all concerns in writing to the Purchasing Division. Please use the Vendor Performance Report form (EXHIBIT B).

The following is a sample list of complaints, which an Agency may be faced with:

- a. Requesting Agency receives a product that does not meet specifications;
 - b. Requesting Agency receives a damaged product and vendor will not remedy the situation;
 - c. Vendor not meeting the required delivery timeframe agreed upon in the contract/purchase order;
 - d. Vendor not providing the required services agreed upon as detailed in the contract/purchase order;
 - e. Vendor not providing the required reports agreed upon as detailed in the contract/purchase order;
 - f. Unsatisfactory workmanship in installation or repair of equipment;
 - g. Unapproved substitutions;
 - h. Additional charges, which were not included in the contract/purchase order.
2. Vendor Performance Files - The Purchasing Division has the responsibility of maintaining files on vendor performance. These files contain all the official reports received from various Agencies regarding the performance of vendors who have contracts with the City/County. ONLY THE INFORMATION CONTAINED IN THE PURCHASING DIVISION'S OFFICIAL VENDOR'S FILE will be used to determine the appropriate disciplinary action against a vendor, which may include placing the vendor on surveillance, or even suspending the vendor from doing business with City of Indianapolis Marion County. Hence, it is absolutely essential that copies of

all written correspondence with a vendor regarding problems should be sent to the Purchasing Division in a timely fashion.

SECTION 11.07 OTHER POINTS OF EMPHASIS

Purchasing Alliances and QPAs

- In addition to searching the market for the lowest contract price, agencies are strongly encouraged to explore existing Purchasing Alliances and QPAs for the lowest price on all individual and bulk purchases.

Opportunities to “Insource”

- Each agency should review every contract to determine whether the service provided in the contract can be done by the Agency at a reduction in cost.

Communication with the Purchasing Division

- Each agency must maintain thorough and effective communication with the Purchasing Division, especially in regards to vendors that are ineffective in providing the services demanded by the contract.
- By creating a record of vendor noncompliance or delay, the Purchasing Division will have a history and will be able to deny the vendor the opportunity to win the contract on rebid.
- If a contract calls for a damages penalty, and the vendor violates the contract such that damages should be pursued, the Agency shall work with the Purchasing Division to ensure the Agency receives the penalties they are entitled.

General Service Contracts

- These contracts should be bid when possible to increase competition, helping to secure the lowest price.
- Even in the absence of a state statute requiring general service contracts to be bid, the Mayor has emphasized the need to bid general service contracts.

Professional Service Contracts

- During the RFQ process, or any time the contract is in effect, the Agency should seek opportunities to negotiate for a lower price. This practice occurs too infrequently, and each agency can do more in this regard.

Special Procurements

- Special procurements should only be kept from bid if unforeseen circumstances have truly made competing the procurement impractical.
- Remaining proactive on the contract will help minimize the unforeseen circumstances, allowing the Agency to receive the best price.

CHAPTER TWELVE. OFFICE OF CORPORATION COUNSEL (OCC) CONSIDERATIONS

SECTION 12.01 WHAT FORM OF AGREEMENT SHOULD I USE?

The list of contracts below all meet then definition of “City Contract” or “County Contract” as those terms are defined in Sec. 141-101 of the Revised Code of the City of Indianapolis and Marion County. Please use the correct form for developing your agreement.

- 1 Contract for Services—Use this form if you are procuring a service where the person rendering the service is not required to have a professional license.
2. Contract for Professional Services—Use this form if you are procuring a service where the person rendering the service is required to have a professional license.
3. Contract for Goods/Supplies—Use this form if you are primarily procuring a good or supply.
4. Memorandum of Understanding (MOU)—Use this form when you are forming an agreement between parties (usually other city agencies) that do not involve an exchange funds for goods / services.
5. Interlocal Cooperation Agreement—Use this form when you are entering into an agreement with another political subdivision. It must meet the requirements of IC 36-1-7.
6. Grant—Use this form when you are granting or giving funds to a private party in order for the party to perform services for a third party. Grants require specific legal authority to grant the funds.
7. Lease—Use this form when we are acquiring the use or control of real or personal property, but you are not taking ownership of the agreement.
- 8 Key Term Addendum—Use this form when the vendor has a form contract and is unwilling to use a city template. This Addendum contains the required clauses for our contracts as well as deleting any clauses that we can’t agree to in the vendor’s form contract.

SECTION 12.02 WHAT DOES OCC REVIEW FOR?

1. Required Clauses are included with the contract.
2. Contract does not contain any clauses that the City cannot agree to.
3. There are no ambiguities or inconsistencies that could give rise to litigation in the future.
4. The correct contract form has been used.
5. The contract has been approved by all required parties (vendor, agency, Controller, Mayor or Board, City/County OCC Counsel, and Information Services Agency, if applicable)

SECTION 12.03 TIPS FOR SUCCESSFUL LEGAL REVIEW

1. Use the current template. Ask your Agency's OCC attorney for the current version.
2. Compensation, also known as consideration, must be included even if non-monetary. For non-monetary Consideration use the following language: "The consideration for this contract are the mutual covenants and promises set forth herein."
3. Check the dates and amounts. They should be consistent throughout the agreement and attachments.
4. Remember to attach all exhibits referenced in the agreement to the contract.
5. Remember to reference all exhibits attached to the contract.
6. For the notice clause, include the title of the person who should receive the notice.

SECTION 12.04 TEMPLATES AND REQUIRED CLAUSES

The OCC produces contract templates for services/professional services and supply contracts as well as renewals and amendments. These templates include all the necessary clauses required by statute or ordinance and clauses to ensure the elements of a contract are met. We also include clauses that protect the city from legal liability and help in the interpretation of the contract. The templates are available on the City's intranet at <https://indygov.sharepoint.com/sites/OfficeFinMgmt/purchasing/default.aspx>.

While the best practice is to use the template as drafted, often contractors will want to modify or delete clauses. The following charts show the clauses that are required to be in the contract as drafted and those that may be modified or deleted upon approval of OCC or OFM.

Additionally, the legal justification of the clauses is also listed if applicable. Do not hesitate to contact your OCC Attorney if you have any questions regarding contract drafting.

Contracts for Services/Professional Services									
Clause	Required as Written	Modified with OFM Approval	Modified with OCC Approval	Deleted with OFM Approval	Deleted with OCC Approval	Modified by Agency	Deleted by Agency	State Statute	City/County Ordinance
Interpretation and Intent			Yes						
Duties of the Contractor						Yes			
Term						Yes: must follow Purchasing's Policy on term limits.			
Compensation						Yes			
Independent Contractor			Yes						
Subcontracting			Yes						Sec. 202-401
Necessary Documentation		Yes	Yes						
Confidentiality			Yes						Sec 141-105
Records; Audit		Yes	Yes						
Ownership			Yes						
Insurance		Yes							
Termination for Cause or Convenience		Yes	Yes	Yes	Yes				

Termination for Failure of Funding		Yes	Yes					IC 5-22-17-5	
Indemnification			Yes		Yes				
Notice						Yes			
Disputes			Yes						
Non-Discrimination	Yes							IC 22-9-1-10	Sec. 581-102
Conflict of Interest			Yes					IC 36-1-21	
Non-Contingent Fees			Yes						
Force Majeure			Yes						
Applicable Laws; Forum			Yes		Yes				
Waiver			Yes						
Severability			Yes						
Attorney's Fees			Yes		Yes				
Successors and Assigns			Yes						
Authority to Bind the Contractor	Yes								
Debarment and Suspension			Yes					IC 5-22-16.5	
Compliance with E-Verify Program	Yes							IC 22-5-1	
Key Persons							Yes		
Electronic Signature	Yes								
Post-Employment Restrictions			Yes						Sec. 293-207

Method of Payment		Yes							
Additional Information upon Request	Yes							IC 22-2-17-3	Sec 670-106
Wage Theft/ Payroll Fraud	Yes								Sec. 272-104
Affidavit	Yes							IC 22-5-1	Sec 272-103

Contracts for Goods/Supplies

Clause	Required as Written	Modified with OFM Approval	Modified with OCC Approval	Deleted with OFM Approval	Deleted with OCC Approval	Modified by Agency	Deleted by Agency	State Statute	City/County Ordinance
Term						Yes: must follow Purchasing's Policy on Term limits.		IC 5-22-17-3	
Services			Yes		Yes				
Delivery		Yes	Yes						
Defects; Correction		Yes	Yes						
Compensation						Yes			
Liability of Parties			Yes		Yes				
Termination		Yes	Yes					IC 5-22-17-5	
Independent Contractor			Yes						
Assignment			Yes		Yes				
Extent of Agreement; Integration			Yes						
Renewal of Agreement		Yes		Yes				IC 5-22-17-4	
Insurance		Yes		Yes					

Necessary Documentation		Yes	Yes						
Confidentiality			Yes						Sec 141-105
Applicable Laws; Forum			Yes		Yes				
Non-Discrimination	Yes							IC 22-9-1-10	Sec.581-102
W/M/V/DOBE	Yes								Sec. 202-401
Workmanship and Quality of Materials		Yes	Yes	Yes	Yes				
Safety			Yes						
Attorney's Fees			Yes		yes				
Written Notice						Yes			
Severability and Waiver			Yes						
Debarment and Suspension			Yes					IC 5-22-16.5	
Authority to Bind Contractor	Yes								
Conflict of Interest			Yes					IC 36-1-21	
Disputes			Yes						
Compliance with E-verify	Yes: if the agreement includes services						Yes: if no services	IC 22-5-1	
Tax Exemption	Yes								
Additional information upon Request	Yes							IC 22-2-17-3	Sec. 670-106

Post-Employment Restrictions			Yes						Sec. 293-207
Supersession			Yes						
Affidavit	Yes: if the agreement includes services						Yes: if no services	IC 22-5-1	

CHAPTER THIRTEEN. ADDITIONAL CONSIDERATIONS

SECTION 13.01 PUBLIC NOTICES

In order to allow fair and open competition, the Purchasing Division will provide public notification according to the schedule described below when soliciting bids.

(A) LEGAL REQUIREMENTS:

The Purchasing Division is required to advertise public notices in two newspapers of general circulation in Marion County, Indiana according to the following schedule:

1. If the procurement is estimated to be less than one \$150,000, publication of notice is not required.
2. If the procurement is estimated to exceed \$150,000, notice shall be published two times, at least one week apart, with the second publication made at least ten days before the date the bids are due.
3. The Purchasing Division may publish additional notices at its discretion.

(B) PUBLICATION DATES AND DEADLINES:

The Purchasing Division usually publishes legal notices every Monday, except holidays and at year-end. In order to get your project published on a particular date, you must have submitted both your requisition and completed and approved specifications to the Purchasing Division no later than noon on the Tuesday before the requested publication date. If specifications are not complete and/or the REQ is not submitted on time, your project will not be published until the Monday following the Tuesday upon which all items are correctly submitted. This deadline is imperative as the Purchasing Division must prepare projects for publication and submit the ads to the newspapers by the newspaper deadlines.

A schedule of publication dates and deadlines is published by the Purchasing Division at the beginning of each year. If you need a copy of this schedule, please contact your Buyer.

SECTION 13.02 PUBLIC INFORMATION ACCESS

Requests for review of specific procurement records by interested individuals can generally be satisfied as set forth below:

1. AFTER THE BID OPENING, the following information is made public:
 - a. All bids received (entire contents with the exception of documents that the vendor specifically noted as proprietary or confidential, the Agency should consult its OCC Attorney regarding items marked proprietary and confidential)
 - b. Newspaper ad

NOTE: In the case of request for proposals (“RFP”), the above listed information is provided only after award.

1. AFTER THE AWARD, the following information is made public:
 - a. All bids received (entire contents with the exception of any documents that the vendor specifically noted as proprietary or confidential; the Agency should consult with OCC regarding items marked proprietary and confidential to determine whether they must be disclosed);
 - b. Newspaper ad;
 - c. Award information; and
 - d. The resulting contract.
2. Review of the Purchasing Division’s original procurement files must take place in the Purchasing Division during regular business hours. Copies may be made within the Purchasing Division office. The Purchasing Division will make reasonable efforts to provide copies to requestors when doing so does not impede the ability to perform the primary functioning of the office.
3. Any documents between agencies that are advisory or deliberative, expressions of opinion or of a speculative nature and are communicated for the purpose of decision making or analysis shall be kept separate from public access documents. Access to these documents may be provided at the discretion of the City. See IC 5-14-3-4 (b) (6).

Within 21 days of award, contracts are available for view on the City County’s contract portal located at: <https://www.indy.gov/workflow/view-and-search-public-contracts>

SECTION 13.03 MINORITY/WOMEN/VETERAN/DISABILITY OWNED BUSINESS ENTERPRISE

It is the policy of the Consolidated City of Indianapolis that Women Business Enterprises (WBE), Minority Business Enterprises (MBE), Veteran Business Enterprises (VBE), and Disability-Owned Business Enterprises (DOBE) shall have the maximum feasible opportunity to participate in the performance of contracts. Rev. Code 202-401 establishes the goals of fifteen percent (15%) of the annual amount spent by the City of Indianapolis Marion County for construction, goods and supplies, and services for MBE participation, eight percent (8%) WBE participation, three percent (3%) VBE participation and one percent (1%) DOBE participation. To meet these goals, employees soliciting bids shall ensure that MBE, WBE, VBE and DOBE vendors are given an opportunity to participate in solicitations for goods and services.

The Office of Minority and Women Business Development (OMWBD) provides and updates a directory of these vendors whose products and/or services might be required by a City or County agency.

Definition of a Minority Owned Business Enterprise

Minority Business Enterprise (MBE) means an individual, partnership, corporation, or joint venture of any kind that is owned and controlled by one (1) or more persons who are:

1. United States citizens; and
2. Members of a racial minority group.

Definition of a Women Owned Business Enterprise

Women Business Enterprise (WBE) means an individual, partnership, corporation, or joint venture of any kind that is owned and controlled by one (1) or more persons who are:

1. United States citizens; and
2. Female

Definition of a Veteran Owned Business Enterprise

Veteran Business Enterprise (VBE) means an individual, partnership, corporation or joint venture of any kind that is currently certified by the Department of Veterans Affairs as a Veteran Owned Business is eligible to become a VBE vendor with the city-county.

Definition of a Disability-Owned Business Enterprise

A business that is at least 51 percent owned, operated, managed, and controlled by individual(s) with a ADA disability, who are either U.S. citizens or lawful permanent residents and have its principal place of business formed with in the State of Indiana.

"OWNED AND CONTROLLED" means having:

1. Ownership of at least fifty-one percent (51%) of the enterprise, including corporate stock of a corporation; and
2. Control over the management and active in the day-to-day operations of the business; and
3. An interest in the capital, assets, and profits and losses of the business proportionate to the percentage of ownership.

"RACIAL MINORITY GROUP" means:

1. African American;
2. Native American Indian;
3. Hispanic;
4. Asian American; or
5. Other similar racial minority groups

To help promote the M/W/VBE/DOBE initiative, the City/County has modified its bid and quote packets. Bidders must submit either the M/W/VBE/DOBE subcontractor participation plan or waiver form of the good faith effort taken to include use of M/W/VBE/DOBE contractors/suppliers/subcontractors. Failure to submit this information at the time of bid submission may cause the bid to be considered non-responsive.

For additional information on this program, or to refer a MBE/WBE/VBE/DOBE vendor, please contact the Office of Minority and Women Business Development, at 317-327-5262.

SECTION 13.04 PURCHASING CARD (P-CARD) PROGRAM

A purchasing card ("P-Card") is a card that acts much like a credit card. The P-Card is issued and used by the City/County agencies ("City") to expedite transactions and reduce the amount and cost of producing purchase order and paper checks. Qualified purchases are made without the need for requisitions or purchase orders. The card will be restricted by commodity and spend limits. Users may pay for pre-approved goods and services with the card rather than requiring the vendor to invoice the user and pay the bill upon receipt. The intent of the P-Card program is to use the cards as a method of payment for purchases.

It is not a means to avoid properly bidding or quoting items in accordance with the City's purchasing procedures.

(A) USING A P-CARD

Agencies are encouraged to pay for contracted goods and services using the P-Card, whenever possible.

- a. The P-Card should be used at any vendor, merchant or service provider with approved Merchant Category Codes ("MCC") that accepts credit cards by phone, online or fax. This must be with vendors that are on CONTRACT to provide as needed goods or services.
- b. If the P-Card is used for personal or non-business purchases, or any other fraud or abuse, the P-Card will be revoked and the P-Card holder will be responsible for all such charges and will be subject to disciplinary action, up to and including termination of employment with the City.
- c. As a P-Card holder, employees will be personally liable for any finance and/or interest charges that appear on the P-Card due to negligence on their part (e.g., failing to submit documents for prompt payment of the account balance). However, cardholders will not be responsible for finance and/or interest charges beyond their control, such as an unavoidable delay in payment by the Marion County Auditor's Office.
- d. **TAX EXEMPTION: BE SURE TO REMIND THE VENDOR OF THE TAX CITY'S EXEMPT STATUS WHEN MAKING A PURCHASE. THE P-CARD HOLDER WILL BE LIABLE FOR ANY TAXES PLACED ON ANY PURCHASE CONSIDERED TAX EXEMPT.** Expenditures from City funds are generally exempted from Indiana Sales Tax, Local and Federal Excise Tax. For the remaining 49 States, each State has their own regulation regarding tax exemptions. Many limit the tax exemption to their own political subdivisions and do not extend them to political subdivisions of other states. The City's Indiana Sales Tax Exemption Number is printed on each P-Card.
- e. For more information on obtaining and using a P-Card for your Agency, as well as all requirements and restrictions associated with P-Card usage, refer to the Purchasing Card Procedure Manual.

CHAPTER FOURTEEN. ASSET MANAGEMENT AND SURPLUS PROPERTY

SECTION 14.01 ASSET MANAGEMENT

(A) FIXED ASSETS

All Capitalized Assets and Controlled Assets need to be recorded in PeopleSoft.

On an ongoing basis, expenditure transactions from the City and County general ledgers identified as capital outlays are analyzed and entered into PeopleSoft if applicable. On an annual basis, reconciliation is done by the Office of Finance and Management of capital outlays from the general ledgers to PeopleSoft.

Upon receipt of personal property acquired for the City/County, assets must be entered into the PeopleSoft system and assigned an asset tag. Personal property includes, but is not limited to:

- All equipment, including vehicles, with historical cost or donated value of \$5,000 or greater will be capitalized.
- All equipment of \$1,000 to \$4,999 (\$300 to \$4,999 for computers and digital cameras) will be recorded in the fixed asset accounting system as "controlled assets" but will not be capitalized on the balance sheet.
- If agencies desire to track equipment of less than \$1,000, they will need to submit an asset form to OFM with the required information and it will be entered into the appropriate system for tracking.

The physical inventory policy is as follows:

- Capitalized Assets (except land) are to be inventoried by agencies bi-annually or as requested by the Office of Finance and Management (OFM). (See Capitalization intranet page for definitions.)
- Controlled Assets (equipment with a purchase price of \$1,000 to \$5,000, or \$300 to \$5,000 for computer equipment and digital cameras) are to be inventoried by agencies on a schedule to be determined by the Agency, but no less than once every 4 years.
- Documentation of the results of fixed asset inventories will take the form of a memorandum by the applicable fixed asset officer describing the results and resolution of discrepancies. The memorandum will need to also be signed by the applicable CFO and Agency Head and forwarded to the Asset Manager in OFM.
- Items purchased with grant funds in excess of \$5,000 will be required to be inventoried on annual basis as instructed by the Office of Finance and Management.

The physical inventory of assets must include the following information:

- Business Unit
- Department
- Asset Description
- Condition
- Location Address
- Location Building Name
- Room Number
- Manufacturer (if applicable)
- Model (if applicable)

- Serial Number (if applicable)
- Property Custodian or Accountable Officer
- Purchase Price or Estimated Cost
- Asset Tag Number
- Inventory Date
- Source of Funding
- Disposition (if applicable)

(B) AGENCY RESPONSIBILITY

Each agency is requested to identify at least two individuals within their agency that have specific responsibilities as it relates to fixed assets and disposal of the same. They are defined as follows:

1. Property Custodian – The Property Custodian is the person with overall responsibility for Capital Assets and Controlled Assets within the Agency. The Property Custodian may delegate specific duties to Accountable Officers, but will retain overall responsibility for ensuring that adequate policies and procedures exist within the Agency for safeguarding assets and proper accounting for the assets. The business unit, for which a Property Custodian is responsible, will be identified using the organization structure in the PeopleSoft System.
2. Accountable Officer –The Accountable Officer is the person responsible for accounting for the assets within a designated agency. The business unit for which a Property Custodian is responsible will be identified using the organization structure in the PeopleSoft system. The responsibilities include:
 - a. Insuring that Capital Assets and Controlled Assets are identified properly and recorded in PeopleSoft.
 - b. Establishing and monitoring procedures for placing fixed asset tag numbers on equipment.
 - c. Conducting physical inventories as required by the Office of Finance & Management (OFM), Auditor’s Office and agency policy.
 - d. Reporting transfers and disposals to the Fixed Asset Coordinator.
 - e. Ensuring that adequate policies and procedures exist within the Agency for safeguarding assets.
 - f. Notification of assets deemed stolen must have a police report filed before submission to OFM and removal from the Asset Management system.

Additional information may be obtained by contacting the Office of Finance and Management, Fixed Asset Coordinator, 327-4873 or Asset Manager 327-5281.

SECTION 14.02 DISPOSING OF CITY OF INDIANAPOLIS AND MARION COUNTY SURPLUS PROPERTY

Surplus property is property belonging to the City/County that is no longer needed or is unfit for the purpose for which it was intended. IC 5-22-22-3(2).

The disposition of surplus property is governed by statute, rules and policy and is a function of the Purchasing Division. The Surplus Coordinator handles the disposition of all surplus personal property within the City/County. Please contact the Surplus Coordinator at 327-4900 if you have items to dispose of, or would like to view surplus items that are available for use by City/County agencies.

Redistribution from the Surplus Warehouse

Surplus often has used office furniture in good condition, and other office supplies in new or good used condition. These items are available to all City/County Agencies at no cost. Agencies should make every attempt to screen this property prior to initiating new procurement requests.

Process of disposing of surplus property

Generally, surplus property may be disposed of in one of the following manners:

1. Transferred to another city or county agency
2. Sold by the Purchasing Division at a public auction
3. Scrapped if item is determined to be worthless by the Surplus Coordinator
4. Sold by sealed quote/bid
5. Traded-in on purchased equipment
6. Sold for a nominal fee to another governmental agency
7. Sold to an eligible Not-for-profit Corporation

Transfer – An item may be transferred within the City/County by filling out the Asset Disposal form available on the Purchasing Intranet site.

(<https://indygov.sharepoint.com/sites/OfficeFinMgmt/purchasing/SitePages/Policy%20and%20Guidelines.aspx>). The Accountable Officer must sign this form and submit it to the Surplus Coordinator.

Public Auction – An electronic auction is held every month or on an as-needed basis. These auctions are advertised publicly. The City-County electronic auctioneer service is contracted with GovDeals and can be accessed by the public at the following website: <http://www.govdeals.com>.

SECTION 14.03 DISPOSAL OF WORTHLESS PROPERTY

Property is considered worthless when the value of the property is less than the estimated costs of the sale and transportation of the property. In this case, the Surplus Coordinator in Purchasing must make the determination and notify the Agency to proceed of disposing the item in one of the following ways:

1. Regular agency trash pick-up
2. Disposal in the building trash compactor
3. Disposal of combustible items to the Mass Burn plant
4. Send it to the landfill for burial

The disposing agency is responsible for all transportation costs and fees assessed at the mass burn plant or the land fill.

SECTION 14.04 ADDITIONAL METHODS FOR DISPOSAL OF SURPLUS PROPERTY

The Surplus Coordinator will manage the disposal of all City/County property. However, if the Agency is aware of one of the following opportunities for disposal of a particular item the Agency should alert the Surplus Coordinator.

Sealed quote or bid: A sealed quote or bid method is used when a surplus item is not useful to the general public. Examples of these items might be: Laboratory, hospital or forensic equipment.

Transferring to a Government Entity: Transfers may be done if substantially identical resolutions are passed by both entities.

Sold to an eligible Not-for Profit: There are several stipulations for sale to a not-for-profit organization.

1. Must first be offered to other City/County agencies and left unclaimed for a period of one year.
2. Must not have a value exceeding \$1,000 per item or \$5,000 per group of items; or requires approval by the City/County Council.
3. Must be sold for a nominal value.
4. To be eligible, the not-for-profit agency must be exempt from federal taxation under Section 501 of the Internal Revenue Code.

SECTION 14.05 TRADE-INS OF SURPLUS PROPERTY

Equipment may be traded in on the purchase of new equipment using the following procedures.

1. Surplus property may be used as a trade-in towards the purchase of a new item if the specifications for the new item are written to instruct bidders to include the trade-in allowance in their response to the solicitation. A contact person and phone number (if different than the buyer) should be provided so that bidders may arrange a time to view the item to be considered if necessary.
2. If the Administrator has authorized the new item to be procured without competition pursuant to IC 5-22-10, the Agency wishing to use equipment as a trade-in on new equipment of the same type must obtain three written quotes as to the value of the surplus equipment prior to agreeing to trade-in the equipment. The quotes and an asset disposal form must be provided to the Purchasing Division with the requisition for the new item.

An asset disposal form must be sent up at the same time as the requisition for the new item and it must be noted on the REQ that a trade-in option will be included in the new purchase.

By policy, any equipment purchased from City/County funds, with the exception of land and printed materials shall be disposed of by the Surplus Coordinator. Additional information may be obtained by contacting the Surplus Coordinator at 327-4900.

CHAPTER FIFTEEN. TRAVEL POLICY AND PROCEDURES

SECTION 15.01 GENERAL POLICY

This City/County Travel Policy replaces all previous versions of the City/County Travel Policies and Procedures. The revised policy will become effective on January 1, 2018 and consists of policy changes, clarification and some modifications to the travel rules. Any questions should be directed to the Travel and Credit Account Coordinator at 317-327-4850.

1. This Policy supersedes all other formal and informal policies, procedures, and practice, whether or not codified, and whether now existing or hereafter arising of any Agency, with respect to or otherwise related to City/County Travel or reimbursement for City/County Travel.
2. The purpose of a City/County Travel Policy is to guide employees traveling on City/County-related business. This policy provides for effective administration; control of travel and travel related expenses; standardization of documentation and application of travel expenses; and data required for periodic reporting.
3. An employee traveling on City/County business is expected to exercise the same care in incurring expenses as a prudent person traveling for personal reasons. Travelers should be conservative in their spending and managers are expected to be diligent in their review.
4. Travelers will be reimbursed for out-of-pocket necessary and reasonable expenses incurred while conducting City/County business.
5. Notwithstanding the timely receipt of applicable approvals, the Agency has the responsibility to assure that actual travel expenses do not exceed budgeted travel expenses. It is also the responsibility of the Agency to ensure that travel expenses incurred on behalf of the Agency are in compliance with this Policy.

Travel Policy Highlights

1. Travelers are responsible for personal property lost or stolen while traveling.
2. Travel arrangements must be made as far in advance as possible to take advantage of special discount fares.
3. All City/County Travel must be properly authorized in advance on a Travel Authorization Form. This form is to be completed for each traveler and signed by the Agency Head or his/her designee.

Travel Authorization Form

1. Each Agency shall be responsible for the prior authorization of travel for both In-State and Out-of- State Travel.
2. The Travel Authorization Form is to be completed in its entirety and must include sufficient detail to justify approval. All travel must be accompanied by supporting documents justifying the reason for travel. If attending a seminar or workshop, the traveler must attach a copy of the registration and any other pertinent seminar information; i.e., location, dates, agenda, etc.
3. In order to ensure the best pricing, all travel arrangements should be made as far in advance as

possible.

4. The Travel Authorization Form must be approved by the Agency Head, CFO, Elected Official, or his/her designee.

Out-Of-State Travel

1. When the Travel is outside the State and greater than two hundred fifty (250) miles from the traveler's home or station, whichever is closest, the preferred traveling methods rank as follows:
 - a. By commercial air
 - b. By other commercial transportation
 - c. By City/County owned vehicle
 - d. By rental vehicle

In-State Travel

1. When the Travel is within the State or within two hundred fifty (250) miles of the Traveler's station, the preferred traveling method ranks as follows when it is the most cost effective, efficient mode of transportation:
 - a. By City/County owned vehicle
 - b. By rental vehicle
 - c. A City/County traveler may choose to drive their personal vehicle. The traveler is instructed to check the terms and conditions of their personal vehicle insurance to assure coverage in the event of damage incurred while using their vehicle for employment purposes. In the event the traveler has not notified their insurance carrier that they used their vehicle for employment purposes, it is strongly recommended that the traveler do so prior to engaging in such use.

Preferred Travel Agency

1. The preferred travel agency is guided by the travel policy to search for the lowest airfare, hotel, and vehicle rental rates available.
2. Agencies are encouraged, but not required, to utilize the preferred travel agency to schedule travel arrangements such as booking airfare, reserving hotel suites, and reserving rental vehicles through the preferred vehicle rental agency.
3. It is the responsibility of the traveler and/or agency to make travel arrangements with the preferred travel agency as far in advance as possible to take advantage of special discounts.
4. If utilizing the preferred travel agency, it is the responsibility of the City/County agency to handle all booking of airfare or reservations of hotels and/or ground transportation through the preferred travel agency.

Preferred Vehicle Rental Agency

1. Agencies are encouraged, but not required, to utilize the preferred vehicle rental agency to schedule vehicle rentals. This can be achieved through the preferred travel agency if so desired.

2. If utilizing the preferred vehicle rental agency, it is the responsibility of the City/County Agency to handle the rental of any and all ground transportation as far in advance as possible through the preferred vehicle rental agency in order to take advantage of special discounts.

Airfare

1. Travelers are responsible for booking airfare at a reasonable cost. In many cases, a traveler can save hundreds of dollars by reserving tickets on special promotional flights that may depart and/or arrive at times slightly less convenient. The savings on these flights frequently outweigh the traveler's inconvenience, even when they necessitate travel schedule adjustments.
2. If possible, travelers are encouraged to accept alternate flights in order to promote prudent travel spending. Travelers declining to accept the least costly route to their destination must be prepared to justify their decision to their supervisor and Agency Head. Advanced planning will normally guarantee the lowest airfare and satisfy the traveler's preference.

Lodging

1. The traveler is responsible for making a good faith effort to secure government or any other reduced/reasonable hotel rate.
2. It is imperative that hotels be advised of any room cancellation at least 48 hours prior to the scheduled date of arrival to prevent any "no show" charges. Be sure to obtain the name of the person the traveler speaks to and the cancellation number when canceling a reservation. Any "no show" charges will be passed on to the traveler for verification and payment if attributable to the traveler's failure to cancel.
3. The preferred travel agency may be contacted to provide assistance with locating economic lodging and offer guidance on reasonable rates in specific geographic areas.
4. Lodging may not be claimed for travel less than fifty (50) miles from city-center, without prior approval from the City/County Travel Coordinator. Indiana Task Force 1 is excluded from the fifty-mile limit due to its mission.

Ground Transportation

1. Vehicles may be rented when there is an economical need and not as a matter of personal convenience; or when:
 - a. Local transportation is not available,
 - b. Schedules do not permit the use of local transportation, or
 - c. The cost of local transportation equals or exceeds the cost of renting an automobile
2. When traveling alone, travelers are encouraged to use a compact (Class B) vehicle or a mid-size (Class C) vehicle when traveling with another person(s).
3. Travelers must elect to add the additional comprehensive and collision insurance coverage offered by the rental agency.
4. When a rental car is necessary, the traveler is required to fill the gas tank before returning the car. Gasoline costs are considerably higher when purchased from the rental agency.
5. Use of a taxi to and from places of business, hotel, or airport in connection with valid business

activities is authorized only when more economical services are not available, or in special cases when valid business reasons warrant the use of such transportation.

6. If available and practical, limousine or shuttle transportation to and from airports may be used.
7. Use of a personal vehicle is permitted and reimbursable.

SECTION 15.02 REIMBURSEMENT

1. Travelers are eligible for reimbursement of travel related expenses incurred during travel for the convenience of the City/County. This includes reimbursement for the following:
 - a. Airfare and baggage
 - b. Lodging
 - c. Ground Transportation
 - i. Use of a personal auto will be reimbursed at the current allowed mileage rate. Mileage is factored from the traveler's work location to the destination, round trip; not from the traveler's home. Mileage reimbursement will only be reimbursed up to the equivalent of the lowest cost commercial airfare with the same factors noted above.
 - d. Per Diem
 - e. Other miscellaneous expenses
2. Reimbursement may be denied if a good faith effort is not made to secure government or other reduced/reasonable rates for airfare, lodging, and/or ground transportation.

Reimbursement Voucher

1. In order to claim reimbursement, the Agency must create a direct voucher payment to be paid to the Traveler. (Travelers will need to be an active vendor within PeopleSoft.)
2. The following accounting codes should be used when creating the voucher:
 - a. 6323501 – Conference/Training fees
 - b. 6323502 – Mileage
 - c. 6323504 – Airfare
 - d. 6323505 – Lodging
 - e. 6323506 – Per Diem
 - f. 6323507 – Ground transportation
 - g. 6323509 – Other miscellaneous expenses (i.e., mileage, fuel, parking, and/or rental insurance)
 - h. 6323510 – Rental car
3. The following information must be provided to Accounts Payable along with the voucher:
 - a. Travel Authorization Form
 - b. Supporting Documents (including all applicable receipts)
 - c. Expense Report (including all expenses incurred and paid by the Traveler while traveling)

Miscellaneous Expenses

1. Reimbursable miscellaneous expenses include:
 - a. Car rental insurance through the rental agency only. Personal insurance which covers car rentals is not reimbursable.
 - b. Expenses for laundry and dry-cleaning are allowed only when the travel is longer than five days. Detailed receipts must be attached to the expense form.
 - c. Business-related registration fees.
 - d. Telephone calls for all business-related calls, Wi-Fi expenses, and tips given for miscellaneous services (i.e., porter, bell hop, etc.) is reimbursable at the discretion and proper monitoring of the agency.

Non-Allowable Expenses

1. There are specific expenses that are considered to be of a personal nature and are not reimbursable:
 - a. Personal insurance expenses.
 - b. Personal entertainment and/or reading materials.
 - c. Travel relating to personal entertainment or dining.
 - d. Fines for parking, speeding, court costs.
 - e. Groceries or snacks such as purchased at a gas station, retail store, gift store or other non-restaurant facility.
 - f. Unauthorized club or membership dues or fees.
 - g. Fees or interest charges associated with obtaining, possession, or usage of personal credit cards used for business.
2. Should a non-allowable expense be submitted for payment, a formal notice will be sent to the traveler, copying his/her supervisor, requesting reimbursement.

Per Diem

1. The City/County uses a per diem method to reimburse travelers for meal expenses.
2. The per diem method is based on the current-year Standard GSA CONUS rate only. The Standard GSA CONUS rate is an annual flat rate. This Standard rate is updated by GSA.gov every 1st of October. The current-year Standard GSA CONUS rate will be announced annually in a separate memo by the Travel Coordinator.
 - a. In-state subsistence allowance will be reimbursed at a rate of 75% of the current-year Standard GSA CONUS Rate for meals (including all taxes and gratuities).
 - b. Out-of-state subsistence allowance will be reimbursed at a rate of 100% of the current-year Standard GSA CONUS Rate for meals (including all taxes and gratuities).
3. Indiana Task Force 1 (IN-TF1) is exempt from the Standard GSA CONUS rate reimbursement when per diem rates are insufficient to meet the necessary expenses. Please see Federal Travel Regulations [FTR §301-11.300 through 306](#) for more information.
4. Subsistence may not be claimed for travel less than fifty (50) miles from city-center.

5. Subsistence may not be claimed for same day travel. Overnight travel must be involved in order to claim subsistence.

Per diem will vary dependent upon the time a traveler departs and returns. These variations are listed below:

<u>Departure / Return Times</u>	<u>Meals Reimbursed</u>
Departure between Midnight and 6:00 A.M.	Breakfast, Lunch, Dinner
Departure between 6:00 A.M. and Noon	Lunch, Dinner
Departure between Noon and 6:00 P.M.	Dinner
Departure between 6:00 P.M. and Midnight	NONE
Return between Midnight and 6:00 A.M.	NONE
Return between 6:00 A.M. and Noon	Breakfast
Return between Noon and 6:00 P.M.	Breakfast, Lunch
Return between 6:00 P.M. and Midnight	Breakfast, Lunch, Dinner

6. If traveling by air, travel time begins a maximum of 90 minutes prior to the confirmed departure time. This is to account for airline security procedures and potential delays. If traveling by ground vehicle, departure time begins at the moment of departure.
7. The City/County shall not pay for a person’s meal more than once. This includes, but is not limited to, meals included in registration fees or by hotels in the room charge. If a person in travel status received a meal without charge, then the subsistence allowance must be reduced. However, no deductions from subsistence shall be taken for continental breakfasts or meals served on airplanes.
8. If a meal is provided, no subsistence shall be claimed for that meal and is to be deducted as follows:

<u>Meals</u>	<u>Percent</u>
Breakfast (6:00 A.M.)	25%
Lunch (Noon)	30%
Dinner (6:00 P.M.)	45%

9. Any combination of subsections “5” and “8” may apply to Traveler’s per diem. Care and consideration must be taken when calculating the total daily per diem when completing the expense reports.
10. Subsistence allowance is not payable until after the Traveler has returned and submitted the fully completed Travel documentation and all pre-bookable receipts (meal receipts are not required). Upon receipt of the completed travel packet for all traveling parties, the request for a subsistence check in the appropriate amount will be submitted to Accounts Payable.

Expense Report

1. Reimbursement requests must be submitted through the Expense Report.
2. In order to ensure proper budgeting for each Agency, all expense reports must be signed by the Traveler as well as the Agency’s Chief Financial Officer.

3. Expenses are to be itemized for each day of travel and processed through the Accounts Payable Division.
4. Reimbursement request MUST be received by the Auditor's Office within the same year in which the travel occurred. Expense reports submitted to the Auditor's Office outside the travel year will NOT be reimbursed.
5. Submit your reimbursement request to your agency finance office to initiate a voucher. The expense form must be accompanied by a copy of the conference/seminar/training brochure or itinerary, and any applicable receipts (excluding meals).
6. Expense reports will be completed honestly and accurately.
7. Expense reports not properly completed or approved will be returned unprocessed to the traveler or traveler's supervisor for review.
8. Reimbursement may be withheld for any expenses in which the traveler has not submitted the appropriate receipts.

SECTION 15.03 PRE-PAID TRAVEL EXPENSES

Travel Credit Card

1. The Travel Credit Card is used to pre-pay expenses only and will not be distributed to travelers.
2. Pre-paid expenses are available to both City and County Agencies.
3. The following items are pre-payable expenses:
 - a. Airfare – only through utilizing the Preferred Travel Agency
 - b. Car Rental – only through utilizing the Preferred Travel Agency
 - c. Lodging – utilizing the Preferred Travel Agency is preferred, but not required
4. Any expenses not pre-paid are the responsibility of the traveler. Please refer to Section 15.02.
5. When pre-paying expenses, the traveler's Agency must submit an amount-only requisition in Peoplesoft which covers all anticipated expenses to be pre-paid. Quotes may be requested from the Preferred Travel Agency in order to complete the required requisition.
6. The following category codes should be used when creating the requisition:
 - a. 96347A – Airfare
 - b. 96347D – Lodging
 - c. 96347H – Rental Car
7. The Travel Authorization Form and all supporting documents must be submitted to the Travel Coordinator before the requisition can be approved and sourced to a Purchase Order.
8. Only after the requisition has been approved by the Travel Coordinator, will approval be granted to the Preferred Travel Agency to finalize all requested travel arrangements.
9. It is the responsibility of the City/County Agency to book any requested pre-paid travel expenses with the Preferred Travel Agency.

10. Agencies who do not utilize the Preferred Travel Agency for lodging may still request to pre-pay via means of a Credit Card Authorization Form. This may be requested from the lodging agency to be sent to the Travel Coordinator. If an authorization form is utilized, it shall be completed by the Travel Coordinator and directly delivered via fax or email to the lodging agency.
11. Should the traveler overspend the estimated expenses as reported for items that have not been pre-approved, the traveler may be required to submit a reimbursement to Accounts Payable (i.e., parking or room service).

Registration

1. Any Registration expenses are the responsibility of the Agency and are paying via P-Card, Purchase Order, or voucher. When paying for registration through the P-Card, please use Category Code 96364. This expense will be approved by the Travel Coordinator but sourced and received by the Agency.
2. If Registration includes meals or requires the purchase of meal tickets, and such requirements are unavoidable, it may be considered a part of the Registration expense. Any meals included in Registration, regardless of if consumed by the traveler, will be deducted from the total Per-Diem reimbursement the traveler may receive.

SECTION 15.04 DEFINITIONS

Agency – An administrative agency, department or division of the executive branch of City/County government, and any entity required by State Statute or ordinance to be included as an Agency. It does not include the judicial branch, or the legislative branch. “Agency” also refers to the agency paying for the travel.

Agency Head – The chief executive officer of an Agency.

City/County – The Consolidated City of Indianapolis and Marion County.

City/County Business – Permitted lawful activity by a City or County traveler on behalf of the City or County or an Agency, which advances or is reasonably calculated to advance the goals and purposes of the City or County or Agency on whose behalf the activity is undertaken.

City/County Travel – Travel by a traveler who is engaged in the performance of City or County business on a trip away from the individual’s home or station.

Preferred Travel Agency / Preferred Vehicle Rental Agency – The professional outside agency as contracted by the City/County in which reduced rates are offered.

Standard GSA CONUS Rate – The standard Continental United States rate as announced by the General Services Administration. This rate does not fluctuate by location.

In-State Travel – Travel within the State of Indiana.

Out-of-State Travel – Travel that starts or ends in the State of Indiana and includes crossing the State Line into any other State.

Purchasing – The Purchasing Division, which is a separate division of the Office of the City Controller.

Reimbursement – The payment of a subsistence allowance, mileage allowance, or a reimbursable expense to a Traveler.

Station – The location of the traveler’s assigned permanent office.

Subsistence Allowance – A set amount for which a traveler may be reimbursed to defray the cost of meal expenses incurred during authorized travel status.

Traveler – A person, whether an employee of the Consolidated City of Indianapolis – Marion County, or of Marion County, an elected official, or member of any council, commission or board thereof, who is in travel status.

Travel Expense – The costs of transportation, and lodging. The term includes actual travel expenses or an amount approximating those expenses that would be allowed by travel policies and procedures authorized by the City Controller.

Travel Status – Period of time between the start of the travel by a Traveler who has started to travel on City or County Business, whether or not travel expenses will be reimbursed by the City/County and the conclusion of the travel.

CHAPTER SIXTEEN. CELLULAR PHONE ISSUANCE AND ALLOWANCE POLICY

SECTION 16.01 INTRODUCTION

1. It is the goal of the Consolidated City of Indianapolis and Marion County to provide these devices to City/County employees who need them to perform the essential functions of their jobs; to make sure that the devices are used primarily for City/County business; that the cost to the Consolidated City of Indianapolis and Marion County for using the devices is kept as low as possible; and that employees and supervisors are held accountable for proper usage, with minimum paperwork.
2. It is the intent of this policy to provide guidelines regarding the use and administration of cellular phones for Departments/Agencies and employees of the Consolidated City of Indianapolis and Marion County, herein after referred to as the City/County.
3. This policy shall constitute the official policy regarding cellular phone issuance and allowances at the expense of the City/County. All cellular phone issuance and allowances must be conducted in accordance with this policy.
4. It is the responsibility of the agency head and the employee to be familiar with and adhere to the established cellular phone issuance and allowance policy.
5. The Office of Finance and Management retains the authority to change the approval process as circumstances require.
6. City/County issued cellular devices shall remain the sole property of the City/County and shall be subject to inspection or monitoring at any time.

SECTION 16.02 CELLULAR PHONE ISSUANCE

1. The City/County will issue cellular phones only for employees that have been approved by their agency head and by the Office of Finance and Management as requiring a cellular phone based on the business criteria established in this policy. Additionally, all employees with City/County issued devices must sign the Receipt of the City/County Cellular Phone Acceptable Use Policies (see **Attachment A**) and return to the Office of Finance and Management.
2. At the time a request is placed for a City/County issued device, a justification form (see **Attachment B**) must be completed. (In addition, if an employee is upgrading from a basic cell phone to a smart phone or comparable device, he/she shall complete a justification form.) Upon completion, to include all signatures, the form will be forwarded to the Information Services Agency for further processing.
3. Employees receiving a City/County issued phone are required to provide their cellular phone number to supervisors, co-workers, and other City/County officials as appropriate.
4. All employee accounts must list the proper name of the employee for public information and auditing purposes.
5. Departments/Agencies will be required to maintain copies of, or readily access in a timely manner,

itemized cellular phone invoices. All phone bills (including the telephone numbers that calls are made to, received from, minutes of calls, the number of texts, emails, etc.) are public information and can be requested by citizens.

6. If a phone needs replaced prior to the contractual upgrade period, Departments/Agencies should first determine if an appropriate cellular device is available through the Information Services Agency (ISA) Cell Phone Surplus. All efforts should be made to utilize the phones available in this surplus prior to the purchase of a new device.
7. All Departments/Agencies should demonstrate financial prudence when choosing cellular devices. **All devices acquired shall be at no cost to the City/County, unless prior approval is received through the Office of Finance and Management.** In addition, the Department/Agency should strive to replace any obsolete, and eligible for upgrade, devices through special offers received through a City/County approved carrier.
8. Many phone models are currently offered at no cost to the City/County in conjunction with a service plan. A Department/Agency seeking a phone at a cost to the enterprise should first consider the return that will be received by the enterprise on the investment. Also, upon purchase of these devices, the Department/Agency should consider elimination of other expenses, such as air cards or desk phones, before purchase of this new device in order to compensate for the additional cost.
9. All standards shall apply when an employee elects to use a personal phone, in lieu of a City/County issued device, and obtain reimbursements for City/County business. Please sign the Receipt of the City/County Cellular Phone Acceptable Use Policies (see **Attachment A**) and return to the Office of Finance and Management.
10. With the approval of their agency head and the Office of Finance and Management per **Attachment B**, employees may choose to be reimbursed at a set rate per month for their personal devices when used for business purposes. The current rate allowed by the City is \$30.00/month for a smart phone (or comparable device) and \$15.00/month for a basic cell phone.
11. Seasonal workers who work full-time may claim a personal reimbursement at the standard rate (either \$30/month for a smart phone or \$15/month for a basic cell phone) if a phone is needed for the position and approval is given for personal reimbursement. Part time employees may also be approved for personal reimbursement, but at a maximum rate of \$15 per month regardless of type of phone.
12. Reimbursement is done on a quarterly basis (every three months) for employees on the "Approved Reimbursement List" for personal cell phones. A copy of each month's paid bill must be attached to the reimbursement form (see **Attachment E**). The completed reimbursement form must be signed and dated by the employee as well as either the Chief Financial Officer (CFO) or Department / Agency head and submitted to the Auditor's Office within thirty (30) days following the end of a calendar quarter. Approved payments will then be made for the previous quarter. *(Forms that are not submitted in a timely manner or do not follow a "calendar quarter" may be rejected by the Auditor.)*

Cell Phone Bills Covering:	Submit to Auditor (with Attachment E) by End of:
January, February & March	April
April, May & June	July

July, August & September	October
October, November & December	January

SECTION 16.03 CELLULAR PHONE JUSTIFICATION

1. Cellular phones may be provided when: (1) public safety is an issue and the employee must have immediate access to a phone; (2) when an employee's job requires that the individual be mobile and out of the office for the greater part of the day; or (3) when an employee is **required to be available at all times**. If any of the above circumstances are met, then a Department/Agency head may recommend to the Office of Finance and Management the issuance of a City/County cellular phone.
2. If an employee is identified as a key staff member that is needed in the event of an emergency, an agency head may recommend to the Office of Finance and Management the issuance of a City/County cellular phone.
3. An employee that works more than fifty (50%) of their day in a location with a landline should not be recommended for a City/County cellular phone.
4. Smart phones or comparable devices should be provided only when regular access to a computer (emails) is an essential function of the job and the job requires the individual be mobile and out of the office for the greater part of the day.
5. There shall be a written justification and Office of Finance and Management approval required for issuance of all devices (see **Attachment B**).

SECTION 16.04 CELLULAR PHONE USE

1. A City/County owned device is intended solely for City/County business use. Use of such phones, for more than *de minimis* personal use or an emergency, may subject the employee to disciplinary action and/or require appropriate reimbursement to the City/County (see **Attachment C**).
2. Personal Cell Phones should not be used to conduct business related to ongoing legal issues/cases, such as photographs of or text describing a crime scene. It is recommended that employees utilize a City/County owned device in such cases.
3. Employees are required to reimburse the City/County for all costs above *de minimis* use of voice minutes placed or received on City/County devices, for purposes of this policy, set at \$5 or more (Example: \$0.15 per minute on 34 minutes.) Employees should highlight, or indicate in some

way, which calls are personal in nature. Sending of personal picture messages may result in disciplinary action and removal of phone privileges. (see **Attachment C**).

4. Departments/Agencies are required to review all cellular statements where voice minutes have been exceeded.
5. Employees should not utilize 4-1-1. The first instance where an employee is identified as having called 4-1-1 will result in a written warning. Employees will be required to reimburse the City/County for all costs associated with subsequent instances of 4-1-1 utilization (see **Attachment C**).
6. Do not use your cellular phone to make a call if regular phone service is available. Departments utilizing desktop wireless communication are exempt from this requirement.
7. Cell phone/smart phone (or comparable device) units shall not be used while operating a moving vehicle.
8. No political calls/texts/emails are to be made or received on City/County devices.
9. Downloading of additional features (such as ring tones, games, and other applications) shall be considered personal charges for which the employee must reimburse the City/County (see **Attachment C**) and may result in disciplinary action.
10. Employees in possession of City/County equipment are expected to protect the equipment from loss, damage, or theft.
11. Upon resignation or termination of employment, or at any time upon request, the employee may be asked to produce the phone for return or inspection. If an employee is unable to present the phone in good working condition within a reasonable time period, the employee may be expected to bear the cost of a replacement. Employees who separate from employment with outstanding debts for equipment loss or unauthorized charges will be considered to have left employment on unsatisfactory terms and may be subject to legal action for recovery of the loss.
12. Supervisors shall be required to monitor billing statements for unnecessary or excessive business and/or personal calls/texts/emails. Access to the calls/texts/emails may be revoked at any time at the sole discretion of the supervisor. Improper use may result in disciplinary action up to and including discharge.
13. Managers have the discretion to allow or disallow the use of personal phones and reimbursements. At no time will reimbursement of wireless charges exceed the maximum rate of the City/County wireless plans.
14. Employees should be advised that reimbursement of phone expenses on personal phones will still lead to review of a phone for voice and data charges if a public information request is made. Statements from providers will be required for reimbursement.

SECTION 16.05 CELLULAR PHONE DISPOSAL

1. In the event that any cellular phone is no longer in use, a Return of City/County Issued Device Form (see **Attachment D**) should be completed. This form, along with the device, should be returned to the ISA in the City/County Building by the Department/Agency cell phone coordinator.

2. Upon receipt by the ISA, all returned cellular phones / devices will be evaluated to determine the viability of reissuance to another Department/Agency in need of a cellular device.
 - a. If the cellular device is not appropriate for reissuance, the device shall be turned over for proper disposal.
 - b. If the cellular device is appropriate for later reissuance, the ISA will inventory and hold the phone in the ISA Cell Phone Surplus for the first documented Department/Agency need that arises. These phones will be issued on a first come, first serve basis with no guarantee of device availability. ISA, at its option and depending on inventory levels, may also submit these phones to an approved recycler either individually or in bulk, with any proceeds received distributed at the discretion of the City Controller.
 - c. Devices that are expected to be reissued to a new department employee in the same position within thirty (30) days of an employee's departure may generally be held and reused by the department for such purposes.

SECTION 16.06 EXCEPTIONS

1. The City Controller or designee shall have the authority to grant exception from any part or all of this policy when deemed appropriate.

SECTION 16.07 STATUTORY AUTHORITY

1. This cellular phone policy, policy revision, effective May 2019, supersedes and rescinds all previous promulgated cellular issuance and allowance phone policies and shall remain in effect until subsequently modified or rescinded. *(Please ensure that all Attachments (forms) are of the revised date found in the document footer.)*

SECTION 16.08 ATTACHMENT A

**Receipt of the Consolidated
City of Indianapolis and Marion County
Cellular Phone Acceptable Use Policies**

Please read carefully to ensure that you understand the policy in its entirety before signing this document.

I certify that I have received a copy of the Consolidated City of Indianapolis and Marion County's Cellular Phone Issuance and Allowance Policies. I understand that it is my responsibility to read and comprehend this policy.

I have read and understand the content, requirements, and expectations of the policy and I agree to abide by the policy guidelines. I understand that if at any time I have questions regarding the policy, I will consult with my immediate supervisor or the Office of Finance and Management.

I agree to observe and follow the acceptable use policy. I understand that failure to abide by the policy could result in the loss of cellular phone privileges, chargebacks, and/or other disciplinary actions.

Employee Name (Signature)

Employee Name (Printed)

Department/Agency

Date

*To be submitted with Attachment B. This form to be kept on file by manager and issued to Human Resource file.

SECTION 16.09 ATTACHMENT B

Consolidated City of Indianapolis and Marion County Cellular Device Justification Form

Note: You must also complete and submit Attachment A along with this form.

Date	
Requesting Department/Agency	
Contact Person	
Contact Phone Number	
*Account Number	
*Purchase Item	
*Purchase Amount	
*Funding Source	

* N/A for Personal Cell Phone Reimbursements.

1) City issued device or personal device?

- City issued device
- Personal device (May skip 2, 4 & 5. Please address #3 regarding type of phone / device)

2) New cell or upgrade (from cell to a smart phone or comparable device)?

- New
 - If this is a new device, is this employee located in a location without a landline for over 50% of their day?
 - Yes
 - No

- Upgrade

I understand that additional charges are incurred for phones other than a standard cell phone.

3) Type of Device and Reason Requested

- Basic Cell Phone
 - Public safety is an issue and this employee must have immediate access to a phone
 - The employee is a key staff member that is needed in the event of an emergency
- This employee's job requires that they be mobile and out of the office for the greater part of the day This employee is required to be available at all times
 - Other written justification for consideration _____
- Smart phone or comparable device

SECTION 16.10 ATTACHMENT C

**Reimbursement for Personal Use on a
Consolidated City of Indianapolis and Marion County
Issued Cellular Device**

According to the Consolidated City of Indianapolis and Marion County Cellular Phone Issuance and Allowance Policy Section IV, personal use of City/County issued cellular devices may be subject to reimbursement by the employee. This includes, but is not limited to, personal phone calls when plan minutes are exceeded, downloads, 4-1-1, text messaging, and picture messaging.

Please review the attached bill and highlight any personal usage. Following this, the table below should be completed to calculate the total employee amount owed for this billing cycle.

Type of Personal Use	Volume	Associated Cost	Total Amount Owed (Volume * Associated Cost)
Incoming/Outgoing Calls		\$ /minute	\$
4-1-1 Usage		\$ /use	\$
Text Messaging		\$ / use	\$
Picture Messaging		\$ / use	\$
Downloads		\$	\$
Grand Total Owed For All Personal Usage:			\$

I have reviewed the entirety of the attached billing and agree that all personal charges have been identified.

Employee Name (Signature)

Employee Name (Please Print)

Date

SECTION 16.11 ATTACHMENT D

Return of a Consolidated City of Indianapolis and Marion County Issued Device

Use this form if:

- No longer employed with City/County
- Upgrading to a New Device
- No longer in need of a Mobile Device

For Employee Completion:

I certify that I, _____, have returned my Consolidated City of Indianapolis and Marion County Cellular Device to my Department/Agency Cell Phone Coordinator.

Employee Name (Signature) Date

Employee Name (Please Print) Date

Department/Agency

Department/Agency Cell Phone Coordinator (Signature) Date

For ISA Completion:

I certify that the Information Services Agency has received the named employee's Consolidated City of Indianapolis and Marion County Cellular Device from the Department/Agency Cell Phone Coordinator listed above.

Information Services Agency Representative (Signature) Date

Information Services Agency Representative (Please Print) Date

- A copy of this form will be filed with Human Resources by ISA.

SECTION 16.12 ATTACHMENT E

Reimbursement to the Employee for a Personal Cellular Device

(Per Auditor - Please use account 6323511-Wireless Device Reimbursement)

1. According to the Consolidated City of Indianapolis and Marion County Cellular Phone Issuance and Allowance Policy Section II, reimbursement for approved personal devices is set at **\$30.00/month** for a smart phone and **\$15.00/month** for a basic cell phone. Reimbursement is done on a quarterly basis (every three months). A copy of each month's paid bill must be attached to this reimbursement form which must be submitted to the Auditor within thirty (30) days of the end of a calendar quarter. The reimbursement form should be completed to calculate the total amount owed to the employee for this billing cycle.

Please complete the following section to calculate your total reimbursement and attach copies of your bills for this quarterly cycle.

Type of Personal Device	Date	Dept	Amount/ \$30.00/\$15.00
			\$
			\$
			\$
Grand Total for Quarterly Reimbursement:			\$

I have reviewed the attached billing and confirm that this personal device is required to perform the essential functions of my job in conducting business for the Consolidated City of Indianapolis and Marion County

Employee Name (Signature)

Employee Name (Please Print)

Date

Chief Financial Officer / Department / Agency Head - Approval for Reimbursement

(Signature)

(Print)

EXHIBIT A

Sample Signature Designation Memo

Mar 1, 2020

MEMORANDUM

TO: David R. Condon
Purchasing Administrator

FROM: [Name]
[Title]

SUBJECT: Contract Approval Authority for [Insert name of Office or Department]

In accordance with the Procurement Procedures Manual, I have designated the following individual(s):

Name

Title

Name

Title

to act in my capacity to:

authorize award of competitions not requiring Board approval;

sign contract documents;

under \$50,000 in value;

under \$100,000 in value;

any value;

only those contracts relating to the following matter(s): _____

For the time period of:

until further notice;

between the following dates: _____

If you have any questions regarding this information, please do not hesitate to contact me.

EXHIBIT B

Intranet Form links

The following forms are all available on the Purchasing Division Intranet site.

<https://indygov.sharepoint.com/sites/OfficeFinMgmt/purchasing/default.aspx>

CELLULAR DEVICE JUSTIFICATION FORM

<https://indygov.sharepoint.com/sites/OfficeFinMgmt/purchasing/SitePages/Policy%20and%20Guidelines.aspx>

CONTRACT CHECKLIST, CONTRACT SUMMARY SHEET, INSTRUCTIONS

<https://indygov.sharepoint.com/sites/OfficeFinMgmt/purchasing/SitePages/Contract%20and%20Vendor%20Information.aspx>

CONTRACT MONITORING REPORTS (VENDOR PERFORMANCE AND CONTRACT OBSERVATION REPORTS)

<https://indygov.sharepoint.com/sites/OfficeFinMgmt/purchasing/SitePages/Contract%20and%20Vendor%20Information.aspx>

CONTRACT RENEWAL JUSTIFICATION

<https://indygov.sharepoint.com/sites/OfficeFinMgmt/purchasing/SitePages/Contract%20and%20Vendor%20Information.aspx>

PRINTER JUSTIFICATION FORM

<https://indygov.sharepoint.com/sites/OfficeFinMgmt/purchasing/SitePages/Policy%20and%20Guidelines.aspx>

REQUEST FOR APPROVAL TO UTILIZE RFP/RFQ PLANNING FORM

<https://indygov.sharepoint.com/sites/OfficeFinMgmt/purchasing/SitePages/Policy%20and%20Guidelines.aspx>

SPECIAL PROCUREMENT (SOURCE SELECTION AUTHORIZATION) FORM

<https://indygov.sharepoint.com/sites/OfficeFinMgmt/purchasing/SitePages/Policy%20and%20Guidelines.aspx>

SURPLUS PROPERTY (ASSET TRANSFER DISPOSAL FORM)

<https://indygov.sharepoint.com/sites/OfficeFinMgmt/purchasing/SitePages/Policy%20and%20Guidelines.aspx>

EXHIBIT C

City of Indianapolis and Marion County
Policy for Purchase of Products
Manufactured in the United States

Pursuant to Indiana Code 5-22-15-21 and Code of Indianapolis and Marion County, Indiana 202-204, Promotion of purchase of supplies manufactured in the United States

- A. The City and County, and each of their respective departments, division, offices and agencies, shall specify and purchase supplies manufactured in the United States unless the purchasing agent first determines that any of the following circumstances apply:
1. The supplies are not manufactured in the United States in reasonably available quantities;
 2. The price of the supplies manufactured in the United States exceeds by an unreasonable amount of the price of available and comparable supplies manufactured outside the United States;
 3. The quality of the supplies is substantially less than the quality of comparably priced available supplies manufactured outside the United States; or
 4. The purchase of supplies manufactured in the United States is not in the public interest.
- B. The definition of “unreasonable amount” for the purposes of this policy, (A)(2) specifically, means any price for supplies manufactured in the United States of equal or greater than fifteen percent (15%) of the price for comparable supplies manufactured outside the United States.

[Purchasing Division Administrator]
City of Indianapolis Marion County
Purchasing Agent

Date

EXHIBIT D

CITY OF INDIANAPOLIS AND MARION COUNTY
POLICY FOR PROCUREMENT OF STEEL PRODUCTS

Pursuant to Indiana Code 5-16-8, Steel Procurement for Public Works, bidders shall comply with the following provisions:

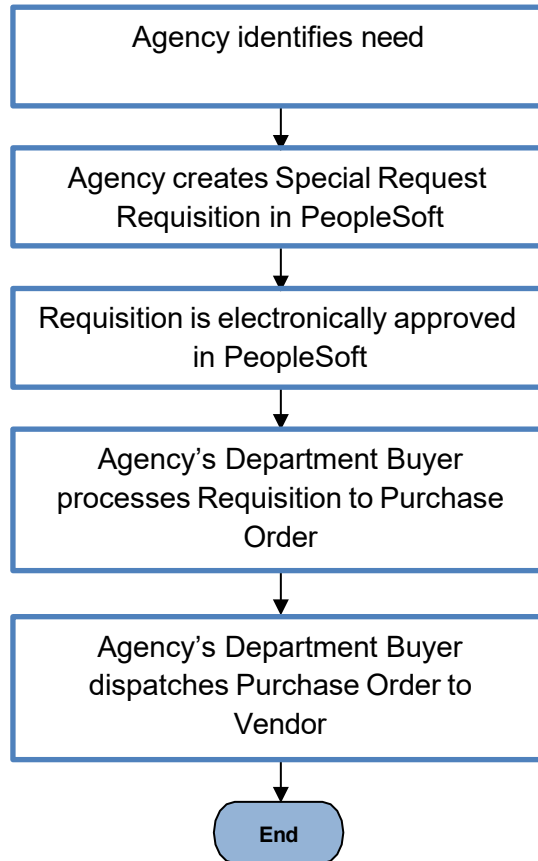
- A. The following definitions shall apply:
 - 1. "Person" means a natural person, corporation, limited liability company, partnership, or other business unit or association.
 - 2. "Domestic Steel Products" means products rolled, formed, shaped, drawn, extruded, forged, cast, fabricated, or otherwise similarly processed, or processed by a combination of two (2) or more of such operations, from steel made in the United States by the open hearth, basic oxygen, electric furnace, Bessemer or other steel making process.
 - 3. "United States" means the United States of America and includes all territory, continental or insular, subject to the jurisdiction of the United States.
- B. Every City/County contract for the construction, reconstruction, alteration, repair, improvement or maintenance of public works shall require that, if any steel products are to be used or supplied in the performance of the contract or any of the subcontracts, only Domestic Steel Products as defined herein shall be used, unless the City/County determines in writing that the cost of the Domestic Steel Products is deemed to be unreasonable.
- C. The bid or offered price of Domestic Steel Products is not deemed to be unreasonable if it does not exceed the sum of:
 - 1. the bid or offered price of like steel products of foreign origin (including any applicable duty); plus
 - 2. a differential of fifteen percent (15%) of the bid or offered price of the steel products of foreign origin.
- D. The City/County may not authorize or make any payments to a person under a contract for steel products unless the City/County is satisfied that such person has fully complied with this policy. Payments made to a person, which should not have been made as a result of this policy, shall be recoverable directly from the contractor or subcontractor who did not comply with this policy by the State Attorney General upon suit filed in the Circuit Court of Marion County.

[Purchasing Division Administrator]
City of Indianapolis/Marion County
Purchasing Agent

Date

EXHIBIT E

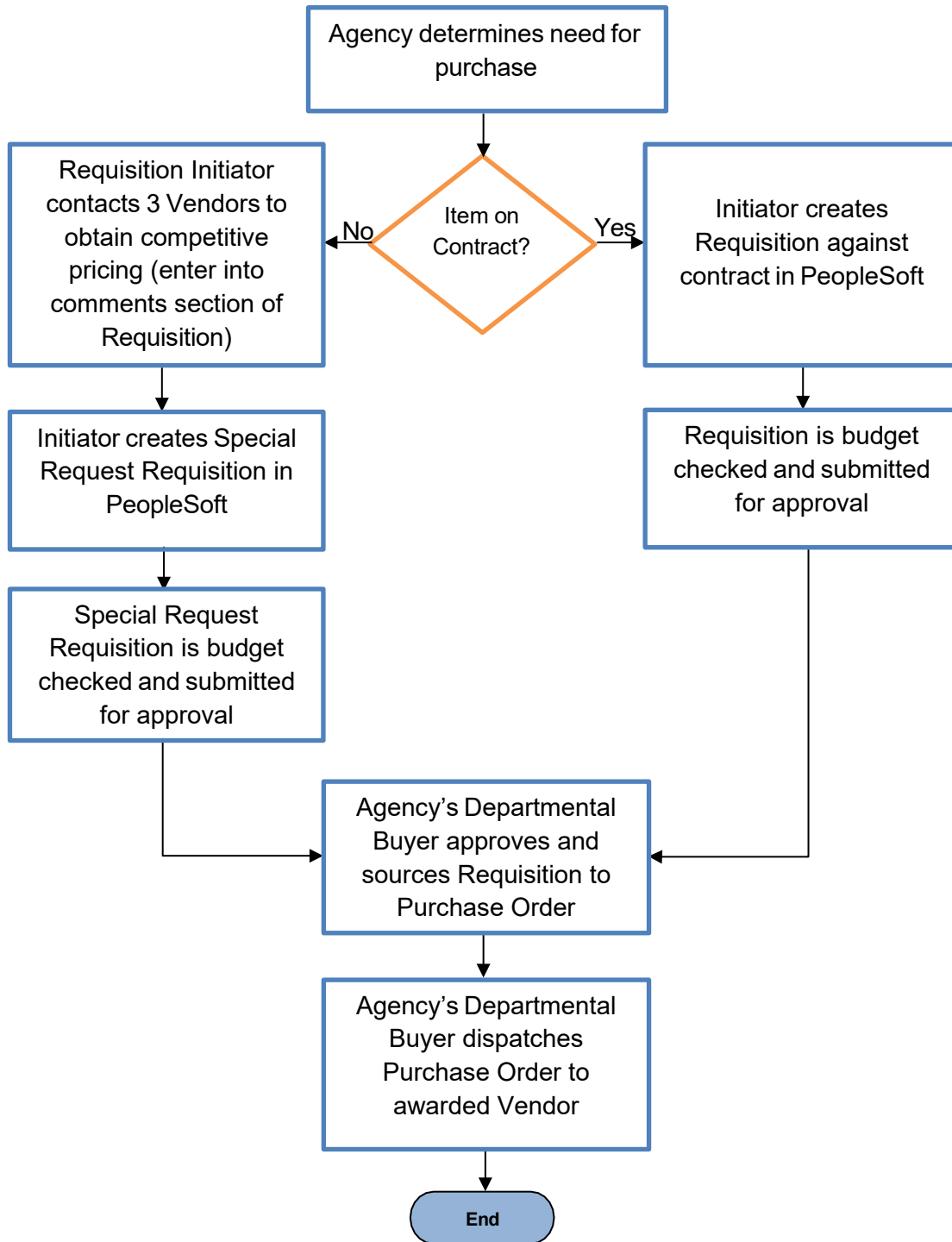
**APPROVED PURCHASES
Less Than \$500**



*** Processing Time – usually same day, dependent upon agency**

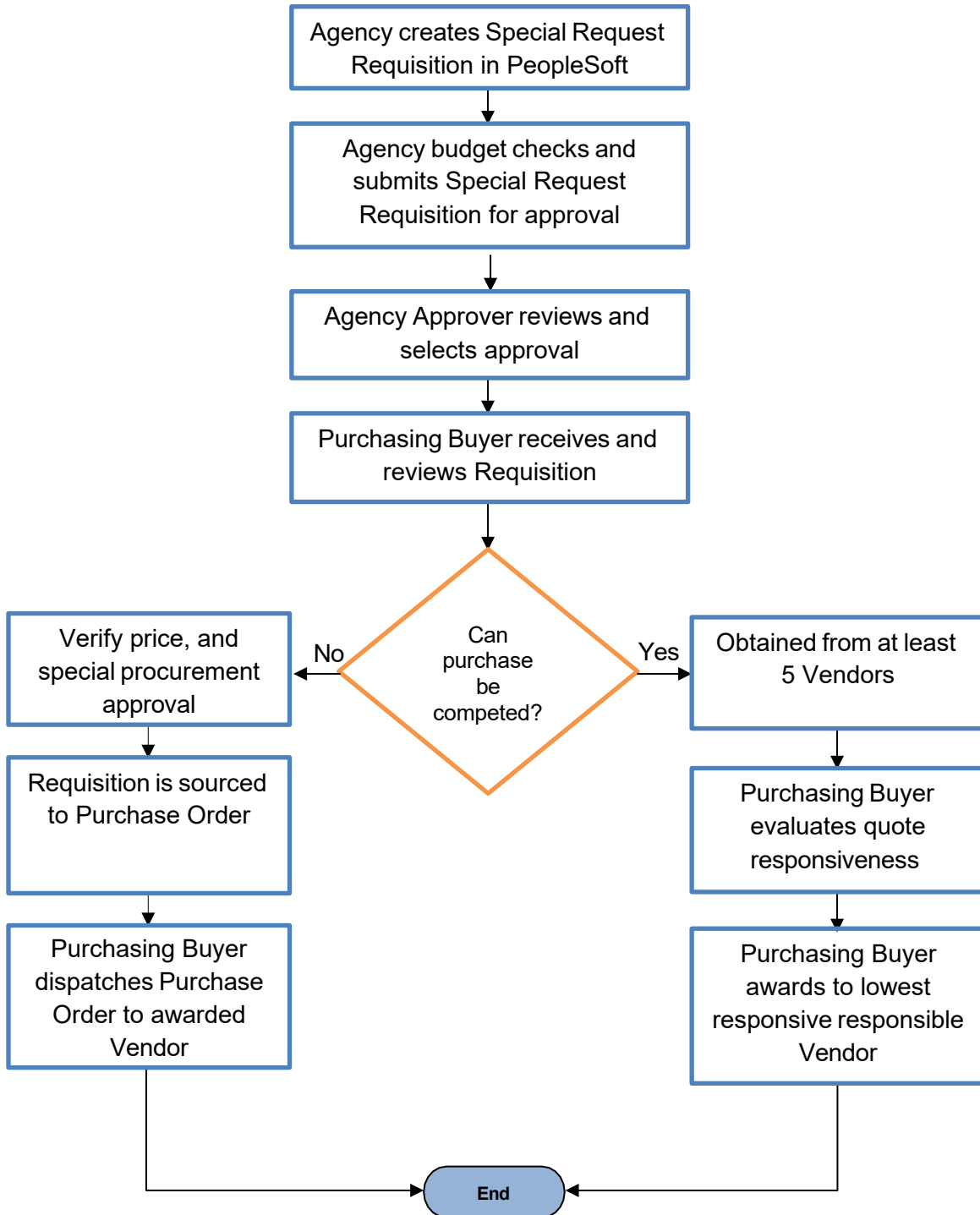
EXHIBIT F

**APPROVED PURCHASES
\$500 - \$2,499 or on Current Contract**



*** Processing Time – usually 1 to 3 days, dependent upon agency**

**APPROVED PURCHASES
\$2,500 - \$49,999**



***Processing Time: typically, 2 to 5 days**

**APPROVED PURCHASES
\$50,000 - \$150,000**



***Processing Time: 10 - 14 days**

EXHIBIT I

**APPROVED PURCHASES
\$150,000 or Over**



(CONTINUED ON NEXT PAGE)

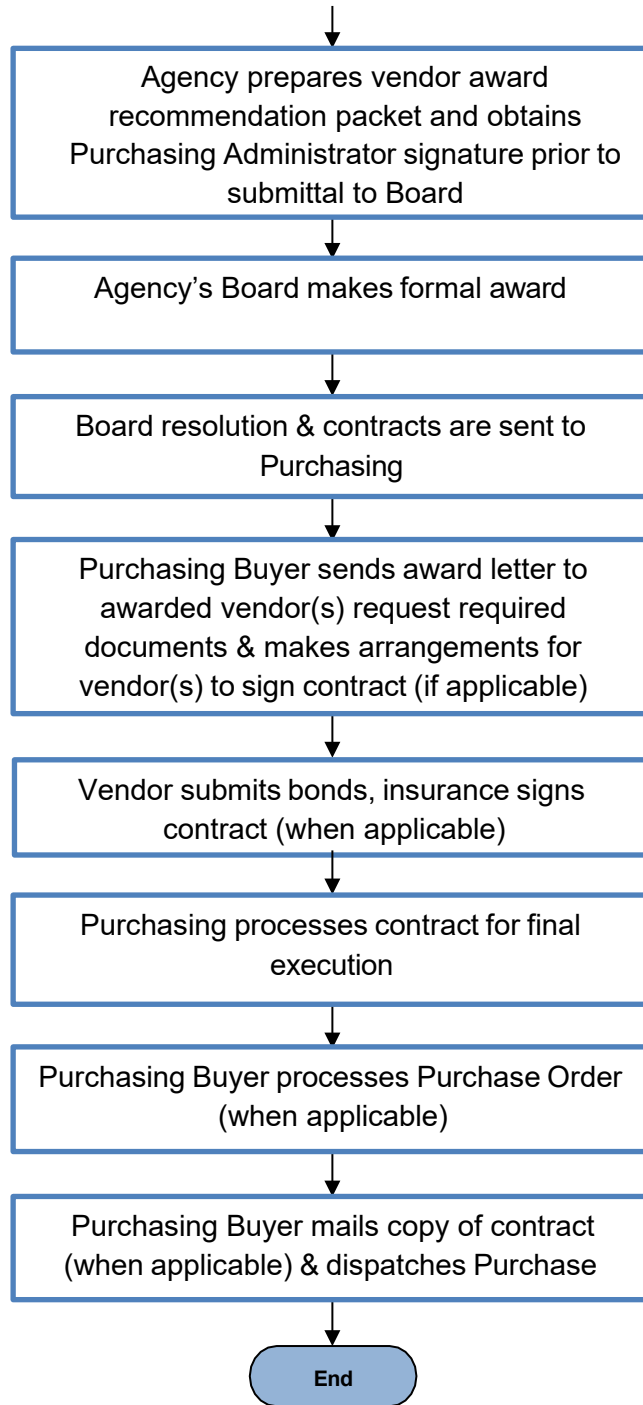
*Processing Time: 20 - 40 days

Depending upon when Agency's Board meeting is scheduled.

PUBLIC BID

APPROVED PURCHASES

**\$150,000 or Over
(Continued)**

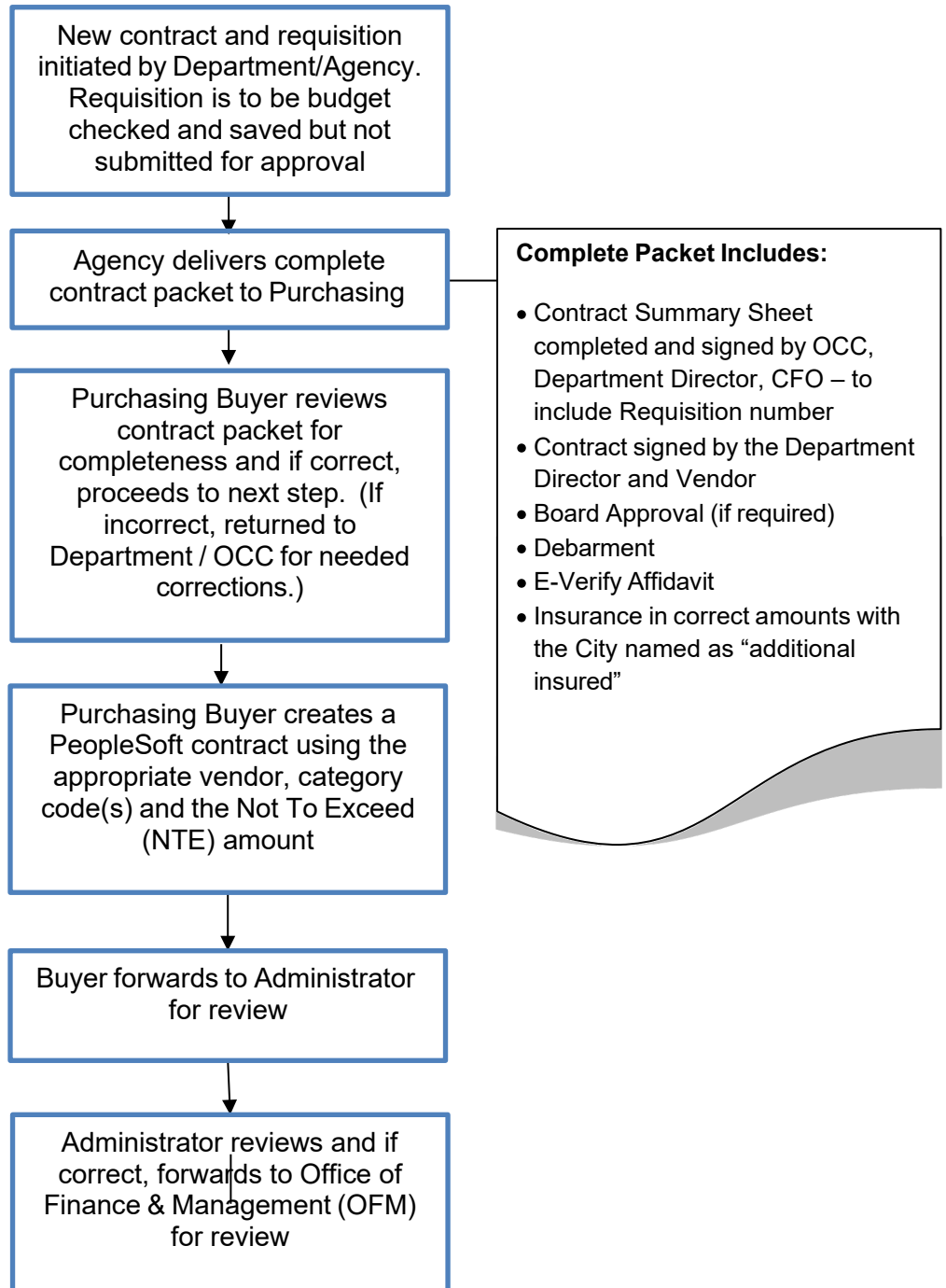


*Processing Time: 20 - 40 days

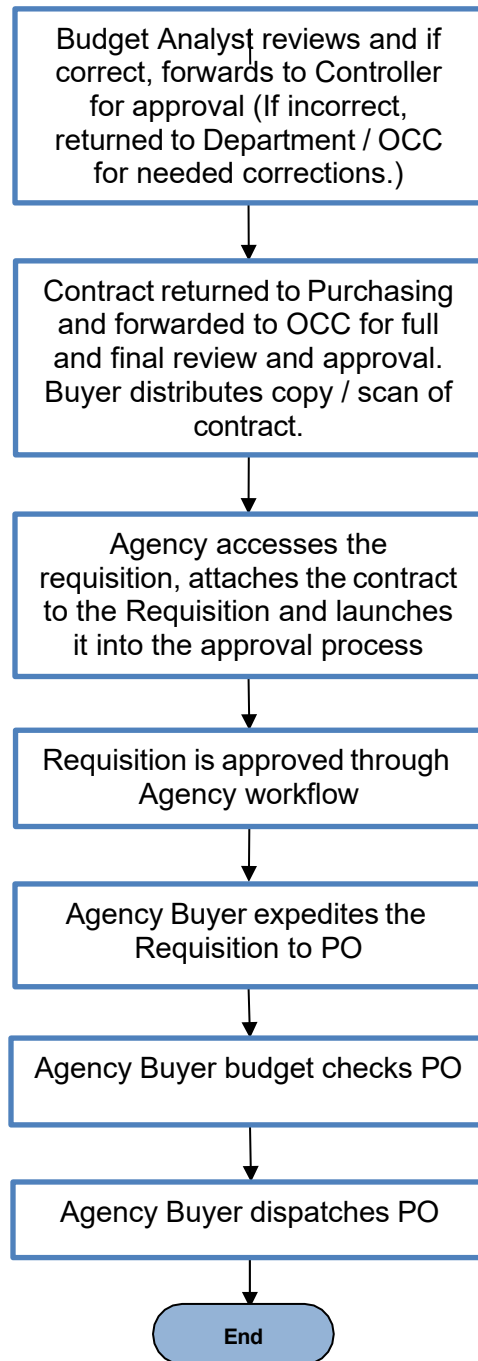
Depending upon when Agency's Board meeting is scheduled.

EXHIBIT J

Contract Workflow Peoplesoft & Administrative Forms



**Contract Workflow
Peoplesoft & Administrative Forms
(Continued)**



NOTE: If a multi-year contract, Agency will process a requisition against the contract for funds spent during each new fiscal year.

If contract needs to be increased or renewed, an amendment is processed through the same non-competed contract method as above. When the amendment is delivered to Purchasing, the Purchasing Buyer will make the necessary changes to the PeopleSoft contract in accordance with the amendment. Agency may process additional requisitions/POs and needed.

Exhibit J-1
Contract Approval Workflow

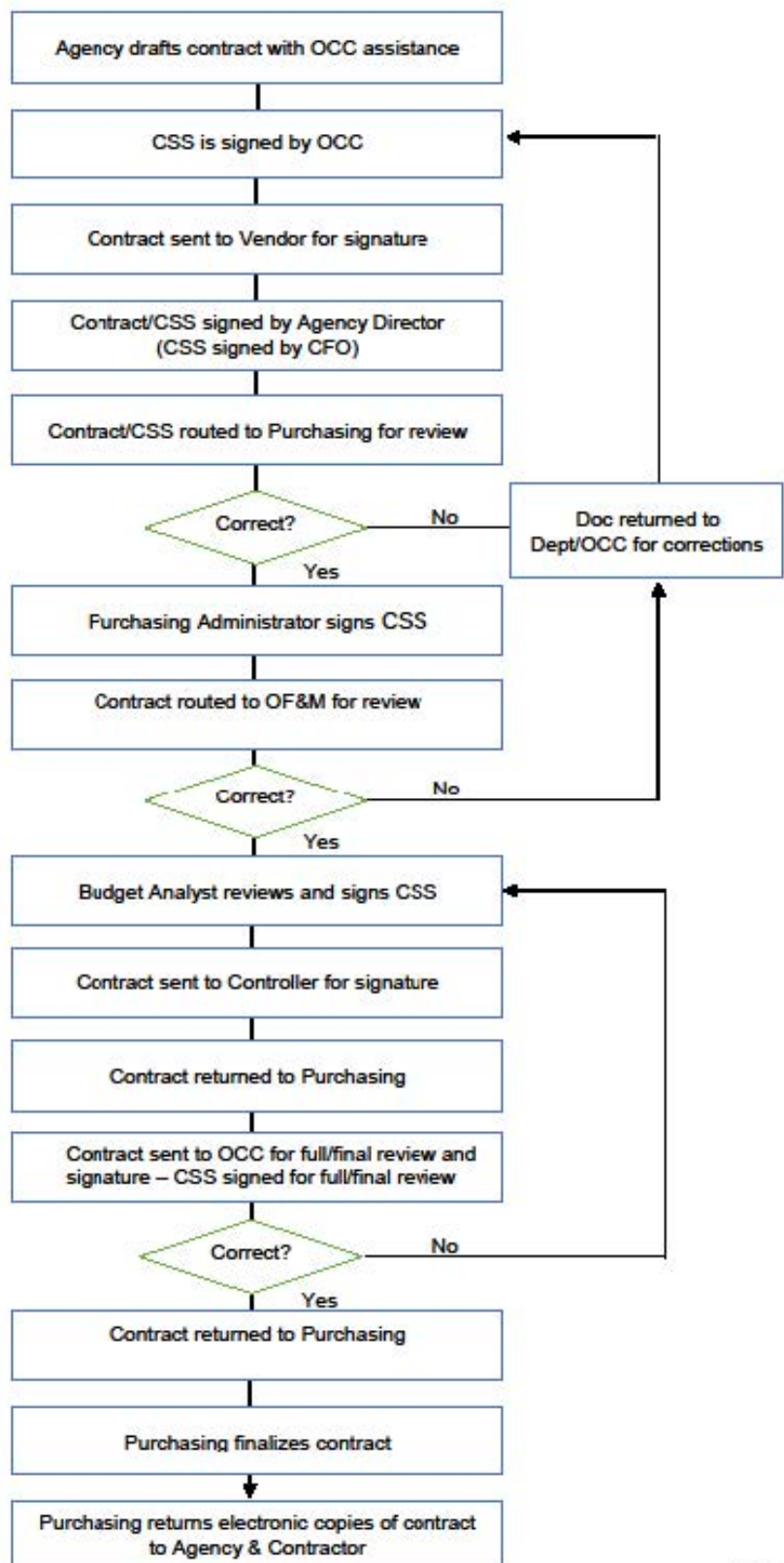


EXHIBIT L

ITEMS GENERALLY NOT TO BE PURCHASED WITH PUBLIC FUNDS

This list is a guideline. However, there are some exceptions. The City Controller (or designee) must approve the purchase of any of these items. They are to include, but are not necessarily limited to:

APPLIANCES

- Coffee pots and servers
- Microwaves
- Toasters
- Radios

BAGGAGE/LUGGAGE

- Personal luggage
- Travel accessories (see travel policy)
- Brief cases
- Carrying cases

FOOD/WATER

- Snacks
- Beverages
- Coffee/supplies

HVAC (for personal use at the desk)

- Fans
- Heaters

OFFICE DECORATING ITEMS

- Wallpaper

- Pictures (or framing of pictures)
- Plants/flowerpots
- Desk lamps
- Office decorations (seasonal/holiday)

OFFICE SUPPLIES (prestigious and/or expensive)

- Cross pens/pencils
- desk sets (expensive brands)
- Day-Timer, Franklin Planners, and other expensive personal calendars

PERSONAL CLOTHING ITEMS (clothing not required as a condition of employment)

- Belts
- Hats
- Pants
- Skirts
- Shirts
- Tops
- Shoes
- Boots

PERSONAL HYGIENE ITEMS

- Lotion
- Aspirin