



NORTHERN MAINE DEVELOPMENT COMMISSION (NMDC) SERVES AS FISCAL AGENT FOR THE TRI COUNTY WORKFORCE INVESTMENT BOARD. THE FOLLOWING IS NMDC'S PROCUREMENT POLICY.

1300 REQUESTS FOR PROPOSALS

1301 Preparing a Solicitation

- 1) Solicitations normally will be completed using the instructions in this part. Since there is really no such thing as a "standard" procurement action, this part will address only the items required to be completed in aforementioned forms and continuation sheets by the Director of Operations or Designated Buyer.
- 2) For completion of the forms, the Director of Operations/Buyer must address the following:
 - a) Date prepared
 - b) Date due
 - c) Date delivery is required at destination, or the completion date of the service. (Buyer must recognize that if a date is identified in the solicitation as being required any offer or taking exception to the "required" will be considered "not-acceptable.")
 - d) Name and telephone number of Director of Operations/Designated Buyer
 - e) Name and telephone number of cognizant technical representative
 - f) Item number(s)
 - g) Description of goods and services, scope of work, etc.
 - h) Quantity(ies)
 - i) Unit(s) of measure
 - j) General Provisions and Addendum(s), if required.
- 3) A list of vendors solicited will be prepared and will be placed in the procurement action file, or permanently retained at the time the solicitation is issued. In the event the solicitation is for goods/services requiring Executive Director's consent/notification, the Director of Operations should annotate same under the list of vendors solicited, to assure that all required documentation is completed, i.e., technical evaluations, telephone conversation records, etc.
- 4) Complex procurement actions normally utilize a letter format with an attached Technical Data Package.

1302 Technical Evaluation/Source Selection

- 1) Proposals for complex items/services, involving specifications and/or drawings or complex Statements of Work will be submitted to the requisitioner for technical evaluation in accordance with the award criteria listed in the solicitation; however, all pricing information will be removed from the solicitation package by the Director of Operations prior to submission.
- 2) Upon completion of the technical evaluation, the requisitioner will submit the results to the Director of Operations, in writing, indicating which proposals are technically acceptable and which bids are not acceptable. Reasons for disqualification of a proposal as "technically not acceptable" must be clearly, succinctly and without bias stated in the evaluation.

1303 Award Evaluation

- ◆ After the Abstract of Proposals is completed, the Director of Operations/Designated Buyer will initiate the process for selecting the successful offer. He or she will evaluate the offer in view of the following criteria:
 - 1) Lowest responsive offer from a responsible offer.
 - 2) Adherence to specifications and requested design or material composition.
 - 3) Delivery commitments exclusive and inclusive of lowest price (in the case of a "required delivery date, a proposed delivery date may render offer not acceptable unless requisitioner accepts later date, in writing, and all offerors are notified in writing to re-bid with extended delivery date).
 - 4) Vendor's compliance with instructions for submitting required documentation.
 - 5) Make or buy decision, when required.

1304 Award

- 1) After evaluating the offers, award will be made to the lowest responsible offer or to the offer with the most advantageous solution to fulfill the needs of NMDC, price and other factors considered.
- 2) All or None of the Qualifications - Unless the solicitation so states, an offer will not be rendered unacceptable by the fact that the vendor specifies that award will be accepted only on all, or a specified group, of the items included in the solicitation.
- 3) Equal Low Offers - If, after evaluation, two or more offers remain equal in all respects, award will be made by drawing lots, which will be supervised by the Executive Director and witnessed by the Director of Operations. Their signatures and titles will be notated on the Proposals.
- 4) For offers covering more than one item with an acceptable delivery, a single order will be issued to the vendor with the lower total price. However, multiple orders may be issued, if considered appropriate and realizable savings from the multiple awards exceeds \$200.

1305 Price Analysis and Cost Analysis

- 1) This part describes the minimum actions the Director of Operations must take to determine and document a fair and reasonable price.
- 2) There are two accepted methods to determine the fairness and reasonableness of a proposal:
 - a) Price Analysis, which is simply a comparative process involving the price(s)
 - b) Cost Analysis, which is an element-by-element analysis of the costs which make up the total price.

1306 Price Analysis

- 1) Price analysis is the most used method to determine a fair and reasonable price because it is less complex and time consuming than other methods. A form of price analysis is to be used on every purchasing action. In order of preference, the accepted forms of price analysis are:
 - a) Adequate price competition;
 - b) Prices set by law or regulation;
 - c) Established catalog or market price;

- d) Comparison to previous competitive purchases;
 - e) Comparison to a valid in house cost estimate.
- 2) Adequate price competition exists when:
- a) At least two responsible offerors respond to the solicitation;
 - b) The offerors are able to satisfy the requirement;
 - c) The offerors respond independently;
 - d) Each offeror submitted an offer which responds to the expressed requirements of the solicitation.
- 3) A copy of the rate schedules set by the applicable law or regulation will be obtained and included in the purchase file for verification of the price(s) quoted.
- 4) Established Catalog Prices and Market Prices
- a) A copy of the Catalog/published price list, or, at least, the page on which the price(s) appear(s) must be obtained and included in the purchase file for verification of the offered price(s).
 - b) Established market prices are based on the same principle as Catalog prices except there is no catalog. A market price is a current price established in the usual or ordinary course of business between buyers and sellers free to bargain. Prices must be verified independent of the offeror and the file documented accordingly.

Comparisons to previous competitive purchases must be based upon a physical review of the files. Changes in quantity, quality, delivery schedules and economic situations must be taken into consideration. Further, the Director of Operations must ensure that the previous price was determined to be fair and reasonable.