

# County Procurement

~Ohio~

EVERYTHING YOU  
WANTED TO KNOW ABOUT  
***PURCHASING***  
BUT DIDN'T KNOW TO ASK

# Discussion Topics

(1 of 2)

“Creatures of the Code”

Purchasing Thresholds and  
Options

- Below \$50,000
- \$50,000 and above

Exemptions to  
Competitive Requirement

# Discussion Topics

(2 of 2)

Requests for Information  
(RFIs)

Competitive  
Procurement Process

Contracting

P-Cards

Integrity in Public  
Procurement

# “Creatures of the Code”

ORC 307.86 through 307.92

# Purchasing Thresholds and Options

Purchases  
Under  
\$50,000

Direct  
Vouchers

Purchase  
Orders

Blanket  
Purchase  
Orders

# Direct Vouchers

ORC 5705.41

- Limited to \$100 unless an annual resolution is passed raising to a maximum of \$1000
- Does not require a P.O.
- May be a verbal order
- Paid directly by Auditor (does not require BoC approval)

# Purchase Orders

- All purchases over the Direct Voucher limit require a Purchase Order (P.O.)
- May require written quotes
- All P.O.'s must have Auditor's Certification of Funds and encumbrance
- All P.O.'s must be approved by BoC or delegated officer



# Purchase Orders

## Recommended Procedure

- P.O. is sent to vendor
- Goods are received
- P.O., receiving document, and invoice are matched
- Payment is made

# Blanket Purchase Orders

- Used for purchases of non-specific items
- Encumber funds for specific line-item appropriation
- May remain open for entire fiscal year
- Multiple blankets may exist at one time
- Must follow regulations of the \$50,000 competitive bid threshold

Purchases  
\$50,000 and  
Above  
Competitive Requirements

Invitation to  
Bid (ITB)

Request for  
Proposal (RFP)

# Invitation to Bid (ITB)

## Invitation to Bid (ITB)

- Quantifiable items or specifications
- Lowest and Best bidder:
  - Lowest price
  - Bid meets specifications
- No negotiations permitted
  - May seek clarifications
- Bids become public record upon contract award

# Request for Proposal (RFP)

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- Qualitative or Performance Specifications
- Structured evaluation process and criteria for each phase are developed when creating the RFP

# Request for Proposal (RFP)

## RFP Evaluation

Proposals may be evaluated in phases:

- Written submittal/proposal
- Interviews/Oral presentations (if needed)
- Other

Elements:

- Pricing
- Technical
- References

# Request for Proposal (RFP)

## Contract Negotiations

- May only negotiate with one vendor at a time
- Highest-ranked vendor first
- Negotiations can be stopped if not negotiating in good faith; may proceed to next highest-ranked vendor
- Cannot go back to a vendor with whom negotiations have been ended.

# Request for Proposal (RFP)

## What's Negotiable?

- All terms and conditions
- Specifications/Scope of Work
- Pricing
- Timeline/Schedule

Proposals, evaluation documents, awarded contract become public record upon contract award



# Exemptions to Competitive Requirement

# Competitive Bidding Is Not Required

(ORC 307.86)

Including, but not limited to:

- Professional services  
(accountant, architect, physician,  
attorney, consultant, etc.)
- Emergency determined by  
unanimous vote of BoC
- Sole source
- Another government agency
- Public social services
- Group insurance programs

## Other Methods of Purchasing

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- Community Rehabilitation Programs (Mandatory)
- State Term Contracts and Schedules
- ODOT Contracts
- GSA Contracts (Limited Availability)
- Cooperative Contracts of other governmental entities

# Request for Information (RFI)

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Information gathering or market survey

Used when County is unsure of what is needed, or what may be available to fulfill the need

No cost information is sought under an RFI

Does not result in a direct award of contract to a vendor

# Competitive Procurement Process

## Competitive Procurement Notice

- Must be advertised in a newspaper of general circulation two consecutive weeks
- Second ad may be waived if posted on County web-site
- Notice must include specific information of bid
- Public bulletin board must be maintained
- Opening and tabulation must be public at advertised time and place

## Bid/Proposal Submission Requirements

- Must be sealed
- Must be submitted no later than published date and time (time-stamped)
- Must be in the County requested format
- Bid and/or Performance Bond, as required.



## Acceptance, Rejection and Award of Bids and Proposals

- ITB: “Lowest and Best Bidder”
- May adopt “Lowest Responsive and Responsible Bidder” (ORC 9.312(c))
- RFP: Highest-ranked vendor
- May reject all bids or proposals

# Bid Bonds

## Construction (Required)

- Bond for full amount of bid plus any accepted add alternates, or
- Certified or Cashier's Check or Letter of Credit for 10% of the full bid amount including accepted add alternates.

## All other Bids (Permissive)

- Should be sufficient to cover cost of rebidding in the event the bidder defaults
- May not exceed 5% of amount of bid

# Contracting

# Items Required to Process a Contract

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- Findings for Recovery (ORC § 9.24)
- Bid Bond (Permissive -  
ORC §307.88)
- Performance Bond (ORC §153.54)

# Additional Items Needed to Process a Contract

- Non-Collusion Affidavit
- Non-Discrimination and EEO Affidavit
- Delinquent Personal Property Tax Affidavit
- Off-Shore Affidavit

# Contract Procedures

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- Approval of contracts by BoC by adoption of resolution.
- Signature authority - BoC unless delegated by BoC to County Administrator
- Prosecuting Attorney's signature
- Electronic signatures



P-Cards

# Purchasing Cards (P-Cards)

ORC 301.29

- BCC and Auditor must be agreeable
- An RFP must be issued unless use Co-op contract
- Easiest way to pay for small purchases
- Saves on number of checks (warrants) issued



# Purchasing Cards (P-Cards)

BoC, in conjunction with Auditor, must adopt a policy by Resolution

- Limit use of card
- Limit number of transactions
- Limit daily or monthly amount
- Limit types of goods

# Procurement Integrity

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Purchasing personnel have a responsibility to ensure that the integrity of the BoC's procurement procedures are never called into question.

# Procurement Integrity

- Counties rely on suppliers, service providers and contractors to perform its missions
- Procurement Integrity is critical to a BoCs success
- A County must perform its procurement activities in a manner beyond reproach, with complete impartiality and fairness for all
- A violation of process integrity, or of personal integrity, undermines public confidence among voters, elected officials, federal funders and federal regulators

# What is Procurement Integrity?

Procurement Integrity is expressed in two ways:

1. Integrity of the procurement process (*process integrity*)

“Doing things right”

2. Integrity of the procurement practitioner (*personal integrity*)

“Doing the right thing”

# Process Integrity

## *Process Integrity* (“doing things right”)

- Transparency
- Fairness
- 4Cs (Clarity, Consistency, Compliance and Competition)
- Source Selection Based on Merit Consistent with the Published Requirements and Evaluation Criteria

# Process Integrity

## Consequences of Non-Compliance:

- Bid protest
- Procurement cancelation or delay
- Questions and increased scrutiny
- Loss of public confidence

# Personal Integrity

*Personal Integrity* (“doing the right thing”)

- Complete impartiality
- Restrictions on soliciting or accepting anything of monetary value (Gifts”)
- Restrictions on seeking or accepting other employment
- Avoidance of personal conflict(s) of interest (Actual and Apparent)



# Personal Integrity

## Consequences of Non-Compliance:

- Disciplinary or adverse action (individually)
- Criminal prosecution (individually)
- Bid protest
- Procurement cancelation or delay
- Questions and increased scrutiny
- Loss of public confidence

# Procurement Integrity Summary

## Procurement Integrity =

*Process Integrity + Personal Integrity*

- Do not assume
- Be proactive
- Understand your “remedies”
- When in doubt: Ask questions
- Seek advice from County Prosecuting Attorney



# Questions?

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