


<b>Category:</b>	Financial	<b>INCA Community Services Financial Policy</b>  
<b>Review Date:</b>	3/22, 3/23, 3/24, 3/25, 3/26	
<b>Revised Date:</b>	09/25	
<b>References:</b>	Purchasing Policy Electronic	
<b>Forms:</b>	Designated Purchasing Agent List, Credit Card Authorization List, Purchase Orders	
Responsible: Finance Director, Fiscal Consultant, Executive Director, Program Directors, Purchasing Agents		

## Procurement Standards

### Purpose/Policy

The purpose is to establish standards and procedures for procuring supplies, equipment, and services for all grants/contracts administered through INCA Community Services, Inc. These standards are established to ensure that all procurement transactions, regardless of dollar value, are conducted in a manner that promotes maximum open and free competition, while making every effort to utilize small and minority-owned businesses, and comply with all applicable federal and state laws and grant/contract provisions. (Per 2 CFR 200.319,200.321)

### Budget Availability

- No person is authorized to obligate the agency to any purchase or contract without first ascertaining that sufficient funds are available to meet the obligation and obtaining the necessary authorization for the purchase.
- Any purchase not in compliance with the agency's purchasing or procurement policy may not be an obligation of the agency and consequently may be considered a personal obligation.
- Seated purchasing agents must review available budgets before approving the ordering of goods or services.
- To avoid a lengthy delay in receiving goods, the budget should be reviewed. If necessary, appropriate budget revisions should be made in accordance with funding source requirements before preparing purchase requisitions.
- The accounting department is directed to reject requisitions for accounts with insufficient funds.

### Responsibility for Purchasing - Budget-Based Approval Authorization

The Executive Director will approve designated purchasing agents for INCA Community Service. The accounting department will maintain a list of designated purchasing agents and their corresponding approval amounts.

These procedures, as set forth, are to be followed:

- For purchases under \$200, approval of the Program Director is required on the receiving report. Program Directors may designate purchasing agents with the approval of the Executive Director. Purchasing agents must determine if the request is allocable,

reasonable, and allowable. Program Directors must always adhere to their budgets before approving any purchases.

- Purchases of \$200 or more require prior approval and a purchase order (PO) to be secured before expenditure. Purchases between \$201 and \$3,500 must have written approval from the Program Director or Executive Director.
- Purchases exceeding \$3,500 require prior written approval from the Executive Director.
- The Executive Director may designate others to approve as needed.

### **Materials and Supplies**

This policy pertains to expendable materials and supplies with an expected usable life of one year or less. The cost of materials or supplies shall be based on the aggregate amount of planned or potential purchases over a one-year period, rather than on a one-time purchase that may be recurrent.

- Expendable materials and/or supplies with an expected usable life of less than one year costing less than fifty thousand dollars (\$50,000) shall be purchased using MicroPurchase procedures.
- The purchase of expendable materials and supplies with an expected life of less than one year costing above fifty thousand dollars (\$50,000) must use Advertised Procurement procedures.
- Inventory Requirements: INCA shall maintain an inventory system to control materials and supplies purchased in quantity.

### **CLASSIFICATION OF PURCHASES**

#### **Micro Purchasing - for purchase less than Fifty Thousand Dollars - \$50,000.00**

The purchase of products and services (similar or dissimilar, once as a single, collective unit whose aggregate costs do not exceed \$50,000.)

- Micro-purchases are recurring purchases for supplies and products that require a cost analysis.
- Comparison pricing must be conducted before purchasing.
- If the aggregate cost of these items (that is, the total bill) does not exceed the micro-purchase threshold, the transaction qualifies as a micro-purchase under 2 CFR 200.320(a).

INCA shall conduct purchasing procedures in a manner that provides, to the maximum extent practicable, open and free competition. A cost or price analysis shall be performed and documented in all procurement files.

- Purchases under \$5,000: Informal price comparison (complete quotes and bid sheet)
- Purchases \$5,001 - \$15,000: Three telephone bids (complete quotes and bid sheet)
- Purchases \$15,001 - \$50,000: Three or more written price quotations.

#### **Blanket Purchase Order**

For convenience, blanket purchase orders may be issued for multiple small purchases from a single source. Approval following purchasing procedures is required before a blanket purchase order is issued.

A Blank Purchase Order (BPO) is used for placing orders that will require multiple payments over a specified period. Examples are standing orders, maintenance/Service contracts, and open orders.

**Competitive Sealed Bids/Advertised Procurement (for equipment purchases of Ten thousand dollars (\$10,000) or more and for large purchases over \$50,000):**

Bids are publicly solicited, and a firm-fixed-price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming to all the material terms and conditions of the invitation for bids, is the most advantageous for the agency.

Equipment is defined as a single item that has a useful life greater than one year.

**Sole-Source Purchase**

A sole source occurs when a particular good, material, or service is available from only one source. If required, all sole-source procurements must be approved in advance and in writing by the program director, executive director, and funding source.

**Oklahoma Department of Commerce (ODOC):** All sole source procurements of \$5,000 or more must be approved in advance and in writing by ODOC. INCA shall submit a written request to utilize sole source procurement, provide a brief description of the goods or services to be procured, and provide justification for the sole source procurement

**State and Federal Programs Procurement**

- INCA will adhere to the Oklahoma Department of Commerce's procurement policies and procedures.
- All Federal Programs will comply with 2 CFR 200.439, 45 CFR 75.439 e Equipment and other capital expenditures.

**Agency Credit Card/Fuel Cards**

**Designated Purchasing Agent:**

- Must adhere to the procurement policies and procedures.
- As with all other purchases, payment of credit card purchases is subject to approval and budget constraints.
- Placing orders without agency authorization assumes the risk that the order may be considered a personal purchase.

**Executive Director:**

- Must authorize all Credit Card users within the agency.
- Will approve a credit limit placed on the authorized purchasing agent's card. The limit can only be increased with the approval of the Executive Director.
- May request to review any credit card purchases at any time or request specific users to obtain permission before each transaction.

**The Accounting Department:**

- Maintain a list of all staff authorized to use agency credit cards for purchasing purposes.
- Will monitor all credit card activity via the credit card website to ensure internal control and accountability.
- Has the responsibility to determine that purchase requisitions are approved and in place correctly.
- Will match the credit card receipts to the credit card statement before paying the bill.

**Fuel Cards**

- Fuel Cards are assigned to each agency vehicle.
- Monthly fuel usage reports from the fuel vendor are sent to the Transit Director, who emails the reports to the appropriate supervisor or designated staff for review.
- The report is reviewed for inconsistencies in mileage or fuel usage.

- Any discrepancies are reported to the appropriate director for resolution.
- Approval of usage is sent to the Transit Director, who prepares the receiving report for payment.

### **Federal Debarment**

The Common Rule States, “Grantees and subgrantees must not make any award or permit any award(subgrant or contract) at any tier to any party which is debarred or suspended or is otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549, “Debarment and Suspension. Before awarding a contract funded in whole or part with federal funds, INCA will check the website <http://www.sam.gov> via the Vendor Name or by DUNS number to ensure the vendor is not on the debarment or suspension list.

**Oklahoma Department of Commerce (ODOC)** - INCA must retain evidence within its files that due diligence was performed to ensure the proposed contractor could be paid with Federal funds. ODOC will verify this during annual monitoring.

### **Vendors Debarred, Banned, or Suspended (Foreign Terrorist)**

The US Government has identified organizations and people as threats to the United States. It is unlawful for a person in the United States or subject to the jurisdiction of the United States to knowingly provide “material support or resources” to designated Foreign Terrorist Organizations (FTO). Additionally, the Office of Foreign Assets Control (“OFAC”) of the US Department of the Treasury administers and enforces economic and trade sanctions based on US foreign policy and national security goals against targeted foreign countries, terrorists, international narcotics traffickers, and those engaged in activities related to the proliferation of weapons of mass destruction. OFAC acts under Presidential wartime and national emergency powers, as well as authority granted by specific legislation, to impose controls on transactions and freeze foreign assets under US jurisdiction. Many of the sanctions are based on United Nations and other international mandates, are multilateral in scope, and involve close cooperation with allied governments. The agency is prohibited from doing business with the organizations or people listed on the websites below. Before accepting a vendor, these websites will be checked.

- Department of State - Foreign Terrorist Organizations:
- <http://www.state.gov/s/ct/rls/other/des/123085.htm>
- Department of State – Comprehensive List of Terrorists and Groups Identified Under Executive Order 13224: <http://www.state.gov/s/ct/rls/other/des/122570.htm>
- Department of the Treasury – Specially Designated Nationals list: <http://www.treas.gov/offices/enforcement/ofac/sdn/>

### **Procurement Protest Procedures**

#### **Right to Protest**

Any actual or prospective bidder, proposer, or offeror (hereinafter “Protestor”) who is aggrieved in connection with the solicitation, evaluation, or award of a contract issued by any INCA program may file a protest in accordance with these procedures.

#### **Grounds for Protest**

A protest shall be limited to the following grounds:

- Alleged improprieties in the solicitation process, including but not limited to restrictive, unclear, or unlawful specifications;
- Suspected errors in the evaluation, scoring, or ranking of bids or proposals;

- Suspected violations of applicable procurement statutes, regulations, or procurement policies; or
- Alleged conflict of interest, favoritism, or other conduct that compromises the integrity of the procurement process.

#### **Time for Filing**

- Protests based upon alleged improprieties apparent on the face of the solicitation shall be filed in writing before the deadline for receipt of bids or proposals.
- All other protests shall be filed no later than [five (5) business days] following the issuance of a Notice of Intent to Award or contract award, whichever occurs first.
- Untimely protests shall not be considered.

#### **Form and Content of Protest**

- All protests shall be submitted in writing, addressed to the designated person who is overseeing the bids, and clearly defined as a “Procurement Protest.”
- Each protest shall include:
  - The name, address, telephone number, and email address of the Protestor;
  - Identification of the solicitation or contract number;
  - A detailed statement of the factual and legal grounds for the protest, including all supporting documentation;
  - The specific relief or remedy requested.

#### **Review and Determination**

- Upon receipt of a timely and properly filed protest, the Executive Director shall review the protest, obtain information as necessary, and issue a written determination within [ten (10) business days], unless extended for good cause.
- The determination shall:
  - State whether the protest is upheld, denied, or partially sustained; and
  - Provide the rationale for the decision.
  - The determination shall be final, subject only to such rights of appeal as may be provided under applicable law.

#### **Effect of Protest on the Procurement Process**

- The timely filing of a protest shall not automatically stay the procurement process or contract award.
- INCA may, in its sole discretion, suspend the solicitation, evaluation, or award process pending resolution of the protest if it is determined that doing so is in the best interests of the agency.

#### **Remedies**

If a protest is upheld, remedies may include, but are not limited to:

- Correcting the solicitation.
- Re-evaluating proposals or bids;
- Canceling the award;
- Reissuing the solicitation.

#### **Dissemination of Policy**

The agency's website will make the policy available to all employees. The agency will educate and train employees and supervisors on the policy and any conduct that could constitute a violation of it.

