


Category:	Financial	INCA Community Services Financial Policy 
Effective Date:		
Revised Date:	3/22, 3/23, 3/24, 3/25, 3/26	
Forms:	Quotes and Bids Form, Purchase Order List,	
Related Policies: Procurement Standards, Travel Policy, Oklahoma Department of Commerce (ODOC) Implementation Manual.		

Purchasing Process

Purpose/Introduction

INCA Community Services believes the procurement of goods and services must be conducted in an open and competitive environment to ensure prices paid are fair and reasonable. Purchasing should follow the methods below to gain adequate goods and services, meet the procurement requirements of funders, and allow for fair and equal consideration in all purchases.

Positive efforts shall be made to utilize small and minority-owned businesses.

Purchases Less than \$200

When purchasing goods or services under \$200:

- Designated purchasing agents may purchase goods and services up to \$200 with the approval of the Program Director on the receiving report. Purchasing agents and Program Directors must determine if the request is allocable, reasonable, and allowable and verify budget funds are available.
- Upon receipt of goods or services, the Receiving Report must be completed and submitted to the Accounting Department with all supporting documentation.
- Purchasing Agent provides
 - Receipt or invoice for goods or services.
 - Completed Receiving Report ([see Docusign instructions](#)) signed by:
 - Purchasing Agent or Receiver
 - Program Director

Purchases Greater than \$200.00 but Less Than \$50,000.00

INCA shall conduct purchasing procedures in a manner to provide, to the maximum extent practical, open and free competition. Some form of cost or price analysis shall be made 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.
- *Purchases of a single piece of equipment over \$10,000 must follow Competitive Bid Process*
- Before approval, the Program Director must review the request to determine if the request is allocable, reasonable, and allowable and verify budget funds are available.

- Make every effort to obtain at least three written quotes. If unable to secure quotes/bids document must be submitted outlining efforts made and prior purchase approval by the Executive Director.
- Upon securing the lowest and best quote, the purchaser will submit a Purchase Requisition ([See Instructions Electronic Purchase Requisition](#)) to the Program Director.
- Upon approval, the appropriate Director will submit the Purchase Requisition to the Executive Director for approval.
- The Executive Director will review the Purchase Requisition. If approved, the Executive Director will forward the approval to purchaserequest@incacaa.org to be assigned a Purchase Order Number.
- The purchaser will then use the approved purchase order number to make the purchase or place an order for the purchase.

Competitive Sealed Bids/Advertised Procurement (for equipment purchases of ten thousand dollars (\$10,000) or more and for large purchases over \$50,000: Request for Purchase or Proposal Process (RFP)

An RFP is a formal process that outlines the required goods or services the Agency is seeking, utilizing a defined structure for the procurement decision. The RFP is a tool for acquiring supplier information, suggestions, and pricing. It provides an organized process to evaluate and compare the vendors and their responses to meet the needs of the Agency. An RFP is used when the cost will be over \$10,000 for equipment and \$50,000 for large purchases or the funding source's specified amount.

Procedure for obtaining an RFP

- An RFP should generally be initiated at the program level with guidance and assistance from the Financial Director, as needed, and must be approved by the Executive Director before submitting to vendors.
- INCA is committed to a comprehensive and diverse vendor program. INCA encourages assertive efforts to utilize all types of businesses, large and small businesses, including veteran-owned, women-owned business enterprises, minority-owned firms, and disadvantaged businesses.
- Before starting the RFP process, research the specific needs and goals of the project or purpose. A clear, accurate scope of work will provide the most accurate response from the vendors and not unduly restrict competition. Clearly distinguish between what is a requirement for the project versus what is a "nice to have" item for the project. Choose your wording carefully by stating "will" and "must" versus "may" or "optional".
- Determine upfront what criteria will be used to evaluate the RFP. The lowest price does not have to be the only criteria. Other criteria, such as delivery, warranty, or value-added products or services, could be used to propose the best overall choice for the agency. It should be clearly communicated in the RFP that price isn't the only determining factor.
- The program director or assigned staff should consider forming an evaluation committee of knowledgeable personnel to respond to vendor inquiries, provide RFP addendums, if needed, coordinate meetings and on-site visits, oversee record documentation, and evaluate the vendor response. The committee will evaluate and recommend an award of the RFP to the Executive Director. If something other than the lowest responsive bid is selected, INCA will document the reason for selection in the procurement records.
- A draft of the RFP bid document should be provided to the Financial Director and the Executive Director before distribution to the vendors to allow additional review of the

content. The RFP bid should also be shared with the funding source if a requirement of the grant agreement and the agency's attorney if legal content needs review.

- Oklahoma Department of Commerce (ODOC): Solicitation requirement:
 - Provision of a notice to all known prospective bidders via first-class mail at least 20 days before the scheduled bid opening; and
 - Publication in two(2) consecutive weekly issues of a general circulation newspaper. The first publication must be at least 20 days before the date for opening bids.
- The RFP will be posted on INCA's website under "About Us - Open RFPs". The announcement and link will be e-mailed (preferred) or faxed to the vendors. Instead of e-mail if not available, a hard copy can be mailed to the vendor upon request.
- Any necessary addendums to the original RFP will be posted on the website, and an e-mail(preferred) will be sent or faxed to the vendors involved in the solicitation.
- If oral presentations by the respondents are a part of the RFP requirements, all committee members should be present for each presentation.
- It is the vendor's responsibility to ensure that their response reaches the designated project leader of the Agency by the required time and date in the RFP. Late Responses will not be considered or opened if received after the designated due date and time.
- Bid Responses: There must be two(2) or more responsive and responsible bids. When only one (1) responsive and responsible bid(single source) is received and all good faith efforts to solicit and maximize the number of bidders have been accomplished, documentation of all solicitation efforts must be maintained in file. These should include items such as dated newspaper clippings. INCA should make every effort to ensure that the identified market is large enough to solicit responses from responsible bidders to create competitive offers/prices.
- The procurement must lend itself to a firm with a fixed price, so the selection can be made principally based on price.

RFP Bid Document Outline Structure

- **Subject** - Describe a general overview of the project. Outline the required product, services, or equipment and provide information regarding the manner in which we expect the services to be performed.
- **Contact** - Identify the program director and where all contact and correspondence with the agency about the project should be directed.
- **Intent** - Describe the intentions for the project or equipment
- **Background and Program** - Describe the project history so the vendors have an idea of where we came from and how we got to the current position.
- **Budget and Schedule** - Include the project budget and expected timelines if known. Vendors should be given adequate time to construct and submit a complete and comprehensive response worthy of consideration. Depending on the complexity of the project, their response time will generally range from 2 to 6 weeks.
- **Scope of Product or Services** - Identify the scope of services or products we are expecting. Be clear on what is "required" versus "desired". Ensure the vendor is capable of providing the required product or services. A questionnaire helps determine if the vendor is qualified, understands the project, and is capable of performing all the requirements to the agency's satisfaction.
- **Economic Opportunity** - State the agency's position regarding diversity and inclusion.
- **Proposal Requirements** - State the requirements of how we want to see the responses. Insist that the bidders are clear regarding what capabilities are included in the proposal versus what capabilities are available for an additional cost. All internal system requirements should be fully disclosed, and any costs should be added when evaluating the proposal. Include the requirements regarding what recourse is available to us if the

system does not perform as described in the proposal. Define the training and ongoing support requirements, if any, and also include any warranty requirements.

- **Criteria for Selection** - State what criteria and weights will be used to evaluate the RFPs. Include your format for pricing and require the bidders to complete it. This will help with consistency when doing your comparison. Define your acceptance requirements. The agency demonstrates impartiality and a competitive process by following a structured evaluation and selection procedure. Files must contain a copy of the specifications and evaluation criteria, including evaluation criteria forms completed for each bid.
- **Future Contracts** - Include wording that reserves or right to request new proposals, if needed.
- **Pre-proposal Meeting and Walkthrough** - Include wording, if needed, regarding the time and meeting location for a walkthrough of the project, if necessary.
- **Place and Date of Submission** - Identify where, when, and how proposals are due. No bids are to be accepted after this time.
- **Additional Information** - Include a date for "intention to submit a proposal" and also include dates when staff can ask questions.
- Once the bidder submits a price, the dollar value is not subject to any type of negotiation or change.
- **Public (open) meeting** - Bids must be opened at a public(open) meeting. During the solicitation, it is advisable to note the date, time, and location of the bid opening.
- **Schedule** - Include an internal schedule for the RFP process to review, evaluate, and decide so bidders understand the timeline.
- **Documents for Reference** - Identify any attachments that are included with the RFP so bidders know they have the full package.
- **End of Proposal** - Add a notation to signify the end of the RFP.

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.

Purchasing Accounting guidelines

- The Financial Director will verify if funds are available in the program budget before a PO number is issued.
- The purchasing clerk will assign a Purchase Order number to the Purchase Requisition if funds are available.
- If the Purchase Requisition is not approved, the purchase requisition will be returned to the Program Director, who will be responsible for informing the initiator that a request for funds is not available.

Assignment of Purchase Orders

Purchase Orders (POs) will be controlled and maintained in numerical order by the Accounting Department. The purchasing clerk is responsible for the assignment and upkeep of all PO numbers within the agency. Once the purchase order is approved, the Accounting Department will then do the following:

- Utilize the Purchase Order List (PO List - purchase orders in Google Sheets) to assign PO numbers to purchase requests;

- Issue an email with the purchase order number to the purchaser requesting it, which will be attached to the final paperwork for payment.
- Update the purchase order list daily;
- Close POs when the funds have been spent;
- Communicate with program directors regarding outstanding POs monthly

Delivery of Goods or Services

Once the goods are delivered or the contracted service is performed, the purchaser will examine the goods received or the work done to ensure that all items ordered have been received and are in good condition or that the work has been completed to their satisfaction.

Receiving Report

The Purchaser will complete a receiving report attaching purchase request documentation, quotes and bids (if appropriate), and the invoice for payment. The Receiving Report will be sent through DocuSign or a hard copy to the appropriate chain of approval. After final approval, the receiving report is submitted to the Accounting Department, which will match the purchase order. A report will be sent to the invoice to ensure the validity of items purchased and to make payment. No checks will be prepared from a statement, only from the supporting invoices.

When the Accounting Department approves a receiving report, it indicates that the following has been considered:

- there is a budgeted line item for this expenditure, and budget funds are available;
- the account coding of the receiving report is accurate;
- the proper supporting documentation is attached, including an adequate invoice;
- If it is a purchase, proper purchasing procedures were followed;
- Proper approval for purchase;

Emergency Orders

An emergency is defined as "a sudden, generally unexpected occurrence demanding immediate action. Failure to plan or anticipate supply needs is not considered an emergency. True emergency examples are Broken windows, vehicle repairs, and breakdown of vital equipment (e.g. plumbing, electrical, etc.)

Oklahoma Department of Commerce (ODOC) - When the urgency for the goods or services will not permit a delay due to competitive procurement, ODOC may authorize emergency procurement. Examples of urgent needs are emergency plumbing or electrical work. Authorization may be obtained through a telephone request. If INCA cannot obtain telephone approval before procuring the goods or services, a written request for approval shall be submitted immediately after the procurement takes place.

Homeless, Energy, and Emergency Assistance Requests

Emergency Services such as shelter, energy, transportation, prescriptions, and homeless assistance may be secured before the purchase order is secured. Prior written (including e-mail or signature on voucher) approval of expenditure by the Program Director or designated employee is required. The purchase process will then be followed as outlined in this policy. Document the type of Emergency Assistance (Vouchers attached when applicable) that will be submitted to the accounting department justifying the emergency.

Out of Area Travel

Travel Advances (see Travel policy)

The Bookkeeping Department will ensure all travel advances are accounted for promptly and cleared from records.

- The approved travel report form will be given to the Accounting Department for payment after the approval of the Program Director.
- Travel advances are recorded in the accounting records as accounts receivable from employees.
- Travel advances are determined using estimated mileage and per diem rates. The disposition of travel advances must be reported on the travel claim to the Bookkeeping Department within five working days after the travel is completed, and any unused portion of the travel advance must be returned at this time.
- If not received within 10 days of the first working day upon completion of the travel, the Accounting Department will notify the employee that a reconciliation report must be filed. The Program Director and Executive Director will also be notified of this situation.
- When the reconciliation report is prepared and approved, if the employee owes money back to the agency, they will pay the amount owed, and the Accounting Department will attach a copy of the check to the travel report.
- If the agency owes additional money to the employee, a copy of the check written will be attached to the travel report.
- If an employee owes money and has not paid by check within 15 days of travel, the accounting department will recoup out of their wages on the following pay period and inform the employee of the deduction.

Definitions

Purchasing Agent - Employees designated to make purchases. (See Procurement Standards)

Dissemination of Policy

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