

Chapter 22. Small Purchases

Summary

This chapter establishes the procedures to be followed when the cost of the goods or nonprofessional services to be procured is not expected to exceed \$100,000, and when the cost of professional services to be procured is not expected to exceed \$80,000. If goods or nonprofessional services are sought to be procured, one of the three following procedures shall apply, depending on the expected cost of the procurement: (1) procurements up to and including \$5,000; and (2) procurements greater than \$5,000 up to and including \$100,000. A separate procedure applies when professional services are being procured.

Essential Information in this Chapter	
<ul style="list-style-type: none">• The using department shall make a good faith determination as to whether the cost of the procurement is expected to exceed \$100,000 for goods and nonprofessional services or \$80,000 for professional services.• Neither the purchasing agent nor the using department shall procure goods or services in a piecemeal manner in order to avoid formal procurement procedures that would otherwise apply.• The receipt of written quotations is preferred, even if verbal or telephone quotations are authorized.• If goods or nonprofessional services are sought, one of three informal procurement procedures applies. A separate procedure applies when professional services are sought to be procured.	
Key References to the Code of Virginia Applicable to this Chapter	
Section 2.2-4303(G): Small purchases for goods and nonprofessional services; professional services	

22-1 General

This chapter establishes the procedures to be used for single or term contracts when the aggregate or the sum of all phases is not expected to exceed \$100,000 for goods or nonprofessional services or \$80,000 for professional services.

The following general principles apply to all procurements made pursuant to this chapter:

- Determination of estimated cost of procurement: The using department shall make a good faith determination as to whether the cost of the procurement is expected to exceed \$100,000 for goods or nonprofessional services or \$80,000 for professional services as provided in Section 4-5.

- Providing for competition: These small purchase procedures are intended to provide for competition whenever practicable and shall be applied to further this intent.
- Piecemealing of procurement prohibited: Neither the purchasing agent nor the using department shall procure goods or services in a piecemeal manner, otherwise split a procurement into multiple procurements, or request or require that the selected vendor invoice the County at intervals, for the purpose of reducing the estimated cost of the procurement to below the applicable purchasing thresholds described in this manual.
- Written request for quotations are preferred: Whenever possible, the request for quotations should be made in writing. Emails are an acceptable form for a written request for a quotation. The written request shall include reference to the Albemarle County General Terms and Conditions or the applicable contract template in use (see Appendix A). If the request is oral, the using department will follow the oral request with delivery to the vendor of the General Terms and Conditions or applicable contract template in use.
- Written quotations are preferred: The receipt of written quotations is preferred, even if verbal or telephone quotations are authorized, in the event that a dispute arises after the order is placed regarding terms or pricing. Emails are an acceptable form for a written quotation.
- Travel and training expenses whose costs not expected to exceed \$50,000 exempt: Travel and training expenses whose costs are not expected to exceed \$50,000 are exempt from the procedures set forth in Sections 22-2, 22-3 and 22-4. These costs, which may include those for job-related training, continuing education, and associated meals, lodging, and other related and authorized expenses, are subject to the approval of the using department and the purchasing agent.
- Purchase order required over \$5,000: A purchase order is required on any purchase over \$5,000.

22-2 Goods or Nonprofessional Services: Cost Not Expected to Exceed \$5,000

- Where the estimated cost of goods or nonprofessional services is \$5,000 or less unless exempted (see Part 4), purchases may be made upon receipt of a minimum of one (1) written or telephone (oral) quotation. Additional sources may also be solicited. Other quotes received that were not solicited shall be considered. If more than one quote is received, the award shall be made to the lowest responsive and responsible bidder. A record of the quotation must be kept with the file. If a telephone quote is solicited, a record shall be kept of the name and address of the vendor(s) contacted, the item description or service offered, price quoted, delivery dates and terms, names of persons giving and receiving the prices and

the date the information was obtained. Notation on the requisition form is considered to be an adequate record.

- Additional competition should be sought whenever there is reason to believe a quotation is not a fair and reasonable price.

22-3 Goods or Nonprofessional Services: Cost Expected to be Greater Than \$5,000 up to and including \$100,000

If the cost of the goods or nonprofessional services is expected to be greater than \$5,000 up to and including \$100,000, the following procedure shall apply:

- Scheduling: The using department should allow sufficient time for vendor(s) to provide quotations and for the County's evaluation of the quotations and completion of the administration of the contract negotiation and execution process.
- Quotation: The using department shall seek at least three (four, if the cost is expected to exceed \$30,000) written quotations from vendors. When soliciting a quotation, the using department shall describe the goods or services desired, the quantity, the date by which delivery or performance is expected to be made, a statement that the County is seeking competitive quotations, any technical factors that may be evaluated, and the date and time by which written quotations must be received in the office of the using department.
- Posting of public notice: Purchases under this section that are expected to exceed \$30,000 shall require a written solicitation (or request for quotations), the posting of a public notice on the County's website, and may include posting on the Virginia Department of General Services' central electronic procurement website, and/or other appropriate website(s).
- Contents of written quotation: A written quotation submitted by a vendor shall contain the following information: (1) the name of the vendor quoting the offer; (2) the name of the individual quoting the offer; (3) the manufacturer and model of the goods or a description of the services; (4) the pricing and unit price; (5) the payment terms; (6) the promised delivery or performance date; (7) the technical qualifications, if requested; and (8) the date the quotation was made.
- Selection of vendor: The using department shall select the vendor providing the best value or lowest price quotation, depending on the structure of the request for quotations. However, if the vendor fails to provide a written price quotation which contains all of the information required by the preceding paragraph or if the purchasing agent determines that the vendor is not responsible, then the purchasing agent shall select the vendor providing the next best value or lowest price quotation and

shall state the basis for the decision in writing and place it in the procurement file.

The purchasing agent may require that any procurement of goods or services otherwise subject to this section comply with the competitive sealed bidding or competitive negotiation procurement procedures set forth in Parts 2 or 3.

22-4 Professional Services: Cost Not Expected to Exceed \$80,000

If the cost of professional services (as defined in Section 1-5 of this manual) is not expected to exceed \$80,000, the following procedure shall apply:

- Scheduling: The purchasing agent should allow sufficient time for vendor(s) to provide quotations and for the County's evaluation of the quotations and completion of the administration of the contract negotiation and execution process.
- Negotiation with one or more vendors: If the cost is not expected to exceed \$15,000, the using department is authorized to negotiate with one or more vendors. If the cost is expected to be greater than \$15,000 up to and including \$80,000, the using department shall contact and interview a minimum of three vendors. The negotiations may be conducted either in person or by telephone and shall consist of identifying the services desired, the date by which performance is expected to be made, the qualities of the vendor described in the following paragraph, and the cost for the services.
- Selection of vendor: The using department shall recommend to the purchasing agent the vendor to be selected. If the using department negotiated with more than one vendor, the using department shall recommend the vendor it determined to be the most qualified, responsible, and suitable; cost shall not be the sole determining factor. The purchasing agent shall notify the selected vendor, whose selection shall be contingent upon the County and the vendor entering into a written agreement.
- Written agreement: The purchasing agent shall provide the appropriate template or prepare a written agreement approved by the county attorney.

The purchasing agent may require that the procurement of professional services otherwise subject to this section comply with the competitive negotiation procedure set forth in Part 3.

22-5 Excepted Items from Competitive Requirements

The purchasing agent has determined that competition for certain goods and services is impracticable because of the nature and value of the goods and services or because these items have historically proven to be available from only a single source. As such, these specific goods and services, as listed in Appendix C, are excepted from competitive requirements, so long as the value

does not exceed the small purchase threshold. The purchasing agent, in consultation with the county attorney's office, is empowered to amend the list without prior approval of the Board of Supervisors.

- Procedure: Where a using department's or entity's estimated cost of goods or nonprofessional services does not exceed \$100,000 (or as otherwise restricted herein) for the goods and services detailed in Appendix C, purchases may be made upon receipt of one written quotation. A record of the quotation must be kept with the file and must be consistent with documentation as described in Section 22-2. The document shall also cite the specific exemption from the list in Appendix C. The documentation shall be provided to the purchasing agent or his designee upon request.

Departments should attempt to seek additional competition whenever there is reason to believe a quotation is not a fair and reasonable price.

Purchases of items listed in Appendix C must be accomplished through either a purchase order or a purchase card transaction.

- Agreements: Contract templates maintained by the Purchasing Office (see Appendix A) should be used to form all contracts between the County or the School Board and the vendors. Using departments or entities do not have authority to sign agreements provided by a vendor. In no event should a contract that is authorized pursuant to the Exemption List in Appendix C exceed a term of 5 years, including renewals, without express, written permission from the purchasing agent.
- Record Retention: Retention and timely destruction of all procurement records relating to exempt purchases (quotation, two-party agreements, purchase justifications, etc.) are the responsibility of the using departments or entities and must conform to the Library of Virginia retention schedules, including but not limited to GS-02.