Los Angeles County Children and Families First Proposition 10 Commission

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<th>SUBJECT:</th>
<th>Policy Number:</th>
<th>A-2100</th>
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<td>Procurement Policy</td>
<td>Effective Date:</td>
<td>02/13/14</td>
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<td>Supersedes:</td>
<td>11/14/13, 11/29/12, 4/12/12, 6/8/06</td>
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<td>Initiating Authority:</td>
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<td>Contract Compliance Department</td>
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I. PURPOSE

This policy establishes a uniform policy and procedures for the procurement of services and materials by the “Los Angeles County Children and Families First – Proposition 10 Commission (“Commission”) aka “First 5 LA.”

II. APPLICATION

These procedures apply to all Commission departments, employees and individuals/consultants authorized to do business on behalf of the Commission.

III. POLICY

First 5 LA shall procure goods and services on the open market through a fair and uniform procurement policy, allowing for free and open competition and in a manner that delivers quality materials and services from responsible\(^1\) entities in the most cost-effective manner. It is acknowledged that in limited circumstances, there will be important business reasons why exceptions to a competitive solicitation may be necessary. Those limited circumstances are addressed in the “Exceptions” section below. The procurement process for purchases made pursuant to an exception shall be well-documented.

IV. PROCEDURES

Unless a specific exception to this policy applies, the Commission shall competitively procure goods and services with a value of $25,000 or more per fiscal year, from the lowest responsible bidder or the evaluation method set forth in the Requests for Proposal (“RFP”), written solicitation, or other method deemed appropriate for a formal bidding process.

\(^1\) Responsible entity is one that has responded appropriately and has the capability to comply with all aspects of the solicitation. Current and former contractors, grantees and vendors must not be out-of-compliance with any existing and past Commission contracts in order to be eligible to apply.
Purchases or procurements shall be consistent with the Commission’s Strategic Plan, and shall not be divided into smaller units to avoid the requirements of this policy. RFPs or other methods for bidding shall be written to include the scope of work, specifications and terms and conditions of the proposed purchase or contract. Each RFP or other appropriate method shall provide sufficient details to assist prospective applicants in calculating an accurate, unconditioned and stable bid. Each RFP or other method used shall provide explicitly that the Commission reserves the right to reject all bids and re-advertise for bids, and that failure to comply with bid specification may be grounds for disqualification of bids. Each bidder or proposer shall be required to honor the price and specifications quoted for a minimum of sixty (60) calendar days following submission of the bid. The Executive Director (or designee) or Commission may waive any irregularity in bids. The Executive Director (or designee) and user Department Director shall make the final determination as to which method of solicitation is most effective in each given solicitation and shall approve all RFPs or other method used prior to issuance.

1. Purchases or services of $25,000 or more within a fiscal year require a competitive, open solicitation, unless meeting the requirements of an exception as stated below. There are two means of conducting a competitive, open solicitation:

A. First 5 LA can establish pools of qualified entities through an open solicitation known as a Request for Qualifications (RFQ). The RFQ will clearly delineate required area(s) of expertise or service. The pool of acceptable entities will be selected in adherence to the requirements as spelled out in the separate “Selection of Grantees and Contractors” policy. Entities that have successfully competed through the RFQ and have been selected into the pool are referred to as “pool registered entities.” Being registered in the pool in no way guarantees a contract. It is the Commission’s sole discretion to determine those areas in which pools will be established. That determination will be made in consultation with the Executive Director (or designee). Pools may be open and add successful entities on an ongoing basis. Pools may also be closed, accepting successful entities during a defined period of time. If a pool of registered entities is established and is closed, it will have to be reopened to allow the option for additional providers to submit their qualifications on a regular basis (“refreshed”), no less than every 24 months. When pools are refreshed, the Commission may at its discretion allow for existing members to remain in the pool without re-qualifying, if there have been no material changes in the qualifications of the pool member. Once a pool is established, the Commission may conduct a competitive solicitation from the appropriate pool and by areas of expertise. In so doing, the Commission is not required to undertake the 10-day posting requirement or the standard evaluation process, as spelled out in the “Selection of Grantees/Contractors” policy.

B. The second method of conducting an open, competitive solicitation is by conducting a general solicitation. The solicitation shall be posted publicly on the Commission’s website and publicized through any other appropriate channels. The solicitation shall be posted for a minimum of 10 business days prior to the submission deadline and must adhere to all other requirements as spelled out in the “Selection of Grantees/Contractors” policy.
The exceptions to the competitive bidding requirements of this Policy shall be as follows:

Justification for using other than the competitive bid solicitation process, or the selection of other than the lowest competitive bidder for procurements of $25,000 or more within a fiscal year shall be approved in writing by the Executive Director (or designee) and maintained in the project file. The Commission’s “Conflict of Interest” policy applies to all methods of procurement.

The competitive bid requirement of this policy shall not apply under the following circumstances:

a. The supplies, equipment or services to be procured are unique because of their quality, durability, availability or fitness for a particular use or are available from only one source;

b. The Executive Director (or designee) has determined in writing that exigent or emergency circumstances require the immediate purchase of specific supplies, services or equipment, which determination shall be maintained in the Commission’s files;

c. Personal services contracts if the Executive Director issues a written finding prior to the award of contract that the proposed contractor is so uniquely qualified for the particular project that competitive bidding would not be in the best interests of the Commission. Such findings must specifically define the nature of the personal services to be provided, should be infrequently made and shall remain in the Commission’s file regarding the contract.

d. In certain circumstances, the Commission may enter into Strategic Partnerships. In all instances, the Strategic Partnership must be aligned with the approved Strategic Plan, and may be established only when any one of the following conditions is met:

   i. The Strategic Partnership can provide specific resources needed by First 5 LA to implement an approved program or initiative in a manner or on a scale that makes the Strategic Partnership more cost-effective than resources provided through a competitive solicitation; or

   ii. The Strategic Partnership can implement an approved program or initiative more expeditiously than resources provided through a

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2 The term “personal services contract” shall mean a contract in which, by its express terms, the labor, or unique skills or talents, of a particular identified individual or group of individuals are material to the performance of the contract. “Personal services contracts” include, without limitation, contracts for temporary employees.

3 A strategic partner is defined as an existing governmental, not-for-profit or for-profit entity which has specific resources needed by the Commission and which has the demonstrated resources, ability or level of expertise to implement specific activities in cooperation with the Commission that are consistent with the Commission’s Strategic Plan and meet the conditions as stated above.
competitive solicitation; or

iii. The Strategic Partnership can provide a demonstrated level of ability or expertise that is only available in the community through the proposed Strategic Partnership; or

iv. The Strategic Partnership provides an opportunity to leverage First 5 LA funds to produce additional funding for the program or initiative or service.

For Strategic Partnerships up to $75,000 the Executive Director (or designee) shall determine in writing that establishing the Strategic Partnership is in the best interests of the Commission. For Strategic Partnerships of $75,000 or more in any fiscal year, the determination must be presented to the Board at a public meeting and the Board shall determine, through specific written findings, whether establishing the Strategic Partnership is in the best interests of the Commission.

2. Unless a specific exception to this policy applies, the Commission shall solicit bids or proposals through a broad array of communication media, designated to attract a range of competitive bidders. At a minimum, each RFP or other solicitation shall be posted on the Commission's website for a minimum of 10 business days and transmitted by the responsible department(s) to identified potential bidders. Further requirements are addressed in the “Selection of Grantees/Contractors” policy.

3. The Commission shall promote diversity amongst its contractors/grantees and vendors, taking into account the diversity of the Los Angeles County population. To do so, the Commission shall adhere to requirements as spelled out in the “Selection of Grantees/Contractors” policy and may undertake additional efforts to ensure representation of disadvantaged businesses, minority, veteran, women-owned entities, as well as small-business enterprises.

4. Each RFP or other solicitation method issued by the Commission shall contain a sample of the Commission's standard applicable contract for goods or services including, without limitation, insurance requirements, with a statement notifying the bidder that the selected bidder shall be expected to execute the contract without substantive alteration.

5. All Commission contracts to contractors, grantees or vendors of $75,000 or more in the aggregate in any fiscal year shall be presented to the Commission on a consent calendar for approval prior to execution on behalf of the Commission. The Executive Director (or designee) may approve any contract less than $75,000 in the aggregate in a fiscal year, and will establish appropriate internal policies and controls for those awards. Copies of contracts executed in the amount of $25,000 or more and up to $75,000 within a fiscal year will be provided to the Commission during the course of its normal business and be provided as informational items. In addition, the Executive Director has authority to amend any contract by up to $75,000 or up to 10% of the total contract amount within a fiscal year, whichever is greater. The Executive Director (or designee) also has authority to extend contracted timeframes without cost, referred to as “no-cost contract extensions.”
6. Pursuant to Public Contracts Code Section 3410, when purchasing food, the Commission shall give preference to United States-grown produce and United States processed foods when there is a choice and when it is economically feasible to do so, at the discretion of the Executive Director or his/her designee.

7. The Commission shall purchase recycled products whenever recycled products are available at the same or lesser price, and shall require contractors to comply with Public Contracts Code Sections 22150-22154 regarding the use and reporting of post-consumer materials.

V. RESPONSIBILITIES

The Executive Department and Department Directors are responsible for implementing this policy, and formulating and complying with appropriate procedures and guidelines. The Executive Department is also responsible for monitoring the specified thresholds and make recommendations to the Commission with any recommended modifications.

VI. REFERENCES/LEGAL AUTHORITY

VII. APPROVALS

Jennifer Eckhart, Contracts Compliance Manager  
Initiating Authority  
Signature  
2/18/14  
Date

John Wagner, Chief Operating Officer  
Signature  
2/18/14  
Date

Kim Belshé, Executive Director  
Signature  
2/18/14  
Date

Approved by Board of Commissioners February 13, 2014