



CITY OF EL MONTE

**PROCUREMENT, CONTRACTING, AND
PURCHASING & INTERNAL CONTROLS
POLICY AND PROCEDURES MANUAL**

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ABSTRACT

The purpose of this manual is to define the procedures for **Procurement, Contracting, and Purchasing & Internal Controls** policies and procedures for the City of El Monte.

The title of this manual is the Procurement, Contracting, and Purchasing & Internal Controls Policy and Procedures Manual. For the sake of brevity and convenience, this manual may also be referred to as the **Purchasing Policy and Procedures Manual**.

1. **Procurement Policy** – establishes the procedures for the City and its respective employees and agents to request, issue, evaluate, and award a solicitation.
2. **Contracting Policy** – establishes the procedures for the City and its respective employees and agents to request, negotiate, implement, and manage contracts.
3. **Purchasing & Internal Controls Policy** – establishes the procedures for the City and its respective employees and agents to purchase supplies, materials, equipment, and services.

TABLE OF CONTENTS

| | | |
|----------|--|-----------|
| 1 | PROCUREMENT POLICY & PROCEDURES..... | 1 |
| 1.1 | PURPOSE..... | 1 |
| 1.2 | ROLES & RESPONSIBILITIES..... | 1 |
| 1.2.1 | DEPARTMENT(S) | 2 |
| 1.2.2 | PURCHASING OFFICER AND/OR DESIGNEE | 2 |
| 1.2.3 | CITY ATTORNEY'S OFFICE..... | 3 |
| 1.2.4 | CITY CLERK'S OFFICE | 3 |
| 1.3 | CONFLICT OF INTEREST (2 CFR 200.318(C)(1)), (EMMC 3.24.130) | 3 |
| 1.4 | SOLICITED GOODS & SERVICES..... | 4 |
| 1.4.1 | SUPPLIES, MATERIALS, AND EQUIPMENT | 4 |
| 1.4.2 | GENERAL SERVICES..... | 5 |
| 1.4.3 | PROFESSIONAL SERVICES (EMMC 3.24.070)..... | 6 |
| 1.4.4 | PUBLIC PROJECTS (GENERAL) (EMMC 3.24.075)..... | 6 |
| 1.4.5 | PUBLIC PROJECTS (UPCCAA) (EMMC 3.24.080)..... | 6 |
| 1.5 | SOLICITATION METHODS | 8 |
| 1.5.1 | INFORMAL SOLICITATIONS | 8 |
| 1.5.2 | FORMAL SOLICITATIONS | 8 |
| 1.5.3 | FEDERAL AWARD FUNDED SOLICITATIONS..... | 8 |
| 1.6 | INFORMAL SOLICITATION PROCESS..... | 8 |
| 1.6.1 | NON-SOLICITATION..... | 9 |
| 1.6.2 | REQUEST FOR WRITTEN QUOTES | 10 |
| 1.6.3 | FORCE ACCOUNT, NEGOTIATED CONTRACT, PURCHASE ORDER | 11 |
| 1.7 | FORMAL SOLICITATION PROCESS | 11 |
| 1.7.1 | REQUEST FOR PROPOSALS/REQUEST FOR QUALIFICATIONS..... | 12 |
| 1.7.1.1 | RFP/RFQ Development | 12 |
| 1.7.1.2 | RFP/RFQ Internal Review Process..... | 16 |
| 1.7.1.3 | RFP/RFQ Issuance & Management..... | 18 |
| 1.7.1.4 | Proposal Evaluation(s) & Award Recommendation(s) | 18 |
| 1.7.1.5 | RFP/RFQ Timeline | 22 |
| 1.7.1.6 | RFP/RFQ Flowchart | 22 |
| 1.7.2 | INVITATION TO BID | 22 |
| 1.7.2.1 | Invitation to Bid Development..... | 23 |
| 1.7.2.2 | Invitation to Bid Internal Review Process | 28 |
| 1.7.2.3 | Invitation to Bid Issuance and Management | 29 |
| 1.7.2.4 | Bid Opening..... | 31 |
| 1.7.2.5 | Bid Evaluation(s) and Award Recommendation(s)..... | 32 |
| 1.7.2.6 | Bid Protests | 33 |
| 1.7.2.7 | Invitation to Bid Flowchart | 33 |
| 1.8 | FEDERAL AWARD SOLICITATIONS..... | 33 |



TABLE OF CONTENTS

| | | |
|-------------|---|-----------|
| 1.8.1 | SOLICITATION DEVELOPMENT | 34 |
| 1.8.2 | PREQUALIFIED CONTRACTORS | 34 |
| 1.8.3 | PROCUREMENT METHODS FOR FEDERAL AWARDS – (2 CFR 200.320) | 35 |
| 1.8.3.1 | <i>Informal Procurement Methods</i> | 35 |
| 1.8.3.2 | <i>Formal Procurement Methods</i> | 36 |
| 1.8.3.3 | <i>Non-Competitive Procurement</i> | 37 |
| 1.8.4 | PROCUREMENT REQUIREMENTS FOR FEDERAL AWARDS | 38 |
| 1.8.5 | SMALL AND MINORITY BUSINESSES, WOMEN’S BUSINESS ENTERPRISES, AND LABOR SURPLUS AREA FIRMS FOR FEDERAL AWARDS (2 CFR 200.321)..... | 39 |
| 1.8.6 | GENERAL PROCUREMENT PROCEDURES FOR FEDERAL AWARDS (2 CFR 200.318) | 40 |
| 1.8.7 | CONTRACT COST AND PRICE FOR FEDERAL AWARDS (2 CFR 200.324)..... | 41 |
| 1.8.8 | BONDING REQUIREMENTS FOR FEDERAL AWARDS (2 CFR 200.326)..... | 41 |
| 1.9 | SPLIT-PURCHASING/MULTI-AWARD..... | 42 |
| 1.9.1 | SPLIT-PURCHASE..... | 42 |
| 1.9.2 | MULTI-AWARD | 42 |
| 1.10 | EXEMPTIONS FROM COMPETITIVE BIDDING PROCEDURES (EMMC 3.24.060)..... | 42 |
| 1.10.1 | SINGLE-SOURCE OR SOLE-SOURCE PROCUREMENT | 43 |
| 1.10.2 | COOPERATIVE (PIGGYBACK) PROCUREMENT..... | 43 |
| 1.10.3 | NON-COMPETITIVE MARKET | 44 |
| 1.10.4 | EMERGENCY PROCUREMENT..... | 44 |
| 1.10.5 | PROFESSIONAL SERVICES | 44 |
| 1.10.6 | CITY COUNCIL AUTHORIZED PROCUREMENTS..... | 45 |
| 1.10.7 | ENTERTAINMENT AND ART | 45 |
| 1.11 | UNAUTHORIZED PROCUREMENTS (EMMC 3.24.120)..... | 45 |
| 1.12 | PROCUREMENT TEMPLATES | 45 |
| 1.12.1 | CITY ATTORNEY ASSIGNMENT REQUEST FORM..... | 45 |
| 1.12.2 | SOLICITATION REVIEW FORM..... | 46 |
| 1.12.3 | SOLICITATION TEMPLATES | 46 |
| 1.12.4 | SOLICITATION COMMUNICATION TEMPLATES..... | 46 |
| 1.12.4.1 | <i>Notification of Response to Clarification Questions</i> | 46 |
| 1.12.4.2 | <i>Solicitation Q&A Document</i> | 46 |
| 1.12.4.3 | <i>Notification of Confirmation of Proposal Receipt</i> | 46 |
| 1.12.4.4 | <i>Notification of Solicitation Status Update</i> | 46 |
| 1.12.4.5 | <i>Notification of Solicitation Award Recommendation</i> | 46 |
| 1.12.4.6 | <i>Notification of Shortlist Recommendation</i> | 46 |
| 1.12.4.7 | <i>Notification of Proposal Rejection</i> | 46 |
| 1.12.5 | SOLICITATION EVALUATION TEMPLATE | 46 |
| 1.12.6 | PROPOSAL/ BID RECEIPT LOG | 47 |
| 1.12.7 | PROPOSAL/ BID CHECKLIST..... | 47 |
| 2 | CONTRACTING POLICY & PROCEDURES | 1 |



TABLE OF CONTENTS

| | | |
|------------|--|-----------|
| 2.1 | PURPOSE | 1 |
| 2.2 | ROLES & RESPONSIBILITIES | 1 |
| 2.2.1 | DEPARTMENT(S) | 1 |
| 2.2.2 | PURCHASING OFFICER AND/OR DESIGNEE | 3 |
| 2.2.3 | CITY ATTORNEY’S OFFICE..... | 3 |
| 2.2.4 | CITY CLERK’S OFFICE | 3 |
| 2.2.5 | FINANCE DEPARTMENT | 4 |
| 2.3 | CONFLICT OF INTEREST (2 CFR 200.318(C)(1)), (EMMC 3.24.130) | 4 |
| 2.4 | CONTRACTS AND AGREEMENTS | 5 |
| 2.5 | CONTRACT AWARD REQUEST FORM PROCESS | 5 |
| 2.5.1 | APPROVED FORMS | 6 |
| 2.5.2 | INCOMPLETE FORMS | 6 |
| 2.5.3 | NON-APPROVED FORMS..... | 6 |
| 2.6 | CONTRACT DEVELOPMENT PROCESS | 6 |
| 2.6.1 | CONTRACT FORM..... | 6 |
| 2.6.2 | CONTRACT PROVISIONS & TERMS DEVELOPMENT | 7 |
| 2.6.2.1 | <i>Negotiable/ Variable Terms</i> | 7 |
| 2.6.2.2 | <i>Non-Negotiable Terms</i> | 7 |
| 2.6.2.3 | <i>Contract Provisions For Federal Awards (2 CFR 200.327)</i> | 10 |
| 2.6.3 | REQUIRED DOCUMENTS..... | 12 |
| 2.6.3.1 | <i>W-9</i> | 12 |
| 2.6.3.2 | <i>Certificate of Insurance & Additional Insured Endorsement</i> | 12 |
| 2.6.3.3 | <i>CA Secretary of State Filing</i> | 12 |
| 2.6.3.4 | <i>Business License</i> | 12 |
| 2.6.3.5 | <i>Conflict of Interest Form</i> | 13 |
| 2.7 | CONTRACT APPROVAL, EXECUTION, & AUTHORIZATION PROCESS | 14 |
| 2.7.1 | CONTRACT REVIEW & APPROVAL OF FORM AND CONTENT | 14 |
| 2.7.2 | CONTRACTUAL OBLIGATIONS/DELIVERABLES VERIFICATION | 14 |
| 2.7.3 | CONTRACT EXECUTION | 14 |
| 2.7.3.1 | <i>Department(s) (Initial)</i> | 14 |
| 2.7.3.2 | <i>Authorized Contractor/Consultant/Vendor Authorized Signatory (Formal Execution)</i> | 14 |
| 2.7.3.3 | <i>Authorized City Attorney Signatory (Formal Execution)</i> | 15 |
| 2.7.3.4 | <i>Authorized City Signatory (Formal Execution)</i> | 15 |
| 2.7.3.5 | <i>City Clerk (City Seal)</i> | 16 |
| 2.7.3.6 | <i>Purchasing Officer and/or Designee (Copy)</i> | 16 |
| 2.7.4 | CONTRACT AUTHORIZATION/NOTICE TO PROCEED..... | 16 |
| 2.8 | CONTRACT ADMINISTRATION & MANAGEMENT | 16 |
| 2.8.1 | MONITORING OF SCOPE OF SERVICES DELIVERABLES | 17 |
| 2.8.2 | RETENTION AND STORAGE OF CONTRACT ADMINISTRATION FILES | 17 |
| 2.8.3 | MAINTENANCE OF CONTRACT ADMINISTRATION FILES..... | 19 |



TABLE OF CONTENTS

| | | |
|----------|--|-----------|
| | 2.8.4 CONTRACT ADMINISTRATION FOR FEDERAL AWARDS (2 CFR 200.318 (B))..... | 19 |
| 2.9 | CONTRACT AMENDMENTS, EXPIRATIONS, AND TERMINATIONS | 20 |
| | 2.9.1 CONTRACT AMENDMENTS..... | 20 |
| | 2.9.2 CONTRACT EXPIRATIONS | 20 |
| | 2.9.3 CONTRACT TERMINATIONS..... | 21 |
| 2.10 | CONTRACTOR RELATIONS..... | 21 |
| 2.11 | UNAUTHORIZED PROCUREMENTS (EMMC 3.24.120)..... | 21 |
| 2.12 | CONTRACTING TEMPLATES..... | 21 |
| | 2.12.1 CONTRACT AWARD REQUEST FORM | 21 |
| | 2.12.2 CONTRACT TEMPLATES | 22 |
| | 2.12.3 NOTICE TO PROCEED TEMPLATE | 22 |
| 3 | PURCHASING & INTERNAL CONTROLS POLICY & PROCEDURES..... | 1 |
| 3.1 | PURPOSE (EMMC 3.24.010)..... | 1 |
| 3.2 | RESPONSIBILITIES FOR PURCHASING (EMMC 3.24.020, EMMC 3.24.030) | 1 |
| | 3.2.1 DECENTRALIZED PROCUREMENT | 1 |
| | 3.2.2 RESPONSIBILITIES OF THE PURCHASING OFFICER AND/OR DESIGNEE | 2 |
| | 3.2.3 RESPONSIBILITIES OF DEPARTMENT(S) | 2 |
| 3.3 | CONFLICT OF INTEREST (2 CFR 200.318(C)(1)), (EMMC 3.24.130) | 3 |
| 3.4 | FEDERAL AWARDS BIDDING PURCHASE REQUIREMENTS..... | 4 |
| | 3.4.1 REVIEW AND AUDIT FOR FEDERAL AWARDS (2 CFR 200.324)..... | 4 |
| 3.5 | INFORMAL SOLICITATION PURCHASE REQUIREMENTS (EMMC 3.24.040)..... | 4 |
| | 3.5.1 WRITTEN QUOTES..... | 4 |
| | 3.5.2 FOLLOW-UP APPROVAL FOR CONTRACTS THAT EXCEED ORIGINAL LIMITS: | 9 |
| | 3.5.3 MISCELLANEOUS FORM AND CONTENT REQUIREMENTS: | 9 |
| | 3.5.4 CITY ATTORNEY REVIEW:..... | 9 |
| 3.6 | FORMAL SOLICITATION PURCHASE REQUIREMENTS (EMMC 3.24.050) | 10 |
| | 3.6.1 REFERENCE SECTIONS 1.7.1 AND 1.7.2 REQUEST FOR PROPOSALS/ REQUEST FOR QUALIFICATIONS | 10 |
| 3.7 | PUBLIC PROJECTS..... | 11 |
| | 3.7.1 GENERAL COMPETITIVE BIDDING PROCEDURES (EMMC 3.24.075)..... | 11 |
| 3.8 | PUBLIC PROJECTS – UPCCAA PROCEDURES (EMMC SECTION 3.24.080) | 12 |
| 3.9 | DISPOSITION OF SURPLUS AND/OR OBSOLETE PROPERTY (EMMC 3.24.090) | 13 |
| 3.10 | AVAILABILITY OF FUNDS (EMMC 3.24.100) | 13 |
| | 3.10.1 BUDGET | 14 |
| | 3.10.2 BUDGET AMENDMENTS..... | 14 |
| | 3.10.3 BUDGET TRANSFERS..... | 14 |
| 3.11 | PURCHASE AWARDS TO CITY BUSINESSES (EMMC 3.24.110)..... | 15 |
| 3.12 | UNAUTHORIZED PROCUREMENTS (EMMC 3.24.120)..... | 15 |



TABLE OF CONTENTS

| | |
|---|-----------|
| 3.13 REQUISITIONS AND PURCHASE ORDERS | 15 |
| 3.13.1 REQUISITIONS | 15 |
| 3.13.2 PURCHASE ORDERS | 16 |
| 3.13.2.1 Purchase Order Exemptions | 16 |
| 3.13.2.2 Blanket Purchase Orders | 18 |
| 3.13.3 INSURANCE CERTIFICATES AND EXECUTED AGREEMENTS | 18 |
| 3.13.4 BUSINESS LICENSES | 19 |
| 3.14 CHANGE ORDERS..... | 19 |
| 3.14.1 NON-PUBLIC PROJECTS | 21 |
| 3.14.2 PUBLIC PROJECTS | 21 |
| 3.15 CREDIT CARD (P-CARD) USAGE | 21 |
| 3.16 ACCOUNTS PAYABLE | 22 |
| 3.16.1 ACCOUNTS PAYABLE INVOICES..... | 24 |
| 3.16.1.1 Late Invoices | 24 |
| 3.16.2 ACCOUNTS RECEIVABLE | 24 |
| 3.16.2.1 Billable Staff Time | 25 |
| 3.16.2.2 Check Acceptance | 25 |
| 3.16.2.3 Cash Receipts | 25 |
| 3.16.2.4 Miscellaneous Receipts..... | 26 |
| 3.17 CONTRACTOR FILES | 26 |
| 3.17.1 CONTRACTOR MASTER FILE MAINTENANCE | 27 |
| 3.18 CONTRACTOR RELATIONS..... | 27 |
| 3.19 PURCHASING TEMPLATES | 27 |
| 3.19.1 BUDGET AMENDMENT..... | 28 |
| 3.19.2 BUDGET TRANSFER..... | 28 |
| 3.19.3 JOURNAL ENTRY TO RECLASSIFY TO CORRECT AMOUNT..... | 28 |
| 3.19.4 SUMMARY OF REQUISITION | 28 |
| 3.19.5 SOLE SOURCE JUSTIFICATION..... | 28 |
| 3.19.6 PURCHASE REQUISITION..... | 28 |
| 3.19.7 CHANGE ORDER | 28 |
| 3.19.8 PURCHASE ORDER CLOSEOUT CONFIRMATION..... | 29 |
| 3.19.9 LATE INVOICE JUSTIFICATION FORM..... | 29 |



PROCUREMENT POLICY & PROCEDURES

1 PROCUREMENT POLICY & PROCEDURES

1.1 PURPOSE

This Procurement Policy (the “Policy”) provides and establishes the processes and procedures for the City and its respective employees and agents to request, issue, evaluate, and award a solicitation for the procurement of supplies, materials, equipment, and services for City use. This Policy is intended to comply with the provisions of applicable Federal and state law, El Monte Municipal Code (EMMC), City Ordinance(s) and overall City Policy.

The provisions set forth in this Policy are intended to serve as a guideline of best practices and sustain compliance with the terms and conditions of [Chapter 3.24 – Purchasing System](#) of the City’s Municipal Code which was adopted pursuant to [Section 54201 et seq. of the California Government Code](#).

California law requires all local agencies to formally adopt policies and procedures governing the acquisition of materials, supplies, equipment, and services as referenced below:

[California Government Code Section 54202](#): Every local agency shall adopt policies and procedures, including bidding regulations, governing purchases of supplies and equipment by the local agency. Purchases of supplies and equipment by the local agency shall be in accordance with said duly adopted policies and in accordance with all provisions of law governing same. No policy, procedure, or regulation shall be adopted which is inconsistent or in conflict with statute.

When procuring supplies, materials, equipment and services under a Federal award, the City must follow Uniform Guidance ([2 CFR](#)) Part [200.318](#) (General Procurement Standards) through [200.327](#) (Contract Provisions).

The procedures outlined here shall be adhered to by all City employees when procuring supplies, materials, equipment, and services.

In the event of any conflict between the procurement requirements of this Policy and any Grant, Local, State, or Federal regulations applicable to the procurement, the more stringent requirements shall apply.

In the event of any conflict between this Policy and the City’s Municipal Code, the requirements of the City’s Municipal Code shall supersede.

1.2 ROLES & RESPONSIBILITIES

The City utilizes a decentralized procurement process in which the responsibility to determine specifications of goods or services, to solicit proper bids, and to obtain proper approvals has been designated to the Departments.

Each Department within this decentralized process shall be responsible for the function of procurement of suitable materials, supplies, equipment and services for their respective Department.



PROCUREMENT POLICY & PROCEDURES

All Department Heads, or their designees, shall have the authority to initiate procurements on behalf of their respective Department, within the guidelines described herein.

1.2.1 DEPARTMENT(S)

The Department(s) is(are) charged with the following responsibilities in the Procurement Process:

- (1) Obtain any and all required approvals and authorizations prior to initiating, and maintaining compliance throughout, the entirety of the procurement process;
- (2) Anticipate requirements sufficiently in advance to allow adequate time to request, issue, evaluate, and award a solicitation for the procurement of supplies, materials, equipment, and services for City use;
- (3) Identify, evaluate, and utilize effective and efficient procurement methods which best meet the needs of the City (e.g. cooperative purchases, blanket purchase orders, contractual agreements, purchasing cards, etc.);
- (4) Obtain full and open competition in accordance with prescribed policies and procedures in a manner that presents the best overall value to the City;
- (5) Provide for the fair and equitable treatment of all Bidders; and
- (6) Provide, complete, and collect all required information, forms, and documents/records and ensure the comprehensive archiving of all pertinent records through the completion of the procurement process.

The Department(s) is(are) not authorized to take the following actions in the Procurement Process:

- (1) Commit to work with, or direct, Contractors/Consultants/Vendors to initiate work and/or agree to payment to Contractors/Consultants/Vendors for work without first obtaining all required approvals and authorizations;
- (2) Issue Formal Solicitations without first obtaining all required reviews, approvals, and authorizations; and
- (3) Split the need for supplies, equipment, materials, or general services for the purpose of evading competitive bidding provisions.

1.2.2 PURCHASING OFFICER AND/OR DESIGNEE

Pursuant to EMMC 3.24.020, the Finance Director is the designated Purchasing Officer of the City. The Purchasing Officer and/or Designee is charged with the following responsibilities in the Procurement Process:

- (1) Coordinate with the Purchasing Officer in the administration of the Procurement, Contracting, and Purchasing & Internal Controls Policy and Procedures Manual;
- (2) Coordinate with the Purchasing Officer to review and revise the Procurement, Contracting, and Purchasing & Internal Controls Policy and Procedures Manual when necessary and keep informed of current developments in the fields of procurement, contracting, and purchasing;



PROCUREMENT POLICY & PROCEDURES

- (3) Coordinate with the Purchasing Officer to provide training for City staff on this Procurement, Contracting, and Purchasing & Internal Controls Policy and Procedures Manual;
- (4) Oversee all procurements; and
- (5) Review all purchase requisitions.

1.2.3 CITY ATTORNEY'S OFFICE

The City Attorney's Office is charged with the following responsibilities in the Procurement Process:

- (1) Provide legal review and develop any and all legally required language to be included in solicitations for the procurement of supplies, materials, equipment, and services for City use; and
- (2) Review and approve all information, forms, and documents/records as supplied by City staff to verify the legality of all pertinent records and mitigate risk through the completion of the procurement process.

1.2.4 CITY CLERK'S OFFICE

The City Clerk's Office is charged with the following responsibilities:

- (1) Assist with the posting and advertising of the procurement solicitation in collaboration with the Department(s);
- (2) Retain all procurement records and enforce all applicable Records Management Policies and Procedures for the Retention, Archiving, and Destruction of those records;
- (3) Collect and retain all required Bonds for procurements; and
- (4) Record and Certify all Procurement records received.

1.3 CONFLICT OF INTEREST (2 CFR 200.318(C)(1)), (EMMC 3.24.130)

The following Conflict of Interest requirements are set forth in accordance with [2 CFR 200.318\(C\)\(1\)](#) and [El Monte Municipal Code 3.24.130](#) Ethics in Purchasing. General procurement requirements for federal awards are set forth below, under Section 1.8.6.

EMMC 3.24.130 provides:

- (A) City officials, officers and employees shall discharge their duties impartially so as to assure fair competitive access to the City procurement opportunities by responsible and responsive contractors, sellers and vendors. Moreover, they shall conduct themselves in such a manner as to foster public confidence in the integrity of City procurement activities.



PROCUREMENT POLICY & PROCEDURES

- (B) No City official, officer or employee shall participate directly or indirectly in a City procurement when the employee knows that:
- (1) the official, officer or employee or any member of the official's, officer's or employee's immediate family has a financial interest pertaining to the procurement; or
 - (2) the official, officer or employee or any member of the official's, officer's or employee's immediate family is negotiating or has an employment arrangement which is contingent upon or will be affected by the procurement.
- (C) Upon discovery of an actual or potential conflict of interest, an employee shall promptly withdraw from further participation in the procurement.
- (D) No City official, officer or employee shall maintain a financial interest or stake in any contract where the approval of the contract in light of such interest would cause a violation of Section 1090 of the California Government Code.
- (E) No person shall offer, give or agree to give any City official, officer or employee any gratuity or offer of employment in connection with a procurement by the City.
- (F) For purposes of this section, the following terms shall have the meaning set forth below:
- (1) "Financial interest" means any (i) ownership of any interest or involvement in any relationship from which, or as a result of which, a person has received compensation within the past year, or is entitled to, or is currently receiving compensation; or (ii) ownership, whether wholly or in part, of any property or business; or (iii) status as an officer, director, trustee, partner, employee, agent or manager of a business.
 - (2) "Immediate family" means any spouse, child or stepchild of a City officer, official or employee. The relationship of parent to child includes both natural and adoptive relationships.
 - (3) "Gratuity" means a gift, payment, loan, advance, deposit of money, or service, presented or promised in return for or in anticipation of favorable consideration in the contracting process.

1.4 SOLICITED GOODS & SERVICES

1.4.1 SUPPLIES, MATERIALS, AND EQUIPMENT

"Supplies, Materials, and Equipment" are items of tangible personal property required or used, or to be used for, or in, the construction, operation, or maintenance of a Facility.

The terms "Supplies" and "Materials" include office supplies, janitorial supplies, materials used for the maintenance of public works (e.g., cement, concrete, asphalt, gravel), goods, tools or other commodities used in the general conduct of the City's business that do not constitute equipment.

The term "Equipment" means items that are durable and have a fixed life expectancy (e.g. vehicles).



PROCUREMENT POLICY & PROCEDURES

1.4.2 GENERAL SERVICES

"General Services" indicates services rendered by persons or entities on an independent contractor basis, with or without the furnishing of materials, where the service or function rendered is to be provided on an ongoing basis. "General Services" includes services rendered by a natural person pursuant to a direct employment arrangement, employment contract, collective bargaining agreement or collective bargaining memorandum of understanding.

Under EMMC Section 3.24.140(A)(4), General Services include, but are not limited to, the following:

- (A) Maintenance or nonstructural repair to City buildings, structures or improvements which do not require engineering plans, specifications, or design, including but not limited to, unscheduled replacement of broken window panes, fire extinguisher maintenance, minor roof repairs, plumbing, elevator maintenance, custodial services, and pest control;
- (B) Repair, modification and maintenance of City equipment and software;
- (C) Cleaning, testing, moving, removal, or disposal (other than by sale) of City supplies, materials or equipment;
- (D) Repainting, care or maintenance of public grounds, including, but not limited to, trees, shrubbery, flowers, lawns;
- (E) Providing temporary clerical/administrative support services;
- (F) Providing other miscellaneous services to facilitate City operations;
- (G) Performing repair, demolition or other work required to abate nuisances under the El Monte Municipal Code;
- (H) Licensing software;
- (I) Leasing or rental of equipment (personal property) for use by the City;
- (J) A maintenance agreement for equipment owned or leased by the City;
- (K) The engagement of musicians, musical groups, singers, dancers, and other performing artists providing live entertainment at city organized or city sponsored events or functions; or the engagement of artists for the creation and installation of original and unique works of art commissioned by the city (e.g., murals, paintings, photographs, sculptures, animation, etc.).

The term "General Services" does not include "Professional Consulting Services." The definition of the term "General Services" may in certain instances overlap with the definition of the term "Public Project" and when this occurs the work or services in question shall be awarded and contracted in accordance with the Policy governing "Public Projects."



PROCUREMENT POLICY & PROCEDURES

1.4.3 PROFESSIONAL SERVICES (EMMC 3.24.070)

The term "Professional Services" means services rendered by persons or entities on an independent contractor basis where the service or function rendered is of an analytical nature; or where such services or functions essentially consist of the rendering of advice and opinion; and/or where the exercise of judgment is based on the educational training, experience, or specialized expertise of the person(s) rendering the advice and opinion or exercising judgment. The term "Professional Services" does not include services rendered by a natural person pursuant to a direct employment arrangement, employment contract, collective bargaining agreement or collective bargaining memorandum of understanding.

Under California Government Code § 53060, a city may contract with and employ any persons for the furnishing of special services and advice in Financial, Economic, Accounting, Engineering, Legal or Administrative matters if such persons are specially trained and experienced and competent to perform the special services required.

Examples of professional service providers include Accountants, Actuaries, Architects, Attorneys, Engineers, Educational Trainers, Financial Advisors, Surveyors, etc. Depending upon the trade, these individuals may or may not hold professional licenses.

1.4.4 PUBLIC PROJECTS (GENERAL) (EMMC 3.24.075)

The following general competitive bidding requirements for Public Projects are set forth in accordance with [El Monte Municipal Code 3.24.075](#) General Competitive Bidding Procedures.

- (A) Contracts for "Public Projects" which exceed Five Thousand Dollars (**>\$5,000**), the expenditure limit of Section 20162 of the California Public Contract Code, shall be let by a process of formal competitive bidding, except for "Public Project" contracts awarded in compliance with Section 1.4.5 Public Projects - UPCCAA procedures (see below).
- (B) "Public Project" per Section 20161 of the Public Contracts Code means:
 - (1) A project for the Erection, Improvement, Painting, or Repair of Public Buildings and Works;
 - (2) Work in or about Streams, Bays, Waterfronts, Embankments, or Other Work for Protection Against Overflow;
 - (3) Street or sewer work except maintenance or repair; and
 - (4) Furnishing Supplies or Materials for any such project, including Maintenance or Repair of Streets or Sewers.

1.4.5 PUBLIC PROJECTS (UPCCAA) (EMMC 3.24.080)

The following Public Project (UPCCAA) requirements are set forth in accordance with [El Monte Municipal Code 3.24.080](#) General Competitive Bidding Procedures.



PROCUREMENT POLICY & PROCEDURES

- (A) Work or services which fall with the definition of the term "Public Project" as defined under Section 22002 of the California Public Contract Code shall be let in accordance with the procedures set forth under Uniform Public Construction Cost Accounting Act (UPCCAA) codified under the California Public Contract Code, Section 22000 *et seq.* (hereinafter, the "Act"). The City initially adopted the Act as its procedures for the procurement of work or services which fall within the definition of the term "Public Project" in 2004 by way of El Monte City Council Ordinance No. 2614.

"Public Project" per Section 22002 of the Public Contract Code means any of the following:

- (1) Construction, Reconstruction, Erection, Alteration, Renovation, Improvement, Demolition, Installation, and Repair Work involving any Publicly Owned, Leased, or Operated Facility*;
- (2) Painting or Repainting of any Publicly Owned, Leased, or Operated Facility*; and
- (3) In the case of a Publicly Owned Utility System, "Public Project" shall include only the Construction, Erection, Improvement, or Repair of Dams, Reservoirs, Powerplants, and Electrical Transmission Lines of 230,000 Volts and higher.

**Facility means any Plant, Building, Structure, Ground Facility, Utility System, subject to the limitation found in Paragraph (3), Real Property, Streets and Highways, or Other Public Work Improvement.*

"Public Project" does not include Maintenance Work. For purposes of this section, "Maintenance Work" includes all of the following:

- (1) Routine, Recurring, and Usual Work for the Preservation or Protection of any Publicly Owned or Publicly Operated Facility for its intended purposes;
- (2) Minor Repainting;
- (3) Resurfacing of Streets and Highways at less than one (1) inch;
- (4) Landscape Maintenance, including Mowing, Watering, Trimming, Pruning, Planting, Replacement of Plants, and Servicing of Irrigation and Sprinkler Systems; and
- (5) Work performed to Keep, Operate, and Maintain Publicly Owned Water, Power, or Waste Disposal Systems, including, but not limited to, Dams, Reservoirs, Powerplants, and Electrical Transmission Lines of 230,000 Volts and higher.

- (B) Pursuant to Section 22032(a) – Section 22032(c) of the California Public Contract Code, Work or Services which qualify as a "Public Project" within the meaning of the Act should be performed by:

| AMOUNT | | REQUIRED SOLICITATION |
|--------|-------------|---|
| ❖ | ≤ \$75,000 | By Force Account, by Negotiated Contract, or by Purchase Order. |
| ❖ | ≤ \$220,000 | Contract by Informal Solicitation Process Set Forth Under Section 22034 |
| ❖ | > \$220,000 | Contract by Formal Solicitation Process |



PROCUREMENT POLICY & PROCEDURES

1.5 SOLICITATION METHODS

The City issues Informal Solicitations, Formal Solicitations, and Federal Award Funded Solicitations, for the purposes of receiving detailed pricing and proposals from qualified Contractors, Consultants, and Vendors (“Bidders”) for the procurement of Supplies, Materials, Equipment, General Services, Professional Services, Public Projects, and Capital Improvement Projects.

The terms "Purchase," "Procure" or "Procurement" mean the buying, renting, leasing, acquisition, licensing or trade of supplies, equipment, materials, or services.

1.5.1 INFORMAL SOLICITATIONS

Informal Solicitations are a method of procurement achieved by means of a request by the City to three (3) or more Bidders for pricing on specific goods and/or services without the issuance of a Request for Proposal, Request for Qualifications, or Invitation to Bid. Informal Solicitations are generally described as a request for Written Quotes.

1.5.2 FORMAL SOLICITATIONS

Formal Solicitations are a method of procurement achieved through the issuance of a written Request for Proposal (“RFP”), Request for Qualifications (“RFQ”), or Invitation to Bid with the intent to receive three (3) or more proposals, statements of qualifications, sealed bids, or replies submitted by responsive vendors in accordance with the terms of the solicitation issued.

1.5.3 FEDERAL AWARD FUNDED SOLICITATIONS

Federal Awards Solicitations are a method of procurement achieved through the issuance of a written Request for Proposal (“RFP”), Request for Qualifications (“RFQ”), or Invitation to Bid with the intent to receive two (2) or more proposals, statements of qualifications, sealed bids, or replies submitted by responsive vendors in accordance with the terms of the solicitation issued and are intended to be funded through financial assistance and Federal cost-reimbursement contracts received by the City directly from Federal awarding agencies or indirectly from pass-through entities.

1.6 INFORMAL SOLICITATION PROCESS

The Informal Solicitation Process is to be completed for all procurements of Supplies, Materials, Equipment, General Services, and Professional Services in an amount less than or equal to \$150,000, also known as the Simplified Acquisition Threshold. The Simplified Acquisition Threshold is set by the Federal Acquisition Regulation at [48 CFR Subpart 2.1](#) (Definitions) and in accordance with [41 U.S.C. 1908](#). The City uses this threshold as a guiding factor in establishing its own, conservative, Simplified Acquisition Threshold of One Hundred and Fifty Thousand Dollars (\$150,000). References to the Simplified Acquisition Threshold in this Policy will mean \$150,000, except for certain



PROCUREMENT POLICY & PROCEDURES

situations as set forth below under Section 1.8.3.1.

The Informal Solicitation Process is also applicable to all procurements for Public Projects (General) in an amount less than or equal to Five Thousand Dollars (\$5,000) and to the procurement of Public Projects (UPCCAA) in an amount less than or equal to Two Hundred and Twenty Thousand Dollars (\$220,000). It is unlawful to split into smaller orders the purchase of supplies, equipment, materials or general services for the purpose of evading the competitive bidding provisions.

To initiate the Informal Solicitation Process, the Department(s) making the request shall provide specifications for the item to be purchased and documentation showing the existence of an unencumbered appropriation for the item in the current approved budget.

The Informal Solicitation Process applies to the following situations:

- Procurement of Supplies, Materials, Equipment, and General Services in an amount less than or equal to One Hundred and Fifty Thousand Dollars (\leq **\$150,000**).
- Procurement of Professional Services in an amount less than or equal to One Hundred and Fifty Thousand Dollars (\leq **\$150,000**).
- Procurement of Public Projects (General) in an amount less than or equal to Five Thousand Dollars (\leq **\$5,000**).
- Procurement of Public Projects (UPCCAA) in an amount less than or equal to Two Hundred and Twenty Thousand Dollars (\leq **\$220,000**).

1.6.1 NON-SOLICITATION

Non-solicitations are procurements in which the price for the Supplies, Materials, Equipment, General Services, and Professional Services are below the specified limits and would be considered reasonable or economical based on research, experience, purchase history or other information and documents. To the maximum extent practicable, these purchases should be distributed equitably among qualified suppliers.

The Non-Solicitation approach is permitted in the following situations:

- Procurement of Supplies, Materials, Equipment, General Services in an amount less than or equal to Five Thousand Dollars (\leq **\$5,000**).
- Procurement of Professional Services in an amount less than or equal to Five Thousand Dollars (\leq **\$5,000**).
- Procurement of Public Projects (General) in an amount less than or equal to Five Thousand Dollars (\leq **\$5,000**).



PROCUREMENT POLICY & PROCEDURES

1.6.2 REQUEST FOR WRITTEN QUOTES

All Written Quotes must be current and should be obtained within six (6) months of the intended procurement and subsequent submission of a purchase requisition. The term of authenticity for any quote extending beyond the six-month timeframe must be specified in writing by the Contractor/Consultant/Vendor on the quote, or as an attachment to the quote, in order for the quote to be applied to the purchase requisition.

For procurements not exceeding the Simplified Acquisition Threshold, limit written records of solicitations or offers to notes or abstracts to show prices, delivery, references to printed price lists used, the supplier or suppliers contacted, and other pertinent data.

The instances in which an Informal Solicitation Process by means of a request for Written Quotes applies to the following:

- Procurement of Supplies, Materials, Equipment, and General Services in an amount greater than Five Thousand and One Dollars, and less than or equal to One Hundred and Fifty Thousand Dollars (> **\$5,000** and ≤ **\$150,000**).
- Procurement of Professional Services in an amount greater than Five Thousand and One Dollars, and less than or equal to One Hundred and Fifty Thousand Dollars (> **\$5,000** and ≤ **\$150,000**).
- Procurement of Public Projects (General) in an amount greater than Five Thousand Dollars (> **\$5,000**).

The Department(s) is(are) responsible for completing the following process and providing the listed information and documents/forms for Written Quote Informal Solicitations:

- (1) Verify the existence of an unencumbered appropriation for the Supplies, Materials, Equipment, General Services, and/or Professional Services in the current approved budget;
- (2) Prepare the specifications for the procurement of the Supplies, Materials, Equipment, General Services, and/or Professional Services;
- (3) Issue a request for Written Quotes to a minimum of three (3) Qualified Bidders via email or letter OR Research and obtain pricing from a minimum of three (3) Qualified Bidders' public websites/online stores;
 - (a) Email requests for Written Quotes must be sent with a Delivery Receipt and Read Receipt options enabled in addition to including an explicit deadline for response and a disclaimer to the effect of the following:

“The deadline to submit a Quote/Proposal in response to this solicitation is [00:00 AM/PM] – [Day, Month Date, Year].

If your company is unable to provide one or more of the requested goods/services or will not be submitting a Quote/Proposal for any other reason, we would appreciate a response attesting to that fact so that we may update future requests accordingly.

Bidders who do not submit a Quote/Proposal by, or who provide a Quote/Proposal after, the listed deadline, will be disqualified and deemed non-responsive.”



PROCUREMENT POLICY & PROCEDURES

- (4) Determine and Select the lowest cost responsive and responsible Bidder. If there are substantial circumstances overriding the consideration of the lowest cost Bidder, they must be documented (Reference Section 1.9); and
- (5) Refer to the Purchasing & Internal Controls Policy segment of this document for further instruction regarding the next steps for purchasing procedures.

1.6.3 FORCE ACCOUNT, NEGOTIATED CONTRACT, PURCHASE ORDER

The instances in which an Informal Solicitation Process by means of a Force Account, Negotiated Contract, or Purchase Order is to be furnished by the City are as follows:

- Procurement of Public Projects (UPCCAA) in an amount less than or equal to Seventy-Five Thousand Dollars (**≤ \$75,000**).

The Department(s) is(are) responsible for completing the following process and providing the listed information and documents/forms for Force Account/Negotiated Contract/Purchase Order Informal Solicitations:

- (1) Verify the existence of an unencumbered appropriation for the Supplies, Materials, Equipment, General Services, and/or Professional Services in the current approved budget;
- (2) Prepare the specifications for the procurement of the Public Project (UPCCAA);
- (3) For Time and Material Quotes, send to a minimum of three (3) Qualified Bidders;
- (4) Determine if work is more cost-effective and efficient to be completed by City Personnel, or by Contractor/Consultant/Vendor. If there are substantial circumstances overriding the consideration of the lowest cost, they must be documented (Reference Section 1.9); and
- (5) Refer to the Purchasing & Internal Controls Policy segment of this document for further instruction regarding the next steps for purchasing procedures.

1.7 FORMAL SOLICITATION PROCESS

Formal Solicitation methods require the following documented procedures. The Formal Solicitation Process is to be completed for all procurements of Supplies, Materials, Equipment, General Services, and Professional Services exceeding the Simplified Acquisition Threshold. The Formal Solicitation Process is also applicable to all procurements of Public Projects (General) exceeding Five Thousand Dollars (\$5,000) and the procurement of Public Projects (UPCCAA) exceeding Two Hundred and Twenty Thousand Dollars (\$220,000). It is unlawful to split into smaller orders the purchase of supplies, equipment, materials or general services for the purpose of evading the competitive bidding provisions.

To initiate the Formal Solicitation Process, the Department(s) making the request shall provide specifications for the item to be purchased and documentation showing the existence of an unencumbered appropriation for the item in the current approved budget.



PROCUREMENT POLICY & PROCEDURES

The instances in which a Formal Solicitation Process applies are as follows:

- Procurement of Supplies, Materials, Equipment, and General Services in an amount greater than One Hundred and Fifty Thousand Dollars (> **\$150,000**).
- Procurement of Professional Services in an amount greater than One Hundred and Fifty Thousand Dollars (> **\$150,000**).
- Procurement of Public Projects (General) in an amount greater than Five Thousand Dollars (> **\$5,000**).
- Procurement of Public Projects (UPCCAA) in an amount greater than Two Hundred and Twenty Thousand Dollars (> **\$220,000**).

Formal Procurement Processes that result in a written contractual agreement require approval as to form by the City Attorney.

1.7.1 REQUEST FOR PROPOSALS/REQUEST FOR QUALIFICATIONS

All Request for Proposals/Request for Qualifications must be current and should be obtained within one (1) year of the intended procurement and subsequent submission of a purchase requisition.

The instances in which a Formal Solicitation Process by means of a Request for Proposals/Request for Qualifications are as follows:

- Procurement of Professional Services in an amount greater than One Hundred and Fifty Thousand Dollars (> **\$150,000**).

Contractors/Consultants/Vendors who have been hired by City Department(s) to develop or draft specifications, requirements, statements of work, and/or Requests for Proposals **must be excluded** from competing for such procurements in order to ensure objective contractor performance and eliminate unfair competitive advantage.

1.7.1.1 RFP/RFQ Development

When the Solicitation Review Form has been approved, the Purchasing Officer and/or Designee will meet with the Department(s) to identify the Department's specific requirements and needs.

The information needed to develop the RFP/RFQ includes, but is not limited to, the following:

1.7.1.1.1 Areas of Interest/Scope of Work

The Areas Of Interest/Scope Of Work provides contextual information explaining the City's request, and comprehensive performance and deliverable requirements, for the procurement of Supplies, Materials, Equipment, General Services, and/or Professional Services.

The Areas Of Interest/Scope of Work should, at the minimum, provide detailed information regarding the following:



PROCUREMENT POLICY & PROCEDURES

- (1) The City's need for the procurement of Supplies, Materials, Equipment, General Services, and/or Professional Services;
- (2) The City's specific requirements for the procurement of Supplies, Materials, Equipment, General Services, and/or Professional Services;
- (3) The City's minimum benchmarks or valuation criteria for how those specific requirements for the procurement of Supplies, Materials, Equipment, General Services, and/or Professional Services should, at the minimum, be satisfied;
- (4) The City's minimum performance and operational standards for the procurement of Supplies, Materials, Equipment, General Services, and/or Professional Services and how procedures, tasks, and deliverables will be monitored and/or managed;
- (6) The City's deliverable requirements and the acceptance criteria for those deliverables.
- (7) The anticipated duration of the engagement with the Contractor/Consultant/Vendor(s).
- (8) Explanation of anticipated funding sources (e.g., the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant program) and related compliance requirements.

1.7.1.1.2 Timeline/Schedule

The Timeline/Schedule provides the dates and deadline information for the Solicitation.

The Timeline/Schedule should, at the minimum, provide detailed date information regarding the following:

- (1) Solicitation Issuance Date;
- (2) Bidders Conference Date (If Applicable);
- (3) Deadline for Submission of Clarification Questions;
- (4) Posting Date for the City's Responses to Clarification Questions Submitted;
- (5) Deadline for Proposal Submission;
- (6) Duration Dates for the Review & Evaluation of Submitted Proposals;
- (7) Duration Dates for the Selection of Qualified Bidder(s) to be Interviewed;
- (8) Duration Dates for Interviews with Qualified Bidder(s);
- (9) Duration Dates for Selection of Bidder(s) and Subsequent Contract Negotiations; and
- (10) Month/Date for Recommendation & Submission of Selected Bidder(s) Contract to the City Council for Consideration, Approval, and Possible Award.



PROCUREMENT POLICY & PROCEDURES

1.7.1.1.3 Proposal Submission Requirements

The Proposal Content & Format Requirements for Submission provide contextual information explaining the City's minimum requirements for Bidders' proposal submissions.

1.7.1.1.3.1 Proposal Content & Format Requirements

The Proposal Content & Format Requirements for Submission should, at the minimum, provide detailed information regarding the following:

- (1) Transmittal Letter Content;
- (2) Bidder Information;
- (3) Technical Proposal Content:
 - (a) Bidder's Response to the Areas of Interest/Scope of Work;
 - (b) Bidder's Scope of Work Timeline (If Applicable);
 - (c) Bidder's Background/Experience;
- (4) Bidder's References;
- (5) Fees/Cost Proposal Content; and
- (6) Contract Provision Content (requiring the proposers to review a contract sample or template to identify any exceptions to its terms and conditions and/or supply any supplemental contractual forms that may be required for proposer to perform work under the contract) .

1.7.1.1.3.2 Proposal Delivery Requirements

The Proposal Submission Delivery Requirements should, at the minimum, provide detailed information regarding the following:

- (1) Electronic Submission Requirements; and/or
- (2) Physical Submission Requirements.

1.7.1.1.4 Evaluation Criteria

The Evaluation Criteria provide contextual information explaining the City's minimum requirements to accept, reject, request clarification, request interview, select, and/or shortlist any and all Bidders' proposal submissions.

The Evaluation Criteria should, at the minimum, provide pass/fail or point/percentage scoring information for the following:

- (1) Bidder's Transmittal Letter/Proposal Required Authorizations, Declarations, and Disclosures;



PROCUREMENT POLICY & PROCEDURES

- (2) Bidder's Understanding and Approach to Areas of Interest/Scope of Work;
- (3) Bidder's Experience, Quality of Service, Timeline/Schedule, and Assigned Staff;
- (4) Bidder's References/Instances of Past Work;
- (5) Bidder's Fees/Cost Structure;
- (6) Bidder's Proposal Format/Structure and Completeness; and
- (7) Bidder's Interview/Presentation.

1.7.1.1.5 Terms & Conditions

The Terms & Conditions provides contextual information explaining the City's rights in regard to all aspects of the Solicitation.

The Terms & Conditions should, at the minimum, provide detailed information regarding the following:

- (1) Insurance, Licensing, or Other Certification Requirements; and
- (2) City-Furnished and Bidder-Furnished Property Disclaimers.

1.7.1.1.6 Additional Requirements for Public Projects (UPCCAA)

- (1) A list of contractors shall be developed and maintained in accordance with the provision of Section 22034 of the Public Contract Code and criteria promulgated from time to time by the California Uniform Construction Cost Accounting Commission. At least once per calendar year, the City shall establish a new list or update its existing list of qualified contractors.
- (2) A notice inviting informal bids shall be mailed to either all contractors on the qualified contractors list maintained and/or all required construction trade journals designated for the City under Section 22036 of the Public Contract Code for the category of work or services to be bid no less than ten (10) days prior to the bid due date. Additional contractors and/or construction trade journals may be notified at the discretion of the City Manager, or the City Department or Division authorized by the City Manager to solicit bids, provided however:
 - (a) If there is no list of qualified contractors maintained by the City for the particular category of work to be performed, the notice inviting bids shall be sent only to the construction trade journals specified by the Commission.
 - (b) If the work, product or service is proprietary in nature such that it can be obtained only from a certain contractor or contractors, the notice inviting informal bids may be sent exclusively to such contractor or contractors.
- (3) The notice inviting informal bids shall describe the project in general terms and how to obtain more detailed information about the project and state the time and place for the submission of bids.



PROCUREMENT POLICY & PROCEDURES

- (4) If all bids received are in excess of Two Hundred and Twenty Thousand Dollars (\$220,000), the City Council may, by adoption of a resolution by a four-fifths vote, award the contract, at Two Hundred Thirty-Five Thousand Dollars (\$235,000) or less, to the lowest responsible bidder, if it determines the cost estimate of the City was reasonable. (See page 8 of the Cost Accounting and Policies and Procedures Manual 2025 Edition, published by the California Uniform Construction Cost Accounting Commission; https://www.sco.ca.gov/ard_cuccac.html).
- (5) Minimum criteria for development and maintenance of the contractors list determined by the California Uniform Construction Cost Accounting Commission. (Source: https://www.sco.ca.gov/ard_cuccac.html).
- (6) At least once per calendar year, the City will update its existing list of qualified contractors by mailing, faxing, or emailing written notice to all construction trade journals designated for the City. The notice shall invite all licensed contractors to submit the name of their firm to the City for inclusion on the City's list of qualified bidders.

The notice shall require that the contractor provide:

- (a) The name and address to which a Notice to Contractors or Proposal should be mailed, faxed, or emailed;
 - (b) A phone number at which the contractor may be reached;
 - (c) The type of work in which the contractor is interested and currently licensed to do (earthwork, pipelines, electrical, painting, general building, etc.);
 - (d) The class of contractor's license(s) held; and
 - (e) The contractor license number(s).
- (7) The list must include, at the minimum, all contractors who have properly provided the City with the information required under #2 above in response to the written notice.
 - (8) A contractor may have his or her firm added to the City's contractors list at any time by providing the required information.
 - (9) Delegation of Award of Public Project Awards under the UPCCAA. The City Council may delegate the authority to award informal contracts to the Public Works Director, City Manager, Purchasing Agent, or other appropriate person. The City Council has delegated approval of the following public project awards to the designated individual or body pursuant to [EMMC 3.24.080](#):

| AMOUNT | APPROVAL REQUIRED |
|---------------------------|-------------------|
| ≤ \$15,000 | Department Head |
| > \$15,000 and ≤ \$50,000 | City Manager |
| > \$50,000 | City Council |

1.7.1.2 RFP/RFQ Internal Review Process



PROCUREMENT POLICY & PROCEDURES

The Department(s) is(are) to complete and submit the Solicitation Review Form to both the Purchasing Officer and/or Designee and City Attorney's Office.

The Purchasing Officer and/or Designee will:

- (1) Review the Solicitation Review Form for completeness.
- (2) Review the Solicitation and all Solicitation Attachments/Addendums/etc. for compliance with the Procurement, Contracting, and Purchasing & Internal Controls Policy and Procedures Manual.

The City Attorney's Office will:

- (1) Review the Solicitation Review Form for completeness.
- (2) Review the Solicitation and all Solicitation Attachments/Addendums/etc. for compliance with the Procurement, Contracting, and Purchasing & Internal Controls Policy and Procedures Manual, any Legal Requirements pertaining to the solicited goods and/or services, and any related Grant Funding Requirements.
- (3) Determine the specific Local/State/Federal Language and Standard Requirements to be Included.
- (4) Determine the Appropriate Bonding/Insurance Requirements (If Applicable).
- (5) Determine the Contract/Agreement template to be included as an Appendix (If Applicable).
- (6) Determine the Appropriate Notification & Posting Requirements.

1.7.1.2.1 Approved Forms

In the event the Purchasing Officer and/or Designee and the City Attorney's Office authorize the request, the Department(s) will then be notified to begin the solicitation issuance and management process.

A copy of the approved Solicitation Review Form and Solicitation and all Solicitation Attachments/Addendums/etc. shall be retained for internal audit records and attached as supportive documentation for the associated Purchase Requisitions.

1.7.1.2.2 Incomplete Forms

In the event the Department(s) provide(s) an incomplete, or ill-defined, Solicitation Review Form, the Purchasing Officer and/or Designee will return the form to the Department(s) with a request for further information and/or clarification.

1.7.1.2.3 Non-Approved Forms

In the event the Purchasing Officer and/or Designee and City Attorney's Office deem the Solicitation needless or unjustifiable, the Purchasing Officer and/or Designee will return the form as Non-Approved to the Department(s) with explanation as to why it was not approved.



PROCUREMENT POLICY & PROCEDURES

1.7.1.3 RFP/RFQ Issuance & Management

When the Solicitation has been developed, and the Purchasing Officer and/or Designee and City Attorney's Office have reviewed and approved the Solicitation Review Form, the Solicitation, and all Solicitation Attachments/Addendums/etc. as to form and content, the Solicitation will then be authorized for issuance.

Any changes made to the Solicitation after Purchasing Officer and/or Designee and the City Attorney's Office review and approval are not authorized and must be resubmitted for review prior to issuance of the Solicitation.

1.7.1.3.1 Posting and Advertising

All Formal Solicitations will be issued using the City's electronic bid management system, [Planet Bids](#), for management and auditing purposes.

1.7.1.3.2 Solicitation Questions & Answers/General Communication

When the Solicitation has been issued, the Department(s) will monitor, review, and respond to all Solicitation questions received in accordance with the Deadline for Submission of Clarification Questions identified in the Solicitation Timeline/Schedule.

When the Deadline for Submission of Clarification Questions has passed, the Department(s) will consolidate all questions and answers into a comprehensive Q&A document. The Q&A document will be posted by the Department(s) in accordance with the Posting Date for the City's Responses to Clarification Questions Submitted in the Solicitation Timeline/Schedule. The Q&A document ensures that no Bidder has an unfair or distinctive advantage based on responses received to the clarification questions submitted.

1.7.1.3.3 Proposal Submission & Collection

When the Solicitation response deadline has occurred, the Department(s) will collect, review, and respond to all Bidders confirming receipt of the Bidder's proposal in accordance with the Proposal Submission Deadline identified in the Timeline/Schedule. (See Solicitation Template 1.12.3). Proposals received after the designated Proposal Submission Deadline shall not be considered.

Proposals are to be logged upon receipt with the means of delivery noted (mail, name of deliverer) as well as the date and time of delivery. After receipt, log in, and notation, Proposals will be placed unopened in a secure area until the scheduled time for opening.

1.7.1.4 Proposal Evaluation(s) & Award Recommendation(s)

1.7.1.4.1 Evaluation Process

Evaluation is an assessment of the proposal and the Contractor's/Consultant's/Vendor's ability to provide and/or perform the solicited goods and/or services successfully. Evaluation of competitive proposals should be completed based on the factors and subfactors specified in the solicitation. Evaluations may



PROCUREMENT POLICY & PROCEDURES

be conducted using any rating method or combination of methods, including color or adjectival ratings, numerical weights, and ordinal rankings. The relative strengths, deficiencies, significant weaknesses, and risks supporting proposal evaluations shall be documented and saved alongside the Solicitation documents.

1.7.1.4.1.1 Panel Structure

The Evaluation Panel should be comprised of a minimum of three (3) evaluators. Evaluators should include a combination of two (2) subject matter experts or Staff from the Department(s) and one (1) Management Level Staff from the Department(s). If a Management Level Staff is not available, Departments should make reasonable efforts to find an evaluator of similar capacity or competence to act as a substitute.

The Purchasing Officer and/or Designee is to be included in all evaluation meetings and discussions to monitor and affirm compliance with the requirements of the solicitation and Procurement, Contracting, and Purchasing & Internal Controls Policy and Procedures Manual.

The opening of all bids/proposals shall be confidential and restricted to the Evaluation Panel/Selection Team and the Purchasing Officer and/or Designee.

Under the general direction of the lead of the solicitation activity, the Evaluation Panel shall, at a minimum, perform the following functions:

- (1) Review the current data files on eligible Contractors/Consultants/Vendors and responses to any public notice(s) concerning the particular project;
- (2) Inspect each Proposal receipt log and verify that the delivery/receipt requirements were met (Proposals received on time and properly sealed and labeled).
- (3) Open each Proposal and examine for general conformance to content and format requirements and note deviations for Evaluation Panel discussion.
- (4) Evaluate the Contractors/Consultants/Vendors in accordance with the criteria set forth in the Solicitation in addition to Contractor's/Consultant's/Vendor's acceptance of the proposed contractual terms; and
- (5) Hold discussions/interviews with at least three (3) of the most highly qualified Contractors/Consultants/Vendors regarding concepts and the relative utility of alternative methods of furnishing the required goods and/or services [Optional – Recommended for Professional Services].

1.7.1.4.1.2 Criteria & Scoring Structure

The Criteria and Scoring structure shall be consistent with the terms set forth in the Solicitation.

Evaluation factors and significant subfactors must represent the key areas of importance and emphasis to be considered in the source selection decision and support meaningful comparison and discrimination between and among competing proposals.



PROCUREMENT POLICY & PROCEDURES

The Evaluation factors and significant subfactors that apply to a procurement and their relative importance, are within the broad discretion of the Evaluation Panel and are subject to the following minimum requirements, in addition to any others appropriate for the solicitation:

- (1) Cost or Price Evaluation. Normally, competition establishes price reasonableness. Therefore, when contracting on a firm-fixed-price or fixed-price with an economic price adjustment basis, comparison of the proposed prices will usually satisfy the requirement to perform a price analysis, and a cost analysis need not be performed. The contracting officer may choose not to include price or cost as an evaluation factor for award when a solicitation will result in multiple-award contracts that are for the same or similar services and states that the City intends to make an award to each and all qualifying Contractors/Consultants/Vendors.
- (2) If the Department Head chooses not to include price or cost as an evaluation factor for the contract award, the Department Head shall consider price or cost as one of the factors in the selection decision for each order placed under the contract;
- (3) Quality of Product and/or Service Evaluation. The quality of the product or service shall be addressed in every source selection through consideration of one or more non-cost evaluation factors such as past performance, compliance with solicitation requirements, technical excellence, management capability, personnel qualifications, and prior experience;
- (4) Past Performance Evaluation. Past performance information is one indicator of a Contractor's/Consultant's/Vendor's ability to perform the contract successfully. The solicitation shall describe the approach for evaluating past performance, including evaluating Contractors/Consultants/Vendors with no relevant performance history, and shall provide Contractors/Consultants/Vendors an opportunity to identify past or current contracts. The solicitation shall also authorize Contractors/Consultants/Vendors to provide information on problems encountered on the identified contracts and the Contractor's/Consultant's/Vendor's corrective actions. The Evaluation Panel shall consider this information, as well as information obtained from any other sources, when evaluating the Contractor's/Consultant's/Vendor's past performance. Past performance need not be evaluated if the Department Head documents the reason that past performance is not an appropriate evaluation factor for the procurement; and
- (5) Small and Minority Business Contracting/Subcontracting Evaluation. Solicitations must be structured to permit small and minority businesses opportunities to engage. Relevant language is required to be included when federal funding is being used, however, it's use is encouraged in all formal solicitations regardless of funding source. For example: Proposers are hereby notified that Disadvantaged Business Enterprises (DBEs) and Small Business Enterprises (SBEs) are encouraged to submit Proposals and will be afforded full opportunity to submit and participate in this request. Contractors should exert best efforts to subcontract work to DBEs and SBEs as part of their Proposals.

When performing a comprehensive evaluation of an unsolicited proposal, evaluators shall consider the following factors, in addition to any others appropriate for the solicitation:

- (1) Unique, innovative, and meritorious methods, approaches, or concepts demonstrated by



PROCUREMENT POLICY & PROCEDURES

the proposal;

- (2) Overall scientific, technical, or socioeconomic merits of the proposal;
- (3) Potential contribution of the effort to the agency's specific mission;
- (4) The Contractor's/Consultant's/Vendor's capabilities, related experience, facilities, techniques, or unique combinations of these that are integral factors for achieving the proposal objectives;
- (5) The qualifications, capabilities, and experience of the proposed principal investigator, team leader, or key personnel critical to achieving the proposal objectives; and
- (6) The accuracy and viability of the proposed cost.

The Department Head may reject all proposals received in response to a solicitation, if doing so is in the best interest of the City.

1.7.1.4.1.3 Selection & Shortlisting

The final selection decision shall be made by the Department Head and awarded through the authorized approver (City Council/City Manager/Department Head) as determined by the procurement amount.

The Department Head shall:

- (1) Review the recommendations of the Evaluation Panel and shall, with the advice of appropriate technical and staff representatives, make the final selection. This final selection shall be a listing, in order of preference, of the firms considered most highly qualified to perform the work. If the firm listed as the most preferred is not the firm recommended as the most highly qualified by the evaluation board, the Department Head shall provide for the contract file a written explanation of the reason for the preference. All firms on the final selection list are considered "selected firms" which may be engaged for future contracting within the term of the proposal's validity;
- (2) The Department Head, or any authorizing authority above, shall not add firms to the selection report. If the firms recommended in the report are not deemed to be qualified, or the report is considered inadequate for any reason, the Department Head shall record the reasons and return the report to the Evaluation Panel for appropriate revision; and
- (3) Promptly inform the Evaluation Panel of the final selection.

1.7.1.4.1.3.1 Nonresponsive Proposals

If no proposal, or no responsive proposal, is received after issuing a Request for Proposals/Request for Qualifications under this section, the Department(s) may proceed to hire or have general services performed or purchase the supplies or equipment on the open market by means of the informal procurement method.

1.7.1.4.1.3.2 Tie Proposals



PROCUREMENT POLICY & PROCEDURES

If two (2) or more proposals received are for the same total amount or unit price, quality and service being equal, and if the public interest will not permit the delay of re-advertising for Requests for Proposals/Requests for Qualifications, the City Council may select any one of the tie bidders in its sole and absolute discretion.

1.7.1.4.1.3.3 Rejection of Proposals

In its discretion, the City Council may reject any and all proposals presented and may re-advertise for Requests for Proposals/Requests for Qualifications.

1.7.1.4.1.3.4 Award

The final Award decision shall be made by the authorized approver (City Council/City Manager/Department Head) as determined by the procurement amount based on the selection decision made by the Department Head.

Professional Services Contracts shall be awarded only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources. Professional services are generally retained considering technical factors (such as qualifications and experience), price and other factors such as the ability to meet the City's time schedule(s) for the project.

Professional firms may be retained on a continuing basis to provide professional services. The Department Head, with the approval of the City Manager, may contract on a project-by-project or on a retainer basis for additional work/services without going through the RFP and selection process. However, at least every three (3) years, these arrangements shall be reviewed, and every effort shall be made to receive proposals from at least three (3) consultants to perform the same services. This is to ensure the City is receiving the best value in their services.

1.7.1.5 *RFP/RFQ Timeline*

All Request for Proposals/Request for Qualifications must be current and should be completed within one (1) year of the intended procurement and subsequent submission of a purchase requisition.

Request for Proposals/Request for Qualifications for purposes of replacing existing goods and services shall be issued with sufficient time to authorize the replacement contract and prevent a disruption in goods/services continuation.

1.7.1.6 *RFP/RFQ Flowchart*

1.7.2 INVITATION TO BID

All Invitations to Bid must be current and should be obtained within one (1) year of the intended procurement and subsequent submission of a purchase requisition.



PROCUREMENT POLICY & PROCEDURES

The instances in which a Formal Solicitation is issued by means of an Invitation to Bid are as follows:

- Procurement of Supplies, Materials, Equipment, and General Services in an amount greater than One Hundred and Fifty Thousand Dollars (> **\$150,000**).
- Procurement of Public Projects (General) in an amount greater than Five Thousand Dollars (> **\$5,000**).
- Procurement of Public Projects (UPCCAA) in an amount greater than Two Hundred and Twenty Thousand Dollars (> **\$220,000**).

Contractors/Consultants/Vendors hired by the City to develop or draft specifications, requirements, statements of work, or Invitations for Bids **must be excluded** from competing for such procurements in order to ensure objective contractor performance and eliminate unfair competitive advantage.

1.7.2.1 Invitation to Bid Development

When the Solicitation Review Form has been approved, the Purchasing Officer and/or Designee will meet with the Department(s) to identify the Department's specific requirements and needs.

The information needed to develop the Invitation to Bid includes, but is not limited to, the following items.

1.7.2.1.1 Bidding Requirements

1.7.2.1.1.1 Invitation to Bid

The Invitation to Bid shall provide the dates and deadline information for the Solicitation including, at the minimum, dates for the following:

- (1) Bidders Conference Date (If Applicable);
- (2) Deadline for Submission of Clarification Questions;
- (3) Posting Date for the City's Responses to Clarification Questions Submitted;
- (4) Deadline for Bid Submission;
- (5) Opening of Bids;
- (6) Duration Dates for Selection of Bidder(s) and Subsequent Contract Negotiations; and
- (7) Month/Date for Recommendation & Submission of Selected Bidder(s) Contract to the City Council for Consideration, Approval, and Possible Award.

1.7.2.1.1.2 Instructions to Bidders

1.7.2.1.1.2.1 Bid Opening Procedure

The solicitation shall detail the manner in which the Bidder is to submit sealed bids to the City



PROCUREMENT POLICY & PROCEDURES

Clerk's Office, provide information regarding the Bid opening procedure, and identify the time and place in which the bids will be opened. The procedure shall also indicate the location (the City Clerk's Office) of the tabulation of all bids received where the public will have the opportunity to inspect during regular business hours for a period of not less than thirty (30) calendar days after the bid opening. This information shall mirror what was stated in the public notices.

1.7.2.1.1.2 Bidder's Checklist

The Bidder's Checklist provides a list of all required appendices, attachments, documents, forms, attestations, etc. in which a Bidder is to complete and execute in full in order for their bid submission to be considered complete. The Bidder is to acknowledge, initial, and date each of the items listed in the checklist.

1.7.2.1.1.3 **Bid Proposal**

The Bid Proposal is an attestation by the Bidder to furnish and deliver all necessary labor, tools, equipment, and other means of construction to perform the work required for the completion of the solicited project in accordance with the intent of all plans, specifications, and addenda issued by the City prior to the opening of the bid proposals. The Bid Proposal must be completely filled out, signed, and turned in with the bid or the bid and Bidder may be deemed non-responsive.

1.7.2.1.1.4 **Bid Schedule**

The Bid Schedule is a comprehensive, itemized, list of the solicited work in which a Bidder is to provide a unit and total price proposal.

1.7.2.1.1.5 **Bid Security**

When deemed necessary, the Department(s) shall require Bidder's Security. If Bid Security is prescribed, the same type and rate of security shall be required of each bidder, and no contract may be awarded to any Bidder failing to post the required bid security.

Bidders are entitled to the return of Bid Security upon execution of the contract or within twenty-one (21) calendar days following the re-advertisement of bids; provided, that a successful Bidder forfeits the Bidder's Bid Security upon refusal or failure to execute the contract within ten (10) calendar days after the notice of award of contract has been mailed, unless the City is responsible for the delay.

The City Council may, on refusal or failure of the successful bidder to execute the awarded contract, award it to the next lowest responsive and responsible Bidder. If the Council awards the contract to the next lowest Bidder, the amount of the lowest Bidder's Security shall be applied by the City to the difference between the low bid and the second lowest bid, and the surplus, if any, shall be returned to the next lowest Bidder within twenty-one (21) days from the date the contract is executed by the next lowest Bidder;

1.7.2.1.1.6 **Non-Collusion Declaration**

The Non-Collusion Declaration is an attestation by the Bidder that:

- The bid is not made in the interest of, or on behalf of, any undisclosed person, partnership,



PROCUREMENT POLICY & PROCEDURES

company, association, organization, or corporation;

- The bid is genuine and not collusive or sham;
- The Bidder has not directly or indirectly induced or solicited any other Bidder to put in a false or sham bid;
- The Bidder has not directly or indirectly colluded, conspired, connived, or agreed with any Bidder or anyone else to put in a sham bid, or to refrain from bidding;
- The Bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the Bidder or any other Bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other Bidder;
- All statements contained in the bid are true; and
- The Bidder has not, directly or indirectly, submitted its bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof, to effectuate a collusive or sham bid, and has not paid, and will not pay, any person or entity for such purpose.

1.7.2.1.1.7 Experience Qualifications

The Experience Qualifications is an attestation by the Bidder regarding the number of years in which the Bidder has been engaged in the contracting business under the present business name, the number of years in which the Bidder's experience in work of a nature similar to that covered in their bid, and a list of recently completed projects similar in nature, scope and complexity to the solicited work.

1.7.2.1.1.8 Designation of Subcontractors

In compliance with sections 4100-4114 of the California Public Contract Code, the Designation of Subcontractors is a comprehensive list of subcontractors' information (names, contractor license numbers, and business locations) that the Bidder is to use in completing the solicited work.

If the Bidder fails to specify a subcontractor for any portion of the work to be performed under the proposed contract, the Bidder shall be deemed to have agreed to perform such portion of the work itself, and the Bidder shall not be permitted to subcontract any such portion of that work, unless otherwise exempted in the solicitation.

1.7.2.1.2 Contract Documents

1.7.2.1.2.1 Contract

A sample construction contract is to be included in the solicitation as an example for the Bidders to be aware of the terms and conditions in which will be included in the awarded Bidder's contract.



PROCUREMENT POLICY & PROCEDURES

1.7.2.1.2.2 Performance Bond

The requesting Department(s) has the authority to require a Performance Bond as a condition to the City's solicitation of any bids, in such amount as the requesting Department(s) shall find reasonably necessary to protect the best interests of the City. If the bid requires a Performance Bond, the form and amount of the bond shall be described in the Notice Inviting Bids. The Performance Bond, when required, must be obtained by the awarded Bidder before the execution of the contract.

1.7.2.1.2.3 Payment Bond

The requesting Department(s) has the authority to require a Payment Bond as a condition to the City's solicitation of any bids, in such amount as the requesting Department(s) shall find reasonably necessary to protect the best interests of the City. If the bid requires a Payment Bond, the form and amount of the bond shall be described in the Notice Inviting Bids. The Payment Bond, when required, must be obtained by the awarded Bidder before the execution of the contract.

1.7.2.1.2.4 Insurance Requirements and Attestations

The insurance requirements are a list of all applicable policies and policy requirements (scope, limits, deductibles, retentions, endorsements, etc.) that are required to be furnished in order to perform the solicited work under the City Contract.

The Bidder is to provide an attestation that they will procure and maintain those listed insurance policies for the duration of the contract to insure against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the solicited work by the Contractor, its agents, representatives, employees and/or subcontractors.

1.7.2.1.2.4.1 Worker's Compensation

The Worker's Compensation insurance is form of insurance for the exclusive remedy for injured employees. What this means is that an employer assumes absolute liability for all work-related injuries, and workers' compensation benefits are the sole remedy for injured workers against their employers. Worker's Compensation insurance is required by Section 3700 of the Labor Code of the State of California.

1.7.2.1.2.4.2 Commercial General Liability

Commercial General Liability insurance is a broad type of insurance policy which provides liability insurance for general business risks. Commercial General Liability provides coverage against claims for bodily injury, personal injury and property damage.

1.7.2.1.2.4.3 Automobile Liability

Automobile Liability insurance is insurance for cars, trucks, motorcycles, and other road vehicles. Its primary use is to provide financial protection against physical damage or bodily injury resulting from traffic collisions and against liability that could also arise from incidents in a vehicle.

1.7.2.1.2.4.4 Errors and Omissions



PROCUREMENT POLICY & PROCEDURES

Errors and Omissions insurance is a kind of specialized liability protection against losses not covered by traditional liability insurance. Errors and Omissions insurance protects the insured and the insured's business from claims if a client sues for negligent acts, errors or omissions committed during business activities that result in a financial loss.

1.7.2.1.3 General Conditions

1.7.2.1.3.1 Definitions and Terms

The Definitions and Terms shall be a list of all abbreviations and terms, or pronouns in place of them, that are used in the solicitation and other contract documents included by attachment or reference to the solicitation, for purposes of identifying their meanings and interpretations in reference to the solicited work.

1.7.2.1.3.2 Scope of Work

The Scope of Work is a detailed description of the solicited work that defines the specific activities, deliverables, and timelines in which the Bidder is to adhere to for purposes of supplying the services to the City. The Scope of Work shall also address the procedural terms and conditions of how any agreed upon changes in the scope or payment will be addressed, administered and managed.

1.7.2.1.3.3 Control of Work

The Control of Work defines the manner in which the work will be monitored, managed, and authorized to ensure compliance with, and proper execution of, the contractual terms.

1.7.2.1.3.4 Control of Materials

The Control of Materials defines the manner in which materials, that are to be used for the completion of the solicited work, are to be procured, inspected, and stored.

1.7.2.1.3.5 Legal Relations and Responsibility

The Legal Relations and Responsibility identifies the legal provisions in which the Bidder is to comply with for the specified term of the contract.

1.7.2.1.3.6 Progress and Completion of Work

The Progress and Completion of Work defines the manner in which the commencement and progress of the work and anticipated time of completion is to be documented and communicated to the City. The Progress and Completion of Work further addresses how delays, suspensions, and terminations in work are to be governed.

1.7.2.1.3.7 Measurement and Payment

Measurement and Payment identifies the terms and conditions of measuring work progress and completion and the manner in which payment will be administered in accordance with those measurements.



PROCUREMENT POLICY & PROCEDURES

1.7.2.1.4 Additional Requirements for Public Projects (General)

1. Notices inviting sealed bids shall be published at least twice, not less than five (5) days apart, the first time being no less than twenty-one (21) calendar days before the date of the opening of the bids.
2. Notices inviting bids shall include a description of the public project, state where bid forms and specifications may be obtained, and the time, date and place for the opening of bids.
3. When required by law or as otherwise deemed necessary by the requesting Department(s), bidder's security may be prescribed in the public notice inviting bids. Bidders shall be entitled to return of bid security; provided, however, a successful bidder shall forfeit the bid security upon the bidder's refusal or failure to execute the contract within ten (10) calendar days after the notice of award of contract has been issued by the City. The City Council may, on refusal or failure of the successful bidder to execute the contract, award it to the next lowest responsive and responsible bidder. If the City Council awards the contract to the next lowest responsive and responsible bidder, the amount of the lowest bidder's security shall be applied by the City to the contract price differential between the lowest bid and the second lowest bid, and the surplus, if any, shall be returned to the lowest bidder. If the City Council rejects all bids presented, due to the failure of the successful bidder to execute the contract, and re-advertises, the amount of the lowest bidder's security may be used to offset the cost of receiving new bids and the surplus, if any, shall be returned to the lowest bidder.
4. Sealed bids together with bidder's security shall be submitted to the Public Works Director or designee. The bid shall be identified on the envelope. Bids shall be opened in public at the date, time and place stated in the public notices inviting the bids. Any bid received after the scheduled time of the bid opening shall be returned to the bidder unopened. A tabulation of all bids received shall be available for public inspection during regular business hours.
5. Public projects shall require the execution of a written agreement.
6. At its sole discretion, the City Council may reject any and all bids presented and re-advertise for bids pursuant to the procedure prescribed above. In the event no bids are received, or all bids are rejected, the City Council may, in accordance with Public Contracts Code Section 20167, and any amendments thereto, direct the Public Works Director or designee to proceed pursuant to paragraphs relating to open market procedure or competitive negotiations.
7. The City shall have authority to require performance and labor and materials security before entering into and executing a contract in such amount as it finds reasonably necessary to protect the best interests of the City. If the City requires security, the form and the amount of the security shall be described in the notice inviting bids. The notice inviting bids may provide that security may be posted in the form of a surety bond or other such security.

1.7.2.2 Invitation to Bid Internal Review Process

The Department(s) is(are) to complete and submit the Solicitation Review Form to both the Purchasing Officer and/or Designee and City Attorney's Office.



PROCUREMENT POLICY & PROCEDURES

The Purchasing Officer and/or Designee will:

- (1) Review the Solicitation Review Form for Completeness.
- (2) Review the Solicitation for Compliance with the Procurement, Contracting, and Purchasing & Internal Controls Policy and Procedures Manual.

The City Attorney's Office will:

- (1) Review the Solicitation Review Form for Completeness.
- (2) Review the Solicitation for Compliance with the Procurement, Contracting, and Purchasing & Internal Controls Policy and Procedures Manual, any Legal Requirements pertaining to the solicited goods and/or services, and any related Grant Funding Requirements.
- (3) Determine the specific Local/State/Federal Language and Standard Requirements to be Included.
- (4) Determine the Appropriate Bonding/Insurance Requirements (If Applicable).
- (5) Determine the Contract form to be Included as an Appendix (If Applicable).
- (6) Determine the Appropriate Notification & Posting Requirements

1.7.2.2.1 Approved Forms

In the event the Purchasing Officer and/or Designee and the City Attorney's Office authorize the request, the Department(s) will then be notified to begin the Solicitation Issuance and Management process.

A copy of the approved Form and Solicitation shall be retained for internal audit records and attached as supportive documentation for the associated Purchase Requisitions.

1.7.2.2.2 Incomplete Forms

In the event the Department(s) provide(s) an incomplete, or ill-defined, Solicitation Review Form, the Purchasing Officer and/or Designee will return the form to the Department(s) with a request for further information and/or clarification.

1.7.2.2.3 Non-Approved Forms

In the event the Purchasing Officer and/or Designee and City Attorney's Office deem the Solicitation needless or unjustifiable, the Purchasing Officer and/or Designee will return the form as Non-Approved to the Department(s) with explanation as to why it was not approved.

1.7.2.3 Invitation to Bid Issuance and Management

When the Solicitation has been developed, and the Purchasing Officer and/or Designee and City Attorney's Office have reviewed and approved the Solicitation Review Form and the Solicitation as to form and content,



PROCUREMENT POLICY & PROCEDURES

the Solicitation will then be authorized for issuance.

Any changes made to the Solicitation after Purchasing Officer and/or Designee and the City Attorney's Office review and approval are not authorized and must be resubmitted for review prior to issuance of the Solicitation.

1.7.2.3.1 Notice Inviting Bids

The Department(s) shall issue a notice inviting bids which shall include a general description of the supplies, materials, equipment, or general services to be procured; where bid forms and specifications may be secured; and the final time and place for submitting bids.

1.7.2.3.1.1 Published Notice

Notice inviting bids shall be published at least ten (10) days before the date of opening of the bids. Notice shall be published at least once in a newspaper of general circulation printed and published in the City, or if there is none it shall be posted in at least three (3) public places in the City that have been designated by the City Council by resolution as the places for posting public notices.

1.7.2.3.1.2 Bidders' List

The Department(s) shall solicit sealed bids from all responsible prospective suppliers whose names are on the bidders' list or who have requested their names to be added thereto.

1.7.2.3.2 Posting and Advertising

All Formal Solicitations will be issued using the City's electronic bid management system, [Planet Bids](#), and the City's Website for management and auditing purposes.

1.7.2.3.3 Questions & Answers/General Communication

When the Solicitation has been issued, the Department(s) will monitor, review, and respond to all Solicitation questions received in accordance with the Deadline for Submission of Clarification Questions identified in the Solicitation Timeline/Schedule.

When the Deadline for Submission of Clarification Questions has passed, the Department(s) will consolidate all questions and answers into a comprehensive Q&A document. The Q&A document will be posted by the Department(s) in accordance with the Posting Date for the City's Responses to Clarification Questions Submitted in the Solicitation Timeline/Schedule. The Q&A document ensures that no Bidder has an unfair or distinctive advantage based on responses received to the clarification questions submitted.

1.7.2.3.4 Pre-Bid Meeting

If a Pre-Bid Meeting is to be held, then the solicitation must indicate the date, time, and location in which the meeting is to be held.



PROCUREMENT POLICY & PROCEDURES

If the Pre-Bid Meeting is mandatory, then the solicitation must indicate it as such and specify how Bidders' bids will be addressed if they do not attend.

Attendance for the Pre-Bid Meeting shall be recorded, and such evidence shall be maintained with all solicitation records.

1.7.2.3.5 Bid Submission & Collection

The Bid Content & Format Requirements for Submission provide contextual information explaining the City's minimum requirements for Bidders' Bid submissions.

1.7.2.3.5.1 Proposal Content & Format Requirements

The Proposal Content & Format Requirements for Submission should, at the minimum, provide detailed information regarding the following:

- (1) Transmittal Letter Content;
- (2) Bidder Information;
- (3) Technical Proposal Content;
 - (i) Bidder's Response to the Areas of Interest/Scope of Work;
 - (ii) Bidder's Scope of Work Timeline (If Applicable);
 - (iii) Bidder's Background/Experience;
- (4) Bidder's References;
- (5) Fees/Cost Proposal Content; and
- (6) Contract Provision Content.

1.7.2.3.5.2 Proposal Delivery Requirements

The Proposal Submission Delivery Requirements should, at the minimum, provide detailed information regarding the following:

- (1) Electronic Submission Requirements; and/or
- (2) Physical Submission Requirements.

1.7.2.4 Bid Opening

Bidders shall submit sealed bids to the City Clerk's Office and shall specifically identify them as bids on the envelope. Bids shall be opened in public at the time and place stated in the public notices. A tabulation of all bids received shall be open for public inspection during regular business hours for a period of not less than



PROCUREMENT POLICY & PROCEDURES

thirty (30) calendar days after the bid opening.

The Chief Deputy City Clerk is to be present for, and during, the official Bid Opening. It is also recommended that the Purchasing Officer and/or Designee be present, though it is not required. If the Chief Deputy City Clerk is unavailable for any reason, the Deputy City Clerk may substitute as an alternate for the official Bid Opening.

1.7.2.5 *Bid Evaluation(s) and Award Recommendation(s)*

1.7.2.5.1 **Evaluation Process**

Evaluation is an assessment of the Bid and the Contractor's ability to provide and/or perform the solicited goods and/or services at the lowest cost, responsibly. Evaluation of competitive proposals should be completed based on the Bidder's compliance with all factors and subfactors specified in the solicitation and ability to perform in accordance with the proposed schedule. The Bidders' compliance, or lack thereof, to the solicitation and supporting proposal evaluations shall be documented and saved alongside the Solicitation documents. The procurement of supplies, materials, equipment, or general services shall be awarded to the lowest responsive and responsible bidder. All procurements awarded as the result of a formal bid shall be memorialized by written agreement approved as to form by the City Attorney.

1.7.2.5.1.1 **Compliance Evaluation**

The compliance review shall be consistent with the terms and requirements set forth in the Solicitation.

The Compliance Evaluation factors and significant subfactors that apply to a procurement and their relative importance are within the broad discretion of the Evaluation Panel, subject to the following minimum requirements, in addition to any others appropriate for the solicitation:

- (1) Cost or Price Evaluation.
- (2) Compliance with solicitation terms and conditions (e.g. on-time submission, format, etc.).
- (3) Compliance with submission, acknowledgement, and completion of solicitation documents as required (e.g. Attachments, Appendices, Addendums, etc.).

1.7.2.5.1.1.1 Nonresponsive Bids

If no bid, or no responsive bid, is received after inviting bids under this section, the Department(s) may proceed to hire or have general services performed or purchase the supplies or equipment on the open market.

1.7.2.5.1.1.2 Rejection of Bids

In its discretion, the City Council may reject any and all bids presented and may re-advertise for bids.



PROCUREMENT POLICY & PROCEDURES

1.7.2.5.1.2 Selection

1.7.2.5.1.2.1 Tie Bids

If two (2) or more bids received are for the same total amount or unit price, quality and service being equal, and if the public interest will not permit the delay of re-advertising for bids, the City Council may select any one of the tie bidders in its sole and absolute discretion.

1.7.2.5.1.2.2 Award

Contracts shall be awarded by the City Council to the lowest responsive and responsible bidder for the procurement of Supplies, Materials, Equipment, or General Services. In determining the lowest responsive and responsible bidder, the following shall be taken into account:

- (1) The quality, suitability and efficiency of the item or service offered and its conformity with the specifications.
- (2) The delivery, discount terms, local vendor preference, and all other conditions submitted in the bid.
- (3) The reputation of the equipment, the service reputation of the seller and all information and data required to prove the responsibility of the supplier.

All procurements subject to the Formal Solicitation Process shall be made by written agreement approved as to form by the City Attorney.

1.7.2.6 Bid Protests

Note that Bidders may submit written protests regarding the City's bidding process, and an explanation of those procedures must be included in the Bid Solicitation materials, and Invitation to Bid Timeline.

1.7.2.7 Invitation to Bid Flowchart

1.8 FEDERAL AWARD SOLICITATIONS

In order to promote full and open competition, all procurement transactions must adhere to the following procedures:

- Contractors/Consultants/Vendors hired by the City to develop or draft specifications, requirements, statements of work, or invitations for bids or Requests for Proposals must be excluded from competing for such procurements in order to ensure objective contractor performance and eliminate unfair competitive advantage.
- The use of geographical preferences in the evaluation of bids or proposals is prohibited, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to



PROCUREMENT POLICY & PROCEDURES

compete for the contract.

- All prequalified lists of persons, firms, or products which are used in acquiring goods and services must be current and include enough qualified sources to ensure maximum open and free competition.
- Potential bidders shall not be precluded from qualifying as bidders during the solicitation period.

1.8.1 SOLICITATION DEVELOPMENT

All solicitations must adhere to the following procedures, in addition to the requirements set forth in Section 1.7.1.1:

- Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such a description must not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured and, when necessary, must set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a “brand name or equivalent” description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offers must be clearly stated; and
- Identify all requirements which the Contractors/Consultants/Vendors must fulfill and all other factors to be used in evaluating bids or proposals.

1.8.2 PREQUALIFIED CONTRACTORS

Pre-qualified contractors are identified through a competitive process and used for purchases in excess of the micro-purchase limit. Department(s) will develop a list of approved contractors that can be used throughout the year. The process to identify an approved contractor is as follows.

- Develop a list of similar, commonly purchased items that can be acquired from a single contractor.
- Obtain three (3) written quotes.
- Compare the quotes.
- The Contractors/Consultants/Vendors with the lowest prices, including shipping, will be approved for use during the year.
- This process could result in multiple approved contractors if the prices are within five percent 5% of each other.

This process should be repeated annually, with the approved list produced by **May 15**. Contractors may be added throughout the year, but all contractors will be reevaluated **May 1**.



PROCUREMENT POLICY & PROCEDURES

1.8.3 PROCUREMENT METHODS FOR FEDERAL AWARDS – (2 CFR 200.320)

The City must use the following methods of procurement for all Federal Awards in accordance with [2 CFR 200.320](#).

1.8.3.1 Informal Procurement Methods

When the value of the procurement for goods and/or services under a Federal award does not exceed the Simplified Acquisition Threshold, Formal Procurement Methods are not required.

The Micro-Purchase Threshold is set by the Federal Acquisition Regulation (FAR) at [48 CFR Subpart 2.1](#) (Definitions). The definition in [48 CFR Subpart 2.1](#) as is \$10,000. The City uses this threshold as a guiding factor in establishing its own, conservative, Micro-Purchase Threshold of Five Thousand Dollars (\$5,000). References to the Micro-Purchase Threshold in this Policy will mean \$5,000, except for the following situations:

- For acquisitions of construction subject to 40 U.S.C. Chapter 31, Subchapter IV, Wage Rate Requirements (Construction), \$2,000;
- For acquisitions of services subject to 41 U.S.C. Chapter 67, Service Contract Labor Standards, \$2,500; and,
- For acquisitions of supplies or services that, as determined by the head of the agency, are to be used to support a contingency operation; to facilitate defense against or recovery from cyber, nuclear, biological, chemical or radiological attack; to support a request from the Secretary of State or the Administrator of the United States Agency for International Development to facilitate provision of international disaster assistance pursuant to [22 U.S.C. 2292](#) *et seq.*; or to support response to an emergency or major disaster ([42 U.S.C. 5122](#)), as described in 13.201(g)(1), except for construction subject to [40 U.S.C. Subtitle II, Part A, Chapter 31, Subchapter IV](#), Wage Rate Requirements (Construction) ([41 U.S.C. 1903](#)).
 - \$20,000 in the case of any contract to be awarded and performed, or purchase to be made, inside the United States; and,
 - \$30,000 in the case of any contract to be awarded and performed, or purchase to be made, outside the United States.

The Simplified Acquisition Threshold (SAT) is set by the Federal Acquisition Regulation (FAR) at [48 CFR Subpart 2.1](#) (Definitions) and in accordance with [41 U.S.C. 1908](#). Under 48 CFR Subpart 2, the SAT is \$250,000. The City uses this threshold as a guiding factor in establishing its own, conservative, Simplified Acquisition Threshold of One Hundred and Fifty Thousand Dollars (\$150,000). References to the Simplified Acquisition Threshold in this Policy will mean \$150,000, except for the following situations:

- Acquisitions of supplies or services that, as determined by the head of the agency, are to be used to support a contingency operation; to facilitate defense against or recovery from cyber, nuclear, biological, chemical, or radiological attack; to support a request from the Secretary of State or the Administrator of the United States Agency for International Development to facilitate provision of international disaster assistance pursuant to 22 U.S.C. 2292 *et seq.*; or to support response to an



PROCUREMENT POLICY & PROCEDURES

emergency or major disaster ([42 U.S.C. 5122](#)), ([41 U.S.C. 1903](#)), the term means:

- \$800,000 for any contract to be awarded and performed, or purchase to be made, inside the United States; and
- \$1,500,000 for any contract to be awarded and performed, or purchase to be made, outside the United States; and

Acquisition of supplies of services that, as determined by the head of the agency, are to be used to support a humanitarian or peacekeeping operation (10 U.S.C. 3015), the term means \$500,000 for any contract to be awarded and performed, or purchase to be made, outside the United States. The informal methods used for procurement of goods and/or services at or below the Simplified Acquisition Threshold include:

1.8.3.1.1 Micro-Purchase

Micro-Purchases may be awarded without soliciting competitive price or rate quotations if the price is reasonable based on research, experience, purchase history or other information and documents. To the maximum extent practicable, Micro-Purchases should be distributed equitably among qualified suppliers.

1.8.3.1.2 Small Purchase

Small Purchases are the procurement of property or services with an aggregate dollar amount which is higher than the Micro-Purchase threshold but does not exceed the Simplified Acquisition Threshold. If Small Purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources. The City's Policy is to obtain three (3) Quotes.

1.8.3.2 Formal Procurement Methods

When the value of the procurement for goods and/or services under a Federal Award exceeds the Simplified Acquisition Threshold, Formal Procurement Methods are required. Formal procurement methods require following documented procedures. Formal procurement methods also require public advertising unless a non-competitive procurement can be used in accordance with [§ 200.319](#) or [§ 200.320 \(c\)](#). The following formal methods of procurement are used for procurement of goods and/or services above the Simplified Acquisition Threshold:

1.8.3.2.1 Invitation to Bid (Sealed Bids)

Sealed Bids are a procurement method in which bids are publicly solicited and a firm fixed-price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price.

In order for sealed bidding to be feasible, the following conditions should be present:

- A complete, adequate, and realistic specification or purchase description is available;
- Two or more responsible bidders are willing and able to compete effectively for the business;



PROCUREMENT POLICY & PROCEDURES

and

- The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

If sealed bids are used, the following requirements apply:

- Bids must be solicited from an adequate number of qualified sources, providing them sufficient response time prior to the date set for opening the bids, for local, and tribal governments, the invitation for bids must be publicly advertised;
- The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond;
- All bids will be opened at the time and place prescribed in the invitation for bids, and for local and tribal governments, the bids must be opened publicly;
- A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and
- Any or all bids may be rejected if there is a sound documented reason.

1.8.3.2 Request for Proposals

A procurement method in which either a fixed price or cost-reimbursement type contract is awarded. Proposals are generally used when conditions are not appropriate for the use of sealed bids. They are awarded in accordance with the following requirements:

- Requests for Proposals must be publicized and identify all evaluation factors and their relative importance. Proposals must be solicited from an adequate number of qualified offerors. Any response to publicized Requests for Proposals must be considered to the maximum extent practical.

1.8.3.3 Non-Competitive Procurement

There are specific circumstances in which Non-Competitive procurement can be used. Non-Competitive procurement can only be awarded if one or more of the following circumstances apply:

- The acquisition of property or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold;
- The item is available only from a single source (See also 1.10.1);
- The public exigency or emergency for the requirement will not permit a delay resulting from publicizing a competitive solicitation (See also 1.10.4);



PROCUREMENT POLICY & PROCEDURES

- The Federal awarding agency or pass-through entity expressly authorizes a noncompetitive procurement in response to a written request from the City; or
- After solicitation of a number of sources, competition is determined inadequate.

1.8.4 PROCUREMENT REQUIREMENTS FOR FEDERAL AWARDS

The City must use the following procurement requirements for all Federal Awards in accordance with [2 CFR 200.320](#) as summarized in the chart below:

| METHOD | AMOUNT | REQUIREMENTS |
|---|--|---|
| ❖ Micro-Purchase | Not to Exceed \$5,000 | No quotations required if the price is reasonable or economical. To the extent practicable, micro-purchases must be distributed equitably among qualified suppliers. <i>Refer to 2 CFR Part 200.320 (a) (1).</i> |
| ❖ Small Purchase | Up to \$150,000 | Quotations must be obtained from an adequate number of qualified sources. The City's Policy is to obtain Three (3) Quotes. <i>Refer to 2 CFR Part 200.320 (a) (2).</i> |
| ❖ Sealed Bids (Formal Advertising) | > \$150,000 | Bids are publicly solicited, and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. <i>Refer to 2 CFR Part 200.320 (b) (1).</i> |
| ❖ Competitive Proposals | > \$150,000 | It is generally used when conditions are not appropriate for the use of sealed bids. Proposals must be solicited from an adequate number of qualified sources. <i>Refer to 2 CFR Part 200.320 (b) (2).</i> |
| ❖ Sole Source | Available for procurements of any dollar amount. | Used only when one (1) or more of the following circumstances apply: The item is available only from a single source. (Refer to 1.10.1) <ul style="list-style-type: none"> ▪ The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation. ▪ The federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request. ▪ After solicitation of a number of sources, competition is determined inadequate. <i>Refer to 2 CFR Part 200.320 (c).</i> |



PROCUREMENT POLICY & PROCEDURES

1.8.5 SMALL AND MINORITY BUSINESSES, WOMEN'S BUSINESS ENTERPRISES, AND LABOR SURPLUS AREA FIRMS FOR FEDERAL AWARDS (2 CFR 200.321)

The City must use the following methods for contracting with small and minority businesses, women's business enterprises, and labor surplus area firms for all Federal Awards in accordance with [2 CFR 200.321](#).

- (A) The City must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.
- (B) Therefore, the following steps shall be taken:
 - (1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
 - (2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
 - (3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
 - (4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;
 - (5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and,
 - (6) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (b)(1) through (5) above.

The City defines small businesses consistent with the definition in Title 13 of the Code of Federal Regulations. The size of the small business is tied to revenue and is specific to the category or subcategory of the business enterprise.

The City defines minority businesses as those that are at least fifty-one percent (51%) owned by such individuals or, in the case of a publicly-owned business, at least fifty-one percent (51%) of the stock is owned by one or more such individuals, *i.e.* the management and daily operations are controlled by those minority group members. Minority group members are United States citizens who are Asian, Black, Hispanic and Native American.

The City defines women's business enterprises as businesses with women ownership share of at least fifty-one percent (51%).

A Labor Surplus Area (LSA) is designated by the US Department of Labor (DOL). An LSA is a civil jurisdiction that has a civilian average annual unemployment rate during the previous two (2) calendar years of 20 percent (20%) or more above the average annual civilian unemployment rate for all states (including Puerto Rico) during the



PROCUREMENT POLICY & PROCEDURES

same 24-month reference period. A list of labor surplus areas can be found at this link <https://www.dol.gov/agencies/eta/lssa>.

1.8.6 GENERAL PROCUREMENT PROCEDURES FOR FEDERAL AWARDS (2 CFR 200.318)

The City must use the following methods for procurement for all Federal Awards in accordance with [2 CFR 200.318](#).

- The City must maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or Purchase Orders ([2 CFR Part 200.318 \(b\)](#)).
- The City shall avoid purchasing of unnecessary or duplicative items for the performance of the activities required by a Federal Award. Where appropriate, an analysis shall be made of lease and purchase alternatives to determine which would be the most economical and practical procurement for the federal government. This analysis should only be made when both lease and purchase alternatives are available to the program ([2 CFR Part 200.318 \(d\)](#)).
- To foster greater economy and efficiency, and in accordance with efforts to promote cost-effective use of shared services, Purchasers are encouraged to enter into state and local inter-governmental or inter-entirety agreements where appropriate for procurement or use of common or shared goods and services ([2 CFR Part 200.318 \(e\)](#)).
- Purchasers are encouraged to use federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs. For more information on how to search for federal excess and surplus property, go to “<https://www.gsa.gov>” and enter “how to purchase surplus property” in the website search field.
- The City must award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources ([2 CFR Part 200.318 \(h\)](#) see also [§ 200.214](#)).
- The City must maintain records sufficient to detail the history of procurement. These records will include, but are not necessarily limited to, the following ([2 CFR Part 200.318 \(i\)](#)):
 - Rationale for the method of procurement;
 - Selection of contract type;
 - Contractor selection or rejection; and
 - The basis for the contract price.
- The City must be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims ([2 CFR](#)



PROCUREMENT POLICY & PROCEDURES

[Part 200.318 \(k\)](#).

1.8.7 CONTRACT COST AND PRICE FOR FEDERAL AWARDS (2 CFR 200.324)

The City must use the following methods for contract costs and pricing for all Federal Awards in accordance with [2 CFR 200.324](#).

- (A) The City must perform a cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold including contract modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, the City must make independent estimates before receiving bids or proposals ([2 CFR 200.324 \(a\)](#)).
- (B) The City must negotiate profit as a separate element of the price for each contract in which there is no price competition and, in all cases, where cost analysis is performed. To establish a fair and reasonable profit, consideration must be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work ([2 CFR 200.324 \(b\)](#)).
- (C) Costs or prices based on estimated costs for contracts under the Federal award are allowable only to the extent that costs incurred or cost estimates included in negotiated prices would be allowable for the City under ([2 CFR 200 Subpart E- Cost Principles](#)) ([2 CFR 200.324 \(c\)](#)).
- (D) The cost plus a percentage of cost and percentage of construction cost methods of contracting must not be used ([2 CFR 200.324 \(d\)](#)).

1.8.8 BONDING REQUIREMENTS FOR FEDERAL AWARDS (2 CFR 200.326)

The City must use the following methods for Bonding Requirements for all Federal Awards in accordance with [2 CFR 200.326](#).

For construction or facility improvement contracts or subcontracts exceeding the Simplified Acquisition Threshold, the Federal awarding agency or pass-through entity may accept the bonding policy and requirements of the City provided that the Federal awarding agency or pass-through entity has made a determination that the Federal interest is adequately protected. If such a determination has not been made, the minimum requirements must be as follows:

- (A) A bid guarantee from each bidder that is equivalent to Five Percent (5%) of the bid price. The "Bid Guarantee" must consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of the bid, execute such contractual documents as may be required within the time specified ([2 CFR 200.326 \(a\)](#)).
- (B) A performance bond on the part of the contractor for One Hundred Percent (100%) of the contract price. A "Performance Bond" is one executed in connection with a contract to secure fulfillment of all the contractor's requirements under such contract ([2 CFR 200.326 \(b\)](#)).



PROCUREMENT POLICY & PROCEDURES

- (C) A payment bond on the part of the contractor for One Hundred Percent (100%) of the contract price. A “Payment Bond” is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract ([2 CFR 200.326 \(c\)](#)).

1.9 SPLIT-PURCHASING/MULTI-AWARD

It is unlawful and explicitly prohibited to split into smaller procurements, or distribute procurements across multiple vendors, for the purchase of Supplies, Equipment, Materials, General Services, or Professional Services for the purpose of evading the competitive bidding provisions of this Policy and/or any applicable Grant, Local, State, and Federal provisions.

1.9.1 SPLIT-PURCHASE

A Split-Purchase is the intentional separation of a single procurement into smaller procurements for the purposes of remaining within a set procurement threshold, surpassing the authorized approval authority, and/or evading the competitive bidding provisions of this Policy and/or any applicable Grant, Local, State, and Federal provisions.

Split-Purchases does not include such procurements where the award of a single contract for the extensive project scope would be impractical or impossible. In such procurements, Departments are authorized to award two or more vendor(s) with separate, partial contracts.

1.9.2 MULTI-AWARD

A Multi-Award is the award of multiple vendors to provide the same good(s)/service(s). This includes procurements in which vendor(s) are being used as a supplemental or backup provider and/or procurements in which vendor(s) will be providing On-Call or As-Needed services.

When multiple procurements are for the same goods/service, they are to be accounted for as one procurement. As such, the Department’s seeking to issue multiple awards for the same good(s)/service(s) must assess the aggregate value of all awards for such procurement(s) in order to determine the appropriate solicitation method and approving authority to be applied. Failure to complete the appropriate solicitation method based on the aggregate value of all awards will result in a refusal of the requisition for the procurement.

1.10 EXEMPTIONS FROM COMPETITIVE BIDDING PROCEDURES (EMMC 3.24.060)

The following procurements are exempt from competitive bidding requirements in accordance with [El Monte Municipal Code 3.24.060](#).



PROCUREMENT POLICY & PROCEDURES

1.10.1 SINGLE-SOURCE OR SOLE-SOURCE PROCUREMENT

An item or service shall be considered single-source or sole-source if such item or service is essentially unique and can be met solely by a single patented, copyrighted or proprietary article or process available from a single or sole source. Examples of acceptable sole source purchases are:

- (1) Equipment for which there is no comparable competitive product;
- (2) A component or replacement part for which there is no commercially available substitution, and which can be obtained only from the manufacturer; and/or
- (3) An item where compatibility with supplies, equipment, materials, general services or processes already in use by the City is the overriding consideration.

The facts and circumstances justifying the purchase from a single source must be documented. Elements of the Justification should include, at the minimum, the following information:

- (1) A description of the needs of the City for the matters covered by the contract.
- (2) A specification of the El Monte Municipal Code provision that exempts the solicitation from the competitive bidding requirements of EMMC Section 3.24.050 or from any informal competitive procedures set forth in Chapter 3.24 or in this policy manual.
- (3) A determination that the use of a sole-source contract is in the best interest of the City.
- (4) A determination that the anticipated cost of the contract will be fair and reasonable.

The Department(s) is(are) to complete the Sole Source Justification Form provided in Section 3.19.5 of this Procurement, Contracting, and Purchasing & Internal Controls Policy and Procedures Manual.

1.10.2 COOPERATIVE (PIGGYBACK) PROCUREMENT

Piggyback or cooperative purchases of materials, supplies, equipment, software or general services may be exempt where such procurements

- (1) have already been made using applicable competitive or semi-competitive solicitation procedures of another public agency; or
- (2) are conducted in accordance with the procedures of a cooperative purchasing or piggyback purchasing organization or association like the California Multiple Award Schedules Program; the U.S. General Services Administration; the United States Communities Government Purchasing Alliance; or any other similar cooperative purchasing program.

The foregoing notwithstanding, in order to qualify as a piggyback purchase or cooperative purchase under this chapter

- (1) the cost or unit pricing of the supplies, materials, equipment, software or general services procured must



PROCUREMENT POLICY & PROCEDURES

be equal to or less than the cost or unit pricing paid by the public agency, organization or association with whom the piggyback purchase or cooperative purchase is made; and

(2) the specifications and/or other characteristics of the materials, equipment, software or general services must be same as provided to the public agency, organization or association with whom the cooperative purchase is to be made.

1.10.3 NON-COMPETITIVE MARKET

The purchase of items for which there is no competitive market such as:

- (1) Memberships in Professional Organizations or industry Organizations;
- (2) Registration Fees for Conferences, Meetings or other like Business- Related Events; and/or
- (3) Subscriptions to Professional or Trade Journals and/or Periodicals.

1.10.4 EMERGENCY PROCUREMENT

Emergency Procurements or Supplies, Materials, Equipment or General Services. To qualify as an emergency procurement, exempt from the formal competitive bidding requirements of this chapter, the procurement must be made for the purpose of responding to an "emergency" within the meaning of Public Contract Code Section 1102. All emergency procurements shall be conducted in accordance with the procedures set forth under Government Code Section 22050. As authorized pursuant to Government Code Section 22050(b)(1) and pursuant to City Council Ordinance No. 3047, approved by no less than 4/5 vote of the City Council on April 16, 2025, the City Manager and the Purchasing Officer are both delegated the authority to order any action pursuant to paragraph (1) of subdivision (a) of Government Code Section 22050, subject to all reporting obligations and City Council review requirements set forth under Government Code Sections 22050(b)(3) and 22050(c).

1.10.5 PROFESSIONAL SERVICES

The City Council may waive any requirement for the solicitation of multiple quotes where it is determined to be in the best interests of the City to forego the solicitation of multiple quotes.

Professional Services Contracts shall be awarded only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources. Professional services are generally retained considering technical factors (such as qualifications and experience), price and other factors such as the ability to meet the City's time schedule(s) for the project.

Professional firms may be retained on a continuing basis to provide professional services. The Department Head, with the approval of the City Manager, may contract on a project-by-project or on a retainer basis for additional work/services without going through the RFP and selection process. However, at least every three (3) years, these



PROCUREMENT POLICY & PROCEDURES

arrangements shall be reviewed, and every effort shall be made to receive proposals from at least three (3) consultants to perform the same services. This is to ensure the City is receiving the best value in their services.

1.10.6 CITY COUNCIL AUTHORIZED PROCUREMENTS

Any procurement of supplies, materials, equipment or general services, in which the city council shall find, by resolution adopted by not less than four-fifths (4/5) or six-sevenths (6/7) of its members, that such procurement may be more economically and efficiently effected through the use of an alternate transactional process or alternate procurement procedure.

This exception may not be applied to public projects which are subject to mandatory competitive bidding under applicable State law, or any mandated informal bidding authorized under the Uniform Public Construction Cost Accounting Act.

1.10.7 ENTERTAINMENT AND ART

The engagement of musicians, musical groups, singers, dancers, and other performing artists providing live entertainment for city organized or city sponsored events or functions; or the engagement of artists for the creation and installation of original and unique works of art commissioned by the city (e.g., murals, paintings, photographs, sculptures, animation etc.).

1.11 UNAUTHORIZED PROCUREMENTS (EMMC 3.24.120)

(A) Any procurement of supplies, materials, equipment or services made in violation of the procedures set forth under EMMC Section 3.24.120 or under this Procurement, Contracting, and Purchasing & Internal Controls Policy and Procedures Manual shall be void and not considered an obligation of the City.

Invoices issued without an authorized purchase order may be returned to the contractor or service provider unpaid. The person making the unauthorized purchase may also be held personally liable for the costs of the purchase or contract.

(B) With respect to procurements authorized via purchase order, such purchase orders shall be issued prior to ordering supplies, equipment, materials or general services and not "after the fact" for work already performed or materials already supplied.

1.12 PROCUREMENT TEMPLATES

1.12.1 CITY ATTORNEY ASSIGNMENT REQUEST FORM



PROCUREMENT POLICY & PROCEDURES

The City Attorney Assignment Request Form may be revised from time to time at the Purchasing Officer's, or their designee's, discretion. Any such modification or revision will be documented by a Citywide email and/or memo.

1.12.2 SOLICITATION REVIEW FORM

The Solicitation Review Form may be revised from time to time at the Purchasing Officer's, or their designee's, discretion. Any such modification or revision will be documented by a Citywide email and/or memo.

1.12.3 SOLICITATION TEMPLATES

Solicitation Templates are incorporated by reference only and may be revised from time to time at the Purchasing Officer's, or their designee's, discretion. Any such modification or revision will be documented by a Citywide email and/or memo.

1.12.4 SOLICITATION COMMUNICATION TEMPLATES

Solicitation Communication Templates are for exemplary/guidance purposes only and may be revised as necessary to meet the needs of the Solicitation and intent of the communication.

1.12.4.1 Notification of Response to Clarification Questions

1.12.4.2 Solicitation Q&A Document

1.12.4.3 Notification of Confirmation of Proposal Receipt

1.12.4.4 Notification of Solicitation Status Update

1.12.4.5 Notification of Solicitation Award Recommendation

1.12.4.6 Notification of Shortlist Recommendation

1.12.4.7 Notification of Proposal Rejection

1.12.5 SOLICITATION EVALUATION TEMPLATE

The Solicitation Evaluation Template is for exemplary/guidance purposes only and may be revised as necessary to meet the needs of the Solicitation.



PROCUREMENT POLICY & PROCEDURES

1.12.6 PROPOSAL/ BID RECEIPT LOG

The Proposal/Bid Receipt Log is for exemplary/guidance purposes only and may be revised as necessary to meet the needs of the Solicitation.

1.12.7 PROPOSAL/ BID CHECKLIST

The Proposal/Bid Checklist is for exemplary/guidance purposes only and may be revised as necessary to meet the needs of the Solicitation.





CITY OF EL MONTE

CITY ATTORNEY ASSIGNMENT REQUEST FORM

DEPARTMENT INFORMATION

Provide the information for the requesting Department below.

Request Date

Required Deadline

Department/Division

Contact Name

Position/Title

Phone Number

Email Address

CITY ATTORNEY WORK REQUESTED

Indicate the reason for the work being requested.

Procurement/Solicitation Related

- RFP/RFQ
- Invitation to Bid
- Request for Exemption to Competitive Bidding Requirements

Contract/Amendment Related

- Prepare
- Review/ Edit
- Execute

City Council Related

- Ordinance
- Resolution
- Research Memo
- Recorded Instrument

Other (Insert Reason):

CITY COUNCIL INFORMATION

Indicate if City Council action is being pursued.

City Council Review/ Approval Requested and/or Required

Yes

No

Planned Date for City Council Approval/ Review

ADDITIONAL COMMENTS

For Procurement/Solicitation Related requests, complete and attach the "Solicitation Review Form".
For Procurement/Solicitation Related requests, complete and attach the "Contract Award Request Form".

Form Received At City Attorney's Office By

Date



CITY OF EL MONTE

SOLICITATION REVIEW FORM

City Attorney Assignment Request Form must be completed and attached to this Solicitation Review Form.

PROCUREMENT/ SOLICITATION TYPE

Select the method of procurement to be used from the options below.

- Request for Proposals/ Request for Qualifications Invitation to Bid

Select the type of procurement from the options below.

- Supplies, Materials, Equipment General Services Professional Services

Indicate if this Contract/ Amendment will be for a Public Project.

- Public Project (General) Public Project (UPCCAA) Not Applicable

Indicate if this Contract/ Amendment will be funded via Federal Award

- Yes No Other (Explain)

PROCUREMENT/ SOLICITATION INFORMATION

Solicitation Name/ Services Solicited

Solicitation Issuance Date

Proposal Submission Deadline

FINANCE REVIEW

Indicate if this Procurement/ Solicitation has been appropriately budgeted.

- Yes No Other (Explain)

Finance Department

Date

Insert Finance Department Staff Name

COMPLIANCE & LEGAL REVIEW

Purchasing Officer and/or Designee

Date

Insert Purchasing Officer and/or Designee Name

City Attorney's Office

Date

Insert City Attorney Name



CITY OF EL MONTE

SOLICITATION TEMPLATE

[RESERVED]



CITY OF EL MONTE

SOLICITATION COMMUNICATION TEMPLATES

NOTIFICATION OF RESPONSE TO CLARIFICATION QUESTIONS

Thank you for your inquiry.

[Included/Enclosed] for your reference are the City's responses to the questions submitted by your firm, [Contractor/Consultant/Vendors Name], regarding the City of El Monte's [Solicitation Name] issued on [Date]:

[Insert Question]

RESPONSE: [Insert response to Question]

[Insert Question]

RESPONSE: [Insert response to Question]

The deadline to submit any additional clarification questions regarding this solicitation will be [00:00 PM on Month ##, YEAR].

Thank you for your interest in working with the City of El Monte.

SOLICITATION Q&A DOCUMENT

[RESERVED]

NOTIFICATION OF CONFIRMATION OF PROPOSAL RECEIPT (ELECTRONIC ONLY)

Thank you for your submittal.

The City of El Monte hereby confirms receipt of [Contractor/Consultant/Vendors Name's] electronic [Proposal/Bid] submission in response to the City of El Monte's [Insert Name of Solicitation].

The Evaluation Panel will review the [Proposal/Bid] in accordance with the terms and evaluation criteria identified in the solicitation. The Evaluation Panel, on behalf of the City, will contact you as soon as is practical should they require any additional information.

The City appreciates your patience during the review process. The [Department/Division] will notify respondents if there are any changes to the schedule as identified in the Solicitation.

Thank you for your interest in working with the City of El Monte.

NOTIFICATION OF SOLICITATION STATUS UPDATE

Thank you for your inquiry regarding the status of the [Proposal/Bid] review for the [Insert Name of Solicitation]. The City of El Monte appreciates the time and effort it took for your company to submit a [Proposal/Bid] in response to the solicitation.

The Evaluation Panel, on behalf of the City, are currently in the review/selection process and will need additional time to [identify qualified respondents/complete interviews/finalize scoring in preparation for official award]. Should any further action/clarification be required of your



CITY OF EL MONTE

SOLICITATION COMMUNICATION TEMPLATES

firm, the Evaluation Panel will contact you as soon as is practicable.

The City appreciates your patience and understanding during the review/selection process. The [Department/Division] will notify respondents if there are any further changes to the schedule as identified in the solicitation.

Thank you for your interest in working with the City of El Monte.

NOTIFICATION OF SOLICITATION AWARD RECOMMENDATION

Thank you for your submittal in response to the City of El Monte's [Insert Name of Solicitation].

This email serves as notice that the Evaluation Panel, on behalf of the City, has completed the evaluation of all [Proposals/Bids] submitted with further consideration of the clarification responses received [and interviews conducted].

The City is pleased to inform you that your firm's [Proposal/Bid], [Contractor's/Consultant's/Vendor's Name], has been selected and recommended for award – subject to [Department Head/City Manager/City Council] review and approval of such recommendation [on [Insert City Council Meeting Date]].

Should you wish to accept this award, please notify [Name (Email)] at your earliest possible convenience, but by no later than [00:00 PM on Month ##, YEAR]. Upon confirmation of your acceptance, the Department and City Attorney's Office will begin drafting the appropriate Contract for your review and acceptance. Further details regarding the Contract terms and complete Scope of Services will be provided in conjunction with the proposed Contract.

Thank you for your interest in working with the City of El Monte, the City looks forward to your response!

NOTIFICATION OF SHORTLIST RECOMMENDATION

Thank you for your submittal in response to the City of El Monte's [Insert Name of Solicitation].

This email serves as notice that the Evaluation Panel, on behalf of the City, has completed the evaluation of all [Proposals/Bids] submitted with further consideration of the clarification responses received [and interviews conducted].

The City regrets to inform you that your firm's [Proposal/Bid], [Contractor's/Consultant's/Vendor's Name], was not selected for immediate award. However, the Evaluation Panel has included your proposal on the City of El Monte's Shortlist in the event that the awarded [Proposer/Bidder] is unable to perform the solicited work, or additional work is required.

The shortlist will remain active for a period of [# Days/Years]. The City, at its sole and absolute discretion, may select firms from the Shortlist for Award during the active term. At the expiration of the Shortlist term, no Award(s) will be made by the City to Shortlisted firm's and the list will become null and void.

Should you wish to accept your firm's listing on the Shortlist, please notify [Name (Email)] at your earliest possible convenience, but by no later than [00:00 PM on Month ##, YEAR].

The City of El Monte appreciates the time and effort it took for your company to submit a [Proposal/Bid] in response to our solicitation. The [Department/Division] will contact your firm if any further action is required.

NOTIFICATION OF PROPOSAL REJECTION



CITY OF EL MONTE

SOLICITATION COMMUNICATION TEMPLATES

Thank you for your submittal in response to the City of El Monte's **[Insert Name of Solicitation]**.

The Evaluation Panel, on behalf of the City, has completed the evaluation of all **[Proposals/Bids]** submitted in strict accordance with the evaluation criteria and terms set forth in the solicitation. We regret to inform you that the Evaluation Panel has made a recommendation for selection and subsequent award to another **[Proposer/Bidder]** and the City will not be moving forward with your Firm's proposal.

The City of El Monte appreciates the time and effort your firm dedicated in the submission of your **[Proposal/Bid]**. The City encourages your firm to review and consider a response to future solicitation opportunities with the City as they become available.



CITY OF EL MONTE

SOLICITATION EVALUATION: PROPOSAL/BID CHECKLIST

PROCUREMENT/ SOLICITATION INFORMATION

Solicitation Name

Solicitation Issuance Date

Proposal Submission Deadline

EVALUATOR INFORMATION

Contact Name

Position/Title

Phone Number

Email Address

PROPOSER/ BIDDER INFORMATION

Contractor/Consultant/Vendor Name

CHECKLIST

| Verification Item | Yes | No | Comments |
|---|--------------------------|--------------------------|----------|
| Was the Proposal/Bid received on time? | <input type="checkbox"/> | <input type="checkbox"/> | |
| Was the Proposal/Bid properly sealed? | <input type="checkbox"/> | <input type="checkbox"/> | |
| Was the Proposal/Bid complete? | <input type="checkbox"/> | <input type="checkbox"/> | |
| Was the Cost Proposal/Bid complete? | <input type="checkbox"/> | <input type="checkbox"/> | |
| Were all applicable Addendums/Attachments acknowledged and/or signed? | <input type="checkbox"/> | <input type="checkbox"/> | |
| Was the Cover/Transmittal Letter signed? | <input type="checkbox"/> | <input type="checkbox"/> | |
| Was the Contract Template accepted? | <input type="checkbox"/> | <input type="checkbox"/> | |

Additional Comments/ Concerns:

Proposal/ Bid Pass/ Fail

- PASS**
 (Meets the minimum requirements and is recommended for further review/consideration of content)
- FAIL**
 (Does not meet the minimum requirements and is not recommended for further review/consideration of content)

11333 VALLEY BOULEVARD, EL MONTE, CALIFORNIA 91731



(###) ###-####



(###) ###-####



###@ELMONTECA.GOV



WWW.ELMONTECA.GOV

CONTRACTING POLICY & PROCEDURES

2 CONTRACTING POLICY & PROCEDURES

2.1 PURPOSE

This Contracting Policy (the "Policy") provides and establishes the procedures for the City and its respective employees and agents to request, negotiate, implement, and manage contracts for the procurement of supplies, materials, equipment, and services for City use. This Policy is intended to comply with the provisions of applicable Federal and state law, El Monte Municipal Code (EMMC), City Ordinance(s) and overall City Policy.

The provisions set forth in this Policy are intended to serve as a guideline of best practices and sustain compliance with the terms and conditions of [Chapter 3.24 – Purchasing System](#) of the City's Municipal Code which was adopted pursuant to [Section 54201 et seq. of the California Government Code](#).

California law requires all local agencies to formally adopt policies and procedures governing the acquisition of materials, supplies, equipment, and services as referenced below.

"California Government Code Section 54202: Every local agency shall adopt policies and procedures, including bidding regulations, governing purchases of supplies and equipment by the local agency. Purchases of supplies and equipment by the local agency shall be in accordance with said duly adopted policies and in accordance with all provisions of law governing same. No policy, procedure, or regulation shall be adopted which is inconsistent or in conflict with statute."

When procuring supplies, materials, equipment and services under a Federal award, the City must follow Uniform Guidance ([2 CFR](#)) Part [200.318](#) (General Procurement Standards) through [200.327](#) (Contract Provisions).

The procedures outlined here shall be adhered to by all City employees when contracting for supplies, materials, equipment and services.

In the event of any conflict between the procurement requirements of this Policy and any Grant, Local, State, or Federal regulations applicable to the procurement, the more stringent requirements shall apply.

In the event of any conflict between this Policy and the City's Municipal Code, the requirements of the City's Municipal Code shall supersede.

2.2 ROLES & RESPONSIBILITIES

2.2.1 DEPARTMENT(S)

The Department(s) is(are) responsible for providing and maintaining the following information and documents/forms:

- (1) Contract Award Request Form.



CONTRACTING POLICY & PROCEDURES

(2) Contract & Record Management (In Collaboration with the Purchasing Officer and/or Designee, City Attorney's Office, City Clerk's Office, and Finance Department):

- (A) Compliance – Maintain contract documentation and ensure compliance with all applicable City, State, and Federal laws and regulations.
- (B) Contract Development & Negotiation – Scope of Work, Technical Requirements, Completion Dates, Benchmarks, Timelines, Estimated Quantities, Not to Exceed Amounts, etc.
- (C) Notice to Proceed – Notify the contractor to begin work.
- (D) Deliverables – Monitor progress of work to ensure that services are performed according to the quality, quantity, objectives, timeframes, and manner specified in the contract.
- (E) Extensions/Amendments – Issue Extensions/Amendments as required allowing sufficient time to process and execute such changes before the contract expires or funds are depleted in order to prevent a lapse in service. Often, two (2) months are required for processing amendments and renewals, and four (4) to six (6) months for new contracts.
- (F) Expirations/Termination – Ensure that all work is completed and accepted by the City before the contract expires. Terminate unused/non-compliant contracts.

(2) Financial Management (In Collaboration with the Finance Department):

- (A) Budget – Ensure that procurements are adequately budgeted for each fiscal year. Adjust semi-annually as necessary.
- (B) Purchase Requisition Submission – Ensure that funding is available, and the contract is encumbered in accordance with the City's policies and procedures.
- (C) Invoice Review/Approval – Review invoices to verify work performed and costs claimed in accordance with the contract. Ensure there are sufficient funds to pay for all services rendered as required by contract. Verify that the contractor has fulfilled all requirements of the contract before approving the final invoice.
- (D) Change Orders – Monitor expenditures and consider partial dis-encumbrance and reassignment of funds. Increase encumbrances for unforeseen expenditures or additional expenditures as approved through a Contract Amendment.

The Department(s) is(are) not authorized to take the following actions:

- (1) Instruct the contractor to start work before the contract is executed and approved.
- (2) Change or modify any term or condition of the contract.
- (3) Direct the contractor to do work that is not specifically described in the contract.
- (4) Sign the contract as the agency's authorized signatory unless authorized in writing.
- (5) Agree to pay the contractor for any work not performed satisfactorily.



CONTRACTING POLICY & PROCEDURES

Additionally, the Department(s) is(are) not authorized to complete the following without an executed and approved contract amendment in place:

- (1) Extend the time period of the contract.
- (2) Allow the contractor to incur costs (resulting in an increase in compensation) over the original limit set in the contract.

2.2.2 PURCHASING OFFICER AND/OR DESIGNEE

The Purchasing Officer and/or Designee is responsible for providing the following information and documents/forms:

- (1) Contract & Record Management (In Collaboration with the City Attorney's Office, City Clerk's Office, Finance Department, and Purchasing Officer and/or Designee):
 - (A) Compliance – Review contract documentation and ensure compliance with all applicable City, State, and Federal laws and regulations.
 - (B) Contract Development & Negotiation – review of form and all applicable contract provisions and attachments.
 - (C) Citywide Contract Tracking List/ Quarterly Notifications of Contract Term Expiration.
 - (D) Identify and resolve problems and issues.

2.2.3 CITY ATTORNEY'S OFFICE

The City Attorney's Office is responsible for providing the following information and documents/forms:

- (1) Contract & Record Management (In Collaboration with the Department(s) and Purchasing Officer and/or Designee):
 - (A) Compliance – Review contract documentation and ensure compliance with all applicable City, State, and Federal laws and regulations.
 - (B) Contract Development & Negotiation – review of form and all applicable contract provisions and attachments.

2.2.4 CITY CLERK'S OFFICE

The City Clerk's Office is responsible for providing the following information and documents/forms:

- (1) Contract & Record Management (In Collaboration with the Department(s), Purchasing Officer and/or Designee, City Attorney's Office, and Finance Department):



CONTRACTING POLICY & PROCEDURES

- (A) Compliance – Maintain and archive contract documentation and ensure compliance with all applicable City, State, and Federal laws and regulations.

2.2.5 FINANCE DEPARTMENT

The Finance Department is responsible for providing the following information and documents/forms:

- (1) Contract & Record Management (In Collaboration with the Department(s), Purchasing Officer and/or Designee, City Attorney's Office, and City Clerk's Office):
 - (A) Compliance – Maintain Contractor/Consultant/Vendor information and ensure compliance with all applicable City, State, and Federal laws and regulations.
- (2) Financial Management (In Collaboration with the Department(s)):
 - (A) Budget – Ensure that procurements are adequately budgeted for each fiscal year. Adjust semi-annually as necessary.
 - (B) Purchase Order Processing – Process Purchase Orders for all authorized procurements.
 - (C) Change Order Processing – Process Change Orders for all authorized procurements.
 - (D) Invoice Processing – Remit payment for all authorized procurements.

2.3 CONFLICT OF INTEREST (2 CFR 200.318(C)(1)), (EMMC 3.24.130)

The following Conflict of Interest requirements are set forth in accordance with [2 CFR 200.318\(C\)\(1\)](#) and [El Monte Municipal Code 3.24.130](#) Ethics in Purchasing:

- (A) City officials, officers and employees shall discharge their duties impartially so as to assure fair competitive access to the City procurement opportunities by responsible and responsive contractors, sellers and vendors. Moreover, they shall conduct themselves in such a manner as to foster public confidence in the integrity of City procurement activities.
- (B) No City official, officer or employee shall participate directly or indirectly in a City procurement when the employee knows that:
 - (1) the official, officer or employee or any member of the official's, officer's or employee's immediate family has a financial interest pertaining to the procurement; or
 - (2) the official, officer or employee or any member of the official's, officer's or employee's immediate family is negotiating or has an employment arrangement which is contingent upon or will be affected by the procurement.



CONTRACTING POLICY & PROCEDURES

- (C) Upon discovery of an actual or potential conflict of interest, an employee shall promptly withdraw from further participation in the procurement.
- (D) No City official, officer or employee shall maintain a financial interest or stake in any contract where the approval of the contract in light of such interest would cause a violation of Section 1090 of the California Government Code.
- (E) No person shall offer, give or agree to give any City official, officer or employee any gratuity or offer of employment in connection with a procurement by the City.
- (F) For purposes of this section, the following terms shall have the meaning set forth below:
 - (1) "Financial interest" means any (i) ownership of any interest or involvement in any relationship from which, or as a result of which, a person has received compensation within the past year, or is entitled to, or is currently receiving compensation; or (ii) ownership, whether wholly or in part, of any property or business; or (iii) status as an officer, director, trustee, partner, employee, agent or manager of a business.
 - (2) "Immediate family" means any spouse, child or stepchild of a City officer, official or employee. The relationship of parent to child includes both natural and adoptive relationships.
 - (3) "Gratuity" means a gift, payment, loan, advance, deposit of money, or service, presented or promised in return for or in anticipation of favorable consideration in the contracting process.

2.4 CONTRACTS AND AGREEMENTS

Pursuant to EMMC 3.24.140(A)(2), the terms "Contract" or "Agreement" mean any legally binding instrument to do or not do a certain thing. "Contract" and "Agreement" are synonymous. The term "Contract" includes but is not limited to, a Purchase Order, a Contract for Services, an Addendum or Change Order, a Letter Agreement, or a Memorandum of Understanding.

2.5 CONTRACT AWARD REQUEST FORM PROCESS

The Department(s) shall complete and submit the Contract Award Request Form to both the Purchasing Officer and/or Designee and City Attorney's Office. The Purchasing Officer and/or Designee and the City Attorney's Office shall:

- Review the Contract Award Request Form for Completeness;
- Determine the Appropriate Contract Form/Template to be Used; and
- Determine the specific Local/State/Federal Language and Standard Requirements to be Included.



CONTRACTING POLICY & PROCEDURES

2.5.1 APPROVED FORMS

In the event the Purchasing Officer and/or Designee and the City Attorney's Office authorize the request, the Department(s) will then be notified to begin the Contract development and negotiation process.

2.5.2 INCOMPLETE FORMS

In the event the Department(s) provide(s) an incomplete, or ill-defined, Contract Award Request Form, the Purchasing Officer and/or Designee will return the form to the Department(s) with a request for further information and/or clarification.

2.5.3 NON-APPROVED FORMS

In the event the Purchasing Officer and/or Designee and City Attorney's Office deem the Contract needless or unjustifiable, the Purchasing Officer and/or Designee will return the form as Non-Approved to the Department(s) with explanation as to why it was not approved.

2.6 CONTRACT DEVELOPMENT PROCESS

The Contract Development Process may take between four to six (4-6) months from development to approval depending on the price and scope of the proposed services. The Department(s) should allow sufficient time to process and execute Contracts before the need for the services becomes urgent and/or before the previous contract for same/similar services expires if the new contract is to replace another. As a reasonable measure, the Department(s) shall prepare to initiate the Contract Development Process a minimum of four to six (4-6) months in advance of the contract need.

2.6.1 CONTRACT FORM

The City has prepared Contract templates for Construction Contracts, Professional Services Agreements, Contract Services Agreements, Purchase of Equipment/Supplies/Materials and Land/Building Purchasing/Leasing . These templates include language that varies based on applicability (e.g. on-call, as needed services, or deliverables, etc.). Vendors, consultants and contractors sometimes request the City use their contracts, terms and conditions, or templates instead of using the City's Contract form/templates; the City Attorney's Office will review and approve those, and/or request modifications.

The City Attorney's Office will determine the appropriate Contract form/template to use prior to Solicitation issuance (If Applicable) and/or at the time of Contract Request Form submission. The City Attorney's Office will also assign the appropriate internal Contract number.



CONTRACTING POLICY & PROCEDURES

2.6.2 CONTRACT PROVISIONS & TERMS DEVELOPMENT

No officer, appointee, employee or contractor employee of the City shall negotiate any contract on behalf of the City without the advice, consent and direction of the City Attorney. The list of negotiable/variable terms and non-negotiable terms are identified below.

2.6.2.1 *Negotiable/ Variable Terms*

The Purchasing Officer and/or Designee and City Attorney's Office will determine the Negotiable Terms prior to Contract development for risk management purposes.

Negotiable/ Variable Terms will include, but are not limited to, the following business details:

- Recitals;
- Engagement (only if not pre-defined in the solicitation/proposal/award):
 - Term
 - Scope of Services;
 - Compensation;
- Performance:
 - City's Representative;
 - Contractor/Consultant/Vendor Representative;
- Insurance:
 - Automobile Liability Insurance;
 - Cybersecurity Insurance Coverage; and
- Miscellaneous Provisions:
 - Notices.

2.6.2.2 *Non-Negotiable Terms*

The Purchasing Officer and/or Designee and City Attorney's Office will determine the Non-Negotiable Terms prior to Contract development for risk management purposes.

Non-Negotiable Terms will include, but are not limited to, the following legal requirements:

- Contractor/Consultant/Vendor Information;



CONTRACTING POLICY & PROCEDURES

- Engagement (only if pre-defined in the solicitation/proposal/award):
 - Term;
 - Prosecution of Work;
 - Payment of Compensation;
 - Accounting Records; and
 - Abandonment by Contractor/Consultant/Vendor.

- Performance:
 - Coordination of Service/Conformance with Requirements;
 - Standard of Care/Performance of Employees;
 - Assignment;
 - Substitution of Key Personnel;
 - Control and Payment of Subordinates/Independent Contractor;
 - Removal of Employees or Agents;
 - Compliance with Laws;
 - Non-Discrimination; and
 - Independent Contractor Status.

- Insurance:
 - Duty to Procure and Maintain Insurance;
 - Commercial General Liability Insurance;
 - Workers Compensation Insurance/Employer's Liability Insurance; and
 - Errors & Omissions Insurance;
 - Additional Insured Requirements;
 - Required Carrier Rating;
 - Primacy of Contractor's/Consultant's/Vendor's Insurance;
 - Waiver of Subrogation;
 - Verification of Coverage;



CONTRACTING POLICY & PROCEDURES

- Failure to Maintain Coverage; and
- Special Risks or Circumstances.
- Indemnification
- Termination:
 - Termination Without Cause;
 - Events of Default/Breach of Agreement;
 - Scope of Waiver; and
 - Surviving Articles, Sections and Provisions.
- Miscellaneous Provisions:
 - Documents & Data/Licensing of Intellectual Property;
 - Confidentiality;
 - False Claims Act;
 - Cooperation/Further Acts;
 - Subcontracting;
 - City's Right to Employ Other Contractors/Consultants/Vendors;
 - Prohibited Interests;
 - Time is of the Essence;
 - Governing Law and Venue;
 - Attorney's Fees;
 - Successors and Assigns;
 - No Third-Party Benefit;
 - Construction of Agreement;
 - Severability;
 - Amendment/Modification;
 - Captions;
 - Inconsistencies or Conflicts;



CONTRACTING POLICY & PROCEDURES

- Entire Agreement;
- Counterparts.

2.6.2.3 Contract Provisions For Federal Awards (2 CFR 200.327)

All contracts made by the City under the Federal Award requirements must contain provisions covering the following, as applicable ([2 CFR 200.327](#) and [Appendix II to 2 CFR 200](#)):

- (A) Administrative, Contractual, or Legal Remedies in instances where contractors violate or breach contract terms and provide for such sanctions and penalties as appropriate.
- (B) Termination for Cause and for Convenience including the manner by which it will be effected and the basis for settlement.
- (C) Equal Employment Opportunity. Except as otherwise provided under [41 CFR Part 60](#), all contracts that meet the definition of “federally assisted construction contract” in [41 CFR Part 60–1.3](#) must include the equal opportunity clause provided under [41 CFR 60–1.4\(b\)](#), in accordance with Executive Order 11246, “Equal Employment Opportunity” ([30 FR 12319, 12935, 3 CFR Part, 1964–1965 Comp.](#), p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at [41 CFR part 60](#), “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.”
- (D) Davis-Bacon Act as amended ([40 U.S.C. 3141–3148](#)). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act ([40 U.S.C. 3141–3144](#), and [3146–3148](#)) as supplemented by Department of Labor regulations ([29 CFR Part 5](#), “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The City must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The City must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act ([40 U.S.C. 3145](#)), as supplemented by Department of Labor regulations ([29 CFR Part 3](#), “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The City must report all suspected or reported violations to the Federal awarding agency.
- (E) Contract Work Hours and Safety Standards Act ([40 U.S.C. 3701–3708](#)). Where applicable, all contracts awarded by the City entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with [40 U.S.C. 3702](#) and [3704](#), as supplemented by Department of Labor regulations ([29 CFR Part 5](#)). Under [40 U.S.C. 3702](#) of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a



CONTRACTING POLICY & PROCEDURES

standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of [40 U.S.C. 3704](#) are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

- (F) *Rights to Inventions Made Under a Contract or Agreement*. If the Federal award meets the definition of “funding agreement” under [37 CFR § 401.2 \(a\)](#) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of [37 CFR Part 401](#), “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.
- (G) *Clean Air Act* ([42 U.S.C. 7401–7671q.](#)) and the *Federal Water Pollution Control Act* ([33 U.S.C. 1251–1387](#)), as amended—Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act ([42 U.S.C. 7401–7671q](#)) and the Federal Water Pollution Control Act as amended ([33 U.S.C. 1251–1387](#)). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).
- (H) *Debarment and Suspension* (Executive Orders 12549 and 12689)—A contract award (see [2 CFR 180.220](#)) must not be made to parties listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at [2 CFR 180](#) that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.
- A list of excluded parties can be found at [www.sam.gov](#). Note that some federal grants require evidence that a search for debarment or suspension status was completed for every purchase.
 - [Instructions for verifying Debarment and Suspension status.](#)
- (I) *Byrd Anti-Lobbying Amendment* ([31 U.S.C. 1352](#))—Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by [31 U.S.C. 1352](#). Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.



CONTRACTING POLICY & PROCEDURES

2.6.3 REQUIRED DOCUMENTS

The following documents are required to be obtained by the City prior to the execution all contracts.

2.6.3.1 W-9

The Department(s) shall obtain a copy of a completed and signed Form W-9 from the Contractor(s)/Consultant(s)/Vendor(s) during the Contract Development Process.

If the Contractor(s)/Consultant(s)/Vendor(s) have previously worked for, or on behalf of, the City, the Department(s) shall verify the Contractor's/Consultant's/Vendor's current name, address, and tax ID number by completing a new Form W-9.

A copy of the completed Form W-9 shall be provided to the Human Resources & Risk Management Department and Finance Department for recordkeeping purposes.

2.6.3.2 Certificate of Insurance & Additional Insured Endorsement

To the extent possible, the Department(s) shall request a copy of the Contractor's/Consultant's/Vendor's current Certificate of Insurance during the solicitation or contract development process to review and verify that the coverage will meet the terms set forth in the proposed contract template. If there is a discrepancy in the Contractor's/Consultant's/Vendor's coverage with the proposed contract template terms, the Department(s) shall notify the Contractor/Consultant/Vendor to obtain the correct coverage as specified prior to executing the contract.

Any deviation from these requirements must be coordinated with the Purchasing Officer and/or Designee and final approval authority rests with the Risk Management Division.

A copy of the completed Certificate of Insurance meeting all contract requirements shall be provided to the Human Resources & Risk Management Department and Finance Department for recordkeeping purposes.

2.6.3.3 CA Secretary of State Filing

The Secretary of State's office processes filings, maintains records and provides information to the public relating to business entities that include corporations, limited liability companies, limited partnerships, general partnerships, limited liability partnerships and other business filings. The Business Programs Division, the largest division of the Secretary of State's office, supports California Businesses by registering business entities and trademarks and enabling secured creditors to protect their financial interests.

The Department(s) shall obtain a copy of the Secretary of State Filing for the Contractor/Consultant/Vendor and shall include the filing as an attachment or appendix to the contract.

2.6.3.4 Business License



CONTRACTING POLICY & PROCEDURES

Contractors must have an active business license. It is the responsibility of the requesting Department(s) to ensure compliance with this requirement.

2.6.3.5 Conflict of Interest Form

The Conflict of Interest requirements are set forth in [2 CFR 200.318\(C\)\(1\)](#), [El Monte Municipal Code 3.24.130](#) Ethics in Purchasing, and Sections 1.3, 2.3, and 3.3 Conflict of Interest of this Procurement, Contracting, and Purchasing & Internal Controls Policy and Procedures Manual.

When Conflict of Interest Forms are required, a copy completed by the Contractor/Consultant/Vendor shall be included as an attachment or appendix to the contract.

2.6.3.5.1 List of Contractor's/Consultant's/Vendor's Owners and Investors

The City requires that all Contractors/Consultants/Vendors provide a list of owners and investors in order for the City to analyze, substantiate, and address any incidence of any potential Conflicts of Interest prior to contracting to ensure a transparent procurement process.

It is the responsibility of the requesting Department(s) to ensure compliance with this requirement.

2.6.3.5.2 List of Contractor's/Consultant's/Vendor's Employees

The City requires that all Contractors/Consultants/Vendors provide a list of employees in order for the City to analyze, substantiate, and address any incidence of any potential Conflicts of Interest prior to contracting to ensure a transparent procurement process.

The Contractor/Consultant/Vendor list of employees shall include, at the minimum, the following:

- (1) Active Employees – Full-Time, Part-Time, Temporary, Seasonal, On-Call, and Volunteer;
- (2) Inactive Employees – Disability Leave, Maternity Leave, Medical Leave, Jury Duty, and Military Service Leave;
- (3) Terminated Employees – Voluntary and Involuntary;
- (4) Retired Employees – Traditional, Semi, and Temporary; and
- (5) Contracted/Independent Contractor Employees.

The Contractor/Consultant/Vendor list of employees shall cover, at the minimum, a period of one (1) calendar year prior to:

- (1) The proposal submission date;
- (2) The contract effective date; and
- (3) The renewal date(s) of any contract and/or extension of time added to non-contracted services.



CONTRACTING POLICY & PROCEDURES

It is the responsibility of the requesting Department(s) to ensure compliance with this requirement.

2.7 CONTRACT APPROVAL, EXECUTION, & AUTHORIZATION PROCESS

2.7.1 CONTRACT REVIEW & APPROVAL OF FORM AND CONTENT

No officer, appointee, employee or contractor employee of the City shall enter into any contract on behalf of the City without the written approval of the City Attorney and the authorization of the City Signatory (as determined by the contract amount).

The Department(s), Purchasing Officer and/or Designee, and City Attorney's Office will review the final agreed upon contract to verify that all Effective/Expiration Dates, City Council Approval Date(s), Scope of Services, and Relevant Attachments have been included and are accurate to all Parties' understanding. This final version shall be labeled as an "Executable Version". The "Execution Version" of the Contract routed for approvals will be facilitated in accordance with the terms set forth in the City's Municipal Code.

2.7.2 CONTRACTUAL OBLIGATIONS/DELIVERABLES VERIFICATION

The Department(s) is(are) to confirm that all required documents identified in Section 2.6.3 of this Policy, and any other specified pre-contract deliverables, have been received, verified, and properly stored/archived in the City's designated record repository prior to contract execution.

2.7.3 CONTRACT EXECUTION

Contract execution will be facilitated in accordance with the terms set forth in the City's Municipal Code and following the below routing order.

2.7.3.1 Department(s) (Initial)

The Department(s) will initial three (3) Contract originals next to the assigned Number to confirm their review for accuracy and completeness.

The Department(s) will provide the three (3) initialed originals of the Contract to the Contractor/Consultant/Vendor Authorized Signatory for execution.

2.7.3.2 Authorized Contractor/Consultant/Vendor Authorized Signatory (Formal Execution)



CONTRACTING POLICY & PROCEDURES

The Authorized Contractor/Consultant/Vendor Signatory will sign the three (3) initialed originals of the Contract provided by the Department(s) in the appropriate space provided to confirm the Contractor's/Consultant's/Vendor's review, approval, and acceptance of the Contract terms.

The Authorized Contractor/Consultant/Vendor Signatory will provide the three (3) formally executed originals of the Contract to the Authorized City Attorney Signatory for execution.

2.7.3.3 Authorized City Attorney Signatory (Formal Execution)

The Authorized City Attorney Signatory will sign the three (3) Department(s) initialed, and Contractor/Consultant/Vendor signed originals of the Contract in the appropriate space provided to confirm the City's review, approval, and acceptance of the Contract terms as to Legal Form and Content.

The Authorized City Attorney Signatory will provide the three (3) formally executed originals of the Contract to the Authorized City Signatory for execution.

2.7.3.4 Authorized City Signatory (Formal Execution)

The Authorized City Signatory will sign the three (3) Department(s) initialed, and Contractor/Consultant/Vendor and City Attorney signed originals of the Contract in the appropriate space provided to confirm the City's review, approval, and acceptance of the Contract terms.

- Department Head
 - Public Projects (General) ≤ **\$5,000**;
 - Public Projects (UPCCAA) ≤ **\$15,000**; and
 - Supplies, Materials, Equipment, General Services, Professional Services ≤ **\$15,000**.
- City Manager
 - Public Projects (UPCCAA) > **\$15,000 and ≤ \$50,000**;
 - Capital Improvement Projects > **\$15,000 and ≤ \$50,000**; and
 - Supplies, Materials, Equipment, General Services, Professional Services > **\$15,000 and ≤ \$50,000**.
- City Manager (Signing Subsequent to City Council Approval) > **\$50,000**.

The Authorized City Signatory will:

- (1) Retain one (1) of the three (3) fully executed originals of the Contract for contract management purposes;
- (2) Provide one (1) of the three (3) fully executed originals of the Contract to the City Clerk for sealing and recording; and



CONTRACTING POLICY & PROCEDURES

- (3) Distribute one (1) of the three (3) fully executed originals to the respective contracting party for their records.

2.7.3.5 City Clerk (City Seal)

The City Clerk will receive the fully executed Contract and apply the City Seal with date and time stamp of approval and recording.

The City Clerk will archive the Contract using the City's Records Management System in accordance with the City's Record Retention, Management, and Destruction Policies and Procedures.

2.7.3.6 Purchasing Officer and/or Designee (Copy)

The Purchasing Officer and/or Designee will distribute the three (3) fully executed and sealed original Contracts to all Parties and document the necessary information for contract management tracking purposes.

The Department(s) will then be authorized to provide the appropriate Notice to Proceed to the Contractor/Consultant/Vendor.

2.7.4 CONTRACT AUTHORIZATION/NOTICE TO PROCEED

Contract authorization and notice to proceed shall be provided to the Contractor/Consultant/Vendor once the following minimum requirements have been met:

- The Contract has been executed by all Parties.
- The City has received and confirmed acceptance of all required contract documents (W-9, Certificate of Insurance, Secretary of State Filing, Conflict of Interest, etc.)
- The City has received and confirmed acceptance of all required performance security and/or bond requirements.
- The notice to proceed has been authorized by City Council (if applicable).
- The Department has been issued a Purchase Order by the Finance Department.

2.8 CONTRACT ADMINISTRATION & MANAGEMENT

The City is required to have policies and procedures regarding contract administration. Therefore, all Department(s) will adhere to the following procedures.



CONTRACTING POLICY & PROCEDURES

2.8.1 MONITORING OF SCOPE OF SERVICES DELIVERABLES

The Department(s) managing the contract shall monitor the Contractor's/Consultant's/Vendor's work to ensure it aligns with the Scope of Services identified in the contract and that all deliverables are met in accordance with those terms and conditions.

As a reasonable measure, the Department(s) managing the contract shall develop a simplified schedule/checklist of contractual milestones/deliverables and the respective dates/terms. The schedule/checklist shall be filed with the contract documents for ease of reference by all pertinent City personnel. The schedule/checklist should also include references to any Status, Site Visit, and Inspection Reports, Warranties, and Feedback between the City and the Contractor/Consultant/Vendor.

2.8.2 RETENTION AND STORAGE OF CONTRACT ADMINISTRATION FILES

The City Clerk will create an electronic file for, and store, the executed Contract using the City's Records Management System in accordance with the City's Record Retention, Management, and Destruction Policies and Procedures.

All contracts involving expenditures of public funds in excess of \$10,000 must contain a provision that the contract is subject to the examination and audit of the awarding Department or its delegate or the State Auditor for a period of three (3) years after final payment under the agreement. The Contractor/Consultant/Vendor must agree that the awarding Department shall have access to premises, on reasonable notice, during normal business hours for interviewing employees and inspecting and copying such books, records, accounts, and other material that may be relevant to a matter under investigation for the purpose of determining compliance (GC § 8546.7, PCC § 10115 et seq.; 2 CCR §§ 1896.60 et seq. and 1896.75). It is the Department(s) responsibility to ensure that all Contract files are maintained and provided to the appropriate personnel in accordance with these terms:

- Contractor Files:
 - W-9, 1099, etc.;
 - California Secretary of State Filing;
 - Business License;
 - Conflict of Interest Attestation(s);
 - Certificate(s) of Insurance; and
 - Assignment Documents (If Applicable):
 - Request for Consent to Assignment; and
 - Consent to Assignment.
- Contracts:



CONTRACTING POLICY & PROCEDURES

- Authorizing Contract; and
- Amending Contract.
- Notices:
 - Notices to Proceed; and
 - Notice(s) of Contract Closeout/Termination.
- Milestone/Deliverables Files:
 - Status, Site Visit, and Inspection Reports;
 - Warranties;
 - Acceptance of Deliverables; and
 - Feedback.
- Finance Files:
 - Approved Invoices;
 - Approved Purchase Orders;
 - Approved Change Orders; and
 - Audits.
- Procurement Files:
 - Solicitation & Related Attachments/Addendums Issued (Request for Quotes, Request for Proposals, request for Qualifications, Invitation to Bid, etc.);
 - Quotes/Proposals Received;
 - Solicitation Evaluation Documents;
 - Award/Approval Files; and
 - Contract Award Request Form.
- City Council Documents (If Applicable):
 - Agendas;
 - Staff Reports; and
 - Resolutions.



CONTRACTING POLICY & PROCEDURES

2.8.3 MAINTENANCE OF CONTRACT ADMINISTRATION FILES

The Department(s) managing the contract will be responsible for the collection and organization of all Contract files for appropriate recording and archiving by the City Clerk's Office.

The City Clerk's Office will be responsible for the preservation and protection of all contract records, ensuring that all appropriate records are readily accessible to City Staff and the Public when requested.

2.8.4 CONTRACT ADMINISTRATION FOR FEDERAL AWARDS (2 CFR 200.318 (B))

The City is required to have policies and procedures regarding contract administration. Therefore, the Department(s) managing the contract will adhere to the following procedures:

- (1) Contract Administration Files for Federal Awards Shall be maintained:
 - (a) For each contract greater than \$15,000, a separate file shall be maintained.
 - (b) For contracts equal to or less than \$15,000, contract records may be combined in a single file by grant or other funding source.
- (2) Contract Administration Files for Federal Awards Shall Contain:
 - (a) The required documentation specified in the Purchasing Guidelines Table, set forth in the Appendix, for the original scope of work and for all amendments.
 - (b) Where the contract work is identified in the grant award or budget, the identification and scope of the work contained in the award or budget, and all approved changes.
- (3) Authorization of Work:
 - (a) No work shall be authorized until the contract for the work has been approved and fully executed.
 - (b) No change in the work shall be authorized until an amendment to the contract for the work has been approved and fully executed.
 - (c) No amendment of a contract for work shall be executed until it has been approved and authorized as required in the Purchasing Guidelines Table set forth in the Appendix and, where required by the terms of the grant award or budget, approval by the funding source.
- (4) Conformance of work:
 - (a) For each grant award, based on applicable laws, regulations and grant provisions, the Program Manager shall establish and maintain a system to reasonably assure that the contractor:
 - (i) Is in conformance with the terms, conditions, and specifications of the contract, and



CONTRACTING POLICY & PROCEDURES

(ii) Provides timely follow-up of all purchases to assure such conformance and adequate documentation.

(5) The Program Manager will authorize payment of invoices to contracts after final approval of work products.

2.9 CONTRACT AMENDMENTS, EXPIRATIONS, AND TERMINATIONS

The Purchasing Officer and/or Designee will provide quarterly reminder notifications for all upcoming Citywide contract expirations within the respective 3–6-month period.

It is the Departments' responsibility to anticipate City requirements sufficiently in advance to allow adequate time to procure the necessary requirements in accordance with this Procurement, Contracting, and Purchasing & Internal Controls Policy and Procedures Manual.

2.9.1 CONTRACT AMENDMENTS

The Department(s) will monitor the contractual goods and services being received by the City and funds paid to the Contractor/Consultant/Vendor for those goods and services to ensure all contractual requirements have been met prior to, or by, the contract expiration.

In the event that additional time or funding will be needed to achieve the contractual requirements, the Department(s) shall provide an Amendment to the Contract - provided that such Amendment has been approved by the appropriate authorizer.

Department(s) should allow sufficient time to process and execute such Extensions/Amendments before the contract expires or funds are depleted in order to prevent a lapse in service. As a reasonable measure, the Department(s) shall request the preparation of Extensions/Amendments a minimum of two (2) months in advance of the contract expiration.

2.9.2 CONTRACT EXPIRATIONS

The Department(s) will provide a minimum 30-day notice to the Contracting Party(ies) notifying the Party(ies) of the contract's upcoming expiration and the following conditions of expiration:

- (1) Cessation of deliverables and services; and
- (2) Preparation of a final and complete invoice for any and all remaining unpaid deliverables and/or services.

If the Department(s) desire to extend the Term of the contract, the Department(s) shall notify the Contractor/Consultant/Vendor of the need for an Amendment and the terms, requirements, and appropriate approval methods to be used.



CONTRACTING POLICY & PROCEDURES

2.9.3 CONTRACT TERMINATIONS

Contracts typically include how notifications, including termination, should be given to the contractor. If not, verifiable methods such as certified mail or personal service may be used. As a reasonable measure, the Department(s) shall provide a minimum 30-day notice to the Contracting Party(ies) notifying the Party(ies) of the intent to terminate the Contract and the following conditions of termination. The notification should also clearly set forth any task(s) required by the contractor such as the return of City property, submittal of final invoice for work completed, etc.

It is the Department(s) responsibility to close contract files. This action may consist of, but is not limited to, confirming that the contractor has submitted any and all required certifications and authorizations of final payment including whether there should be any applicable withholds.

2.10 CONTRACTOR RELATIONS

It is to the City's advantage to promote and maintain good relations with contractors. The Department(s) shall conduct their dealings with Contractors/Consultants/Vendors in a professional manner and shall promote equal opportunity and demonstrate fairness, integrity, and courtesy in all Contractor/Consultant/Vendors relations.

2.11 UNAUTHORIZED PROCUREMENTS (EMMC 3.24.120)

- (A) Any procurement of supplies, materials, equipment or services made in violation of the procedures set forth under EMMC Section 3.24.120 or under this Procurement, Contracting, and Purchasing & Internal Controls Policy and Procedures Manual shall be void and not considered an obligation of the City.
- (B) Invoices issued without an authorized purchase order may be returned to the contractor or service provider unpaid. The person making the unauthorized purchase may also be held personally liable for the costs of the purchase or contract.
- (C) With respect to procurements authorized via purchase order, such purchase orders shall be issued prior to ordering supplies, equipment, materials or general services and not "after the fact" for work already performed or materials already supplied.

2.12 CONTRACTING TEMPLATES

2.12.1 CONTRACT AWARD REQUEST FORM

The Contract Award Request Form may be revised from time to time at the Purchasing Officer's, or their



CONTRACTING POLICY & PROCEDURES

designee's, discretion. Any such modification or revision will be documented by a Citywide email and/or memo.

2.12.2 CONTRACT TEMPLATES

Contract Templates are incorporated by reference only and may be revised from time to time at the City Attorney's, discretion.

2.12.3 NOTICE TO PROCEED TEMPLATE

The Notice to Proceed Template is for exemplary/guidance purposes only and may be revised as necessary to meet the needs of the Contract and intent of the authorization.





CITY OF EL MONTE

CONTRACT AWARD REQUEST FORM

City Attorney Assignment Request Form must be completed and attached to this Contract Award Request Form.

PROCUREMENT INFORMATION

Select the method of procurement used from the options below.

| Exempt Solicitation | Informal Solicitation | Formal Solicitation | |
|---|---|---|--|
| <input type="checkbox"/> Single-Source/ Sole-Source, Cooperative Purchase, No Competitive Market, Emergency, City Council Waived | <input type="checkbox"/> Request for Written Quotes | <input type="checkbox"/> Request for Proposals/ Request for Qualifications | <input type="checkbox"/> Invitation to Bid |

Solicitation Name

Solicitation Issuance Date **Proposal Submission Deadline**

CONTRACT TYPE

Indicate if this is a new authorizing contract, or an amendment to an existing contract.

| | |
|---|--|
| <input type="checkbox"/> Initial Authorizing Contract/ Replacement of Expired Contract | <input type="checkbox"/> Amendment to Existing Contract (Term Extension, Not-To-Exceed Amount Update, Change in Scope of Goods & Services, etc.) |
|---|--|

Select the type of procurement from the options below.

| | | |
|---|---|--|
| <input type="checkbox"/> Supplies, Materials, Equipment | <input type="checkbox"/> General Services | <input type="checkbox"/> Professional Services |
|---|---|--|

Indicate if this Contract/ Amendment will be for a Public Project.

| | | |
|---|--|---|
| <input type="checkbox"/> Public Project (General) | <input type="checkbox"/> Public Project (UPCCAA) | <input type="checkbox"/> Not Applicable |
|---|--|---|

Indicate if this Contract/ Amendment will be funded via Federal Award

| | | |
|------------------------------|-----------------------------|---|
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Other (Explain) <input type="text"/> |
|------------------------------|-----------------------------|---|

CONTRACTOR/ CONSULTANT/ VENDOR INFORMATION

Contractor/ Consultant/ Vendor Legal Name

Contractor/ Consultant/ Vendor Secondary Name (DBA)

Summary of Services to be Provided

CONTRACT/ AMENDMENT TERM

Initial Term **Extension Term (If applicable)**



CITY OF EL MONTE

CONTRACT AWARD REQUEST FORM

| | | | |
|-----------------------|--|------------------------|--|
| Effective Date | | Expiration Date | |
|-----------------------|--|------------------------|--|

CONTRACT/ AMENDMENT AMOUNT

| | | | | | |
|--------------------------------------|----|--|------------------------------------|--|---|
| Amount Not-To-Exceed Per Term | \$ | | <input type="checkbox"/> Aggregate | <input type="checkbox"/> Per Year (Annually) | <input type="checkbox"/> Per Fiscal Year (Jun 30-Jul 1) |
|--------------------------------------|----|--|------------------------------------|--|---|

| | | | | | |
|-------------------------------|----|--|---------------------------|----|--|
| Contingency Percentage | \$ | | Contingency Amount | \$ | |
|-------------------------------|----|--|---------------------------|----|--|

| | |
|-----------------------------------|--|
| Total Amount Not-To-Exceed | |
|-----------------------------------|--|

CONTRACTOR/ CONSULTANT/ VENDOR REPRESENTATIVE INFORMATION

| | |
|----------------------------|--|
| Representative Name | |
|----------------------------|--|

| | | | |
|------------------------|--|----------------------|--|
| Position/ Title | | Email Address | |
|------------------------|--|----------------------|--|

| | | | |
|---------------------|--|-------------------|--|
| Phone Number | | Fax Number | |
|---------------------|--|-------------------|--|

CITY REPRESENTATIVE INFORMATION (If Different than Listed on City Attorney Assignment Request Form)

| | |
|----------------------------|--|
| Representative Name | |
|----------------------------|--|

| | |
|-----------------------------|--|
| Department/ Division | |
|-----------------------------|--|

| | | | |
|------------------------|--|----------------------|--|
| Position/ Title | | Email Address | |
|------------------------|--|----------------------|--|

| | | | |
|---------------------|--|-------------------|--|
| Phone Number | | Fax Number | |
|---------------------|--|-------------------|--|

ATTACHMENTS

| |
|--|
| |
|--|

COMPLIANCE & LEGAL REVIEW

| | | | |
|---|--|-------------|--|
| Purchasing Officer and/or Designee | | Date | |
|---|--|-------------|--|

Insert Purchasing Officer and/or Designee Name

| | | | |
|-------------------------------|--|-------------|--|
| City Attorney's Office | | Date | |
|-------------------------------|--|-------------|--|

Insert City Attorney Name



CITY OF EL MONTE

CONTRACT TEMPLATES

[RESERVED]



CITY OF EL MONTE

NOTICE TO PROCEED

NOTICE TO PROCEED

Date NTP Issued

[Insert Month Day, Year]

**Contractor/ Consultant/
Vendor Name**

**Contractor/ Consultant/
Vendor Address**

Contact Name

Position/Title

Phone Number

Email Address

[Project/Services]

Commencement Date

[Insert Month Day, Year]

[Project/Services]

Completion Date

Subject:

[Insert Project Name/Description]

Pursuant to the terms of the Contract identified below (hereinafter, the "Agreement") for the [Insert Name of Project] ("Project"), [Insert Name of Contractor/Consultant/Vendor] ("Contractor/Consultant/Vendor") is hereby authorized to commence work necessary to complete the [Project/Services]. Accordingly, this letter will serve as the formal "Notice to Proceed".

The [Project/Services] as outlined in the Agreement, shall be performed subject to the terms and conditions of the Agreement and completed in accordance with the not-to-exceed identified therein. Any work to be performed in excess of the not-to-exceed amount, including any applicable contingencies, may be subject to further [Department Head/City Manager/City Council] approval and will require subsequent written authorization from the City Representative identified below.

It is expected that the [Project/Services] shall be completed [by/within] [insert term] pursuant to the Agreement. The [Project/Services] shall commence on [Insert Month Day, Year]. The [Contractor/Consultant/Vendor] is not to work on Saturdays, Sundays, City recognized holidays, or outside normal working hours without City approval. It is the responsibility of the [Contractor/Consultant/Vendor] to meet the schedule, labor, and all other requirements as set forth and in accordance with the terms and conditions of the Agreement and all applicable State and Federal requirements.

If further clarification is required, please do not hesitate to contact the City Representative.

Sincerely,

[Insert Department Head Name]

[Insert Department Head Title]



CITY OF EL MONTE

NOTICE TO PROCEED

CITY REPRESENTATIVE INFORMATION

| | | | |
|---------------------|--|-----------------------|--|
| <i>Department</i> | | <i>Division</i> | |
| <i>Contact Name</i> | | <i>Position/Title</i> | |
| <i>Phone Number</i> | | <i>Email Address</i> | |

CONTRACT INFORMATION

| | | | |
|----------------------------------|--|---------------------------------|--|
| <i>Contract Number</i> | | <i>Contract Goods/ Services</i> | |
| <i>City Council Meeting Date</i> | | <i>Agenda Item No.</i> | |

PURCHASING & INTERNAL CONTROLS POLICY & PROCEDURES

3 PURCHASING & INTERNAL CONTROLS POLICY & PROCEDURES

3.1 PURPOSE (EMMC 3.24.010)

The Purchasing & Internal Controls Policy (the “Policy”) defines the procedures governing the purchasing of supplies, materials, equipment and services for City use. This Policy is intended to comply with the provisions of applicable Federal and state law, El Monte Municipal Code (EMMC), City Ordinance(s) and overall City Policy.

The provisions set forth in this Policy are intended to serve as a guideline of best practices and sustain compliance with the terms and conditions of [Chapter 3.24 – Purchasing System](#) of the City’s Municipal Code which was adopted pursuant to [Section 54201 et seq. of the California Government Code](#).

California law requires all local agencies to formally adopt policies and procedures governing the acquisition of materials, supplies, equipment, and services as referenced below.

"California Government Code Section 54202: Every local agency shall adopt policies and procedures, including bidding regulations, governing purchases of supplies and equipment by the local agency. Purchases of supplies and equipment by the local agency shall be in accordance with said duly adopted policies and in accordance with all provisions of law governing same. No policy, procedure, or regulation shall be adopted which is inconsistent or in conflict with statute."

When procuring supplies, materials, equipment and services under a Federal award, the City must follow Uniform Guidance ([2 CFR](#)) Part [200.318](#) (General Procurement Standards) through [200.327](#) (Contract Provisions).

The procedures outlined here shall be adhered to by all City employees when purchasing Supplies, Materials, Equipment and Services.

In the event of any conflict between the procurement requirements of this policy and any Grant, Local, State, or Federal regulations applicable to the procurement, the more stringent requirements shall apply.

In the event of any conflict between this Policy and the City’s Municipal Code, the requirements of the City’s Municipal Code shall supersede.

3.2 RESPONSIBILITIES FOR PURCHASING (EMMC 3.24.020, EMMC 3.24.030)

3.2.1 DECENTRALIZED PROCUREMENT

The City utilizes a decentralized procurement process in which the responsibility to determine specifications of



PURCHASING & INTERNAL CONTROLS POLICY & PROCEDURES

goods or services, to solicit proper bids, and to obtain proper approvals has been designated to the Departments.

Each Department within this decentralized purchasing process shall be responsible for the function of procurement of suitable materials, supplies, equipment, and services for their respective Department.

All Department Heads, or their designee(s), shall have the authority to initiate purchases on behalf of their respective Departments, within the guidelines described herein. Department Heads shall inform the Purchasing Division of all individuals that may initiate purchases or prepare purchase requisitions. The Purchasing Division shall maintain a current list of all authorized purchasers. The Purchasing Division is a subdivision of the Finance Department.

3.2.2 RESPONSIBILITIES OF THE PURCHASING OFFICER AND/OR DESIGNEE

Pursuant to EMMC 3.24.020, the Finance Director is the designated Purchasing Officer of the City. The Purchasing Officer retains the responsibility to review and examine requisitions, bid documents, and contracts. Only the Purchasing Officer will create Purchase Orders. The Purchasing Officer may delegate any or all of these responsibilities as needed.

Purchasing Officer and/or Designee responsibilities include:

- Administration of the Procurement, Contracting, and Purchasing & Internal Controls Policy;
- Oversee the Purchasing Process;
- Review of Purchase Requisitions;
- Creation of Purchase Orders;
- Recommend revisions to purchasing procedures when necessary and keep informed of current developments in the field of public purchasing;
- Provide training for City staff on this Policy; and
- Such other duties and responsibilities as may be set forth under Section 3.24.020 of the EMMC.

3.2.3 RESPONSIBILITIES OF DEPARTMENT(S)

The Department(s) is(are) charged with the following responsibilities in the purchasing process:

- Enter into contractual obligations on behalf of the City for the acquisition of supplies, materials, equipment, and services necessary to support City functions in accordance with this Policy;
- Obtain full and open competition in accordance with prescribed policies and procedures in a manner that presents the best overall value to the City;
- To anticipate requirements sufficiently in advance to allow adequate time to obtain goods in accordance with the best purchasing practices;



PURCHASING & INTERNAL CONTROLS POLICY & PROCEDURES

- Identify, evaluate and utilize purchasing methods which best meet the needs of the City (e.g. cooperative purchases, blanket purchase orders, contractual agreements, purchasing cards, etc.);
- Provide for the fair and equitable treatment of contractors;
- Coordinate contractor relations, locate sources of supply, and evaluate contractor performance;
- Supervise the receipt and inspection of all materials, supplies, equipment and services purchased to ensure conformance with specifications;
- Recommend the disposition of surplus or unused supplies, materials, equipment, and scrap through sale or other means;
- Notify contractors of purchase award when authorized by the Purchasing Officer and/or Designee;
- To not “split” orders for the purpose of avoiding procurement requirements;
- Obtain the required approvals;
- Submit forms and adequate supporting documentation necessary in the purchase requisition; and
- Ensure that purchases are allowable, allocable, and reasonable.

3.3 CONFLICT OF INTEREST (2 CFR 200.318(C)(1)), (EMMC 3.24.130)

The following Conflict of Interest requirements are set forth in accordance with [2 CFR 200.318\(C\)\(1\)](#) and [El Monte Municipal Code 3.24.130](#) Ethics in Purchasing:

- (A) City officials, officers and employees shall discharge their duties impartially so as to assure fair competitive access to the City procurement opportunities by responsible and responsive contractors, sellers and vendors. Moreover, they shall conduct themselves in such a manner as to foster public confidence in the integrity of City procurement activities.
- (B) No City official, officer or employee shall participate directly or indirectly in a City procurement when the employee knows that:
 - (1) the official, officer or employee or any member of the official’s, officer’s or employee’s immediate family has a financial interest pertaining to the procurement; or
 - (2) the official, officer or employee or any member of the official’s, officer’s or employee’s immediate family is negotiating or has an employment arrangement which is contingent upon or will be affected by the procurement.
- (C) Upon discovery of an actual or potential conflict of interest, an employee shall promptly withdraw from further participation in the procurement.



PURCHASING & INTERNAL CONTROLS POLICY & PROCEDURES

- (D) No City official, officer or employee shall maintain a financial interest or stake in any contract where the approval of the contract in light of such interest would cause a violation of Section 1090 of the California Government Code.
- (E) No person shall offer, give or agree to give any City official, officer or employee any gratuity or offer of employment in connection with a procurement by the City.
- (F) For purposes of this section, the following terms shall have the meaning set forth below:
 - (1) "Financial interest" means any (i) ownership of any interest or involvement in any relationship from which, or as a result of which, a person has received compensation within the past year, or is entitled to, or is currently receiving compensation; or (ii) ownership, whether wholly or in part, of any property or business; or (iii) status as an officer, director, trustee, partner, employee, agent or manager of a business.
 - (2) "Immediate family" means any spouse, child or stepchild of a City officer, official or employee. The relationship of parent to child includes both natural and adoptive relationships.
 - (3) "Gratuity" means a gift, payment, loan, advance, deposit of money, or service, presented or promised in return for or in anticipation of favorable consideration in the contracting process.

3.4 FEDERAL AWARDS BIDDING PURCHASE REQUIREMENTS

3.4.1 REVIEW AND AUDIT FOR FEDERAL AWARDS (2 CFR 200.324)

Compliance with this Policy is subject to review or audit at any time. The City must make available, upon request, all procurement documents to the granting agency or pass-through entity and auditors. It is the responsibility of the Department(s) initiating the purchase to maintain procurement documents such as such as requests for proposals or invitations for bids, independent cost estimates, bidding documents, contracts, sole source forms, change orders, and authorization signatures.

All staff members with the authority to approve purchases will receive a copy of, and be familiar with, 2 CFR Part 200.400 – 475, Cost Principles.

3.5 INFORMAL SOLICITATION PURCHASE REQUIREMENTS (EMMC 3.24.040)

3.5.1 WRITTEN QUOTES

The following Written Quote Informal Solicitation Purchase Requirements apply to the Purchase of Supplies,



PURCHASING & INTERNAL CONTROLS POLICY & PROCEDURES

Materials, Equipment, General Services, and Professional Services.

Quotes must be current and should be obtained at least within six (6) months before submitting a Purchase Requisition. The term of authenticity for any quote extending beyond the six-month timeframe must be specified in writing by the Contractor/Consultant/Vendor on the quote, or as an attachment to the quote, in order for the quote to be considered valid and applicable to the purchase. Quotes submitted as documentation that are beyond the six (6) month term and are unaccompanied by a written term of authenticity extending beyond the six (6) month term, will be considered void/invalid for the requested purchase.



PURCHASING & INTERNAL CONTROLS POLICY & PROCEDURES

Listed below are the solicitation amounts, requirements, and purchasing documentation required for Written Quote Informal Solicitations requiring Department Head approval and signature.

| | SOLICITATION AMOUNT | | SOLICITED RESOURCES | SOLICITATION REQUIREMENTS | DOCUMENTATION REQUIRED FOR PURHASING |
|--|---------------------|------------|--|--|---|
| | Minimum | Maximum | | | |
| DEPARTMENT HEAD APPROVAL REQUIRED | > \$0 | < \$5,000 | <ul style="list-style-type: none"> ▪ Supplies ▪ Materials ▪ Equipment* ▪ General Services ▪ Professional Services | <p>No solicitation required if the price is reasonable.</p> <p>To the extent practicable, micro-purchases must be distributed equitably among qualified suppliers.</p> | <ul style="list-style-type: none"> ▪ Invoice ▪ No PO or Contract Required ▪ Department Head's Approval |
| | ≥ \$5,000 | ≤ \$15,000 | <ul style="list-style-type: none"> ▪ Supplies ▪ Materials ▪ Equipment* ▪ General Services ▪ Professional Services | <p>Three (3) Written Quotes</p> | <ul style="list-style-type: none"> ▪ PO or Contract ▪ Summary of Requisition ▪ Copy of Quotes ▪ Signed Justification Letter (If Sole Source) ▪ Copy of Solicitation & Awarded Contract (If Cooperative Purchase) ▪ Department Head's Approval |

**Vehicle purchases, regardless of purchase amount, are expressly required to be presented to, and approved by, the City Council. Such purchases shall include the costs of all applicable maintenance for the life of the vehicle.*



PURCHASING & INTERNAL CONTROLS POLICY & PROCEDURES

Listed below are the solicitation amounts, requirements, and purchasing documentation required for Written Quote Informal Solicitations requiring City Manager approval and signature.

| SOLICITATION AMOUNT | | SOLICITED RESOURCES | SOLICITATION REQUIREMENTS | DOCUMENTATION REQUIRED FOR PURCHASING | |
|---------------------------------------|------------|---|---|--|--|
| Minimum | Maximum | | | | |
| CITY MANAGER APPROVAL REQUIRED | | <ul style="list-style-type: none"> ▪ Supplies ▪ Materials ▪ Equipment* | | <ul style="list-style-type: none"> ▪ PO or Contract ▪ Summary of Requisition ▪ Copy of Quotes ▪ Signed Justification Letter (If Sole Source) ▪ Copy of Solicitation & Awarded Contract (If Cooperative Purchase) ▪ City Manager's Approval | |
| | > \$15,000 | ≤ \$50,000 | <ul style="list-style-type: none"> ▪ General Services ▪ Professional Services | Three (3) Written Quotes | <ul style="list-style-type: none"> ▪ Contract ▪ Summary of Requisition ▪ Copy of Quotes ▪ Signed Justification Letter (If Sole Source) ▪ Copy of Solicitation & Awarded Contract (If Cooperative Purchase) ▪ City Manager's Approval |
| | | | <ul style="list-style-type: none"> ▪ Capital Improvement Project | | <ul style="list-style-type: none"> ▪ PO or Contract ▪ Summary of Requisition ▪ Copy of Quotes ▪ City Manager's Approval |

*Vehicle purchases, regardless of purchase amount, are expressly required to be presented to, and approved by, the City Council. Such purchases shall include the costs of all applicable maintenance for the life of the vehicle.



PURCHASING & INTERNAL CONTROLS POLICY & PROCEDURES

Listed below are the solicitation amounts, requirements, and purchasing documentation required for Written Quote Informal Solicitations requiring City Council approval and subsequent City Manager signature.

| SOLICITATION AMOUNT | | SOLICITED RESOURCES | SOLICITATION REQUIREMENTS | DOCUMENTATION REQUIRED FOR PURHASING |
|--------------------------------|-------------|---|---------------------------|--|
| Minimum | Maximum | | | |
| CITY COUNCIL APPROVAL REQUIRED | > \$50,000 | <ul style="list-style-type: none"> ▪ Supplies ▪ Materials ▪ Equipment* ▪ General Services | Three (3) Written Quotes | <ul style="list-style-type: none"> ▪ PO or Contract ▪ Summary of Requisition ▪ Copy of Quotes ▪ Signed Justification Letter (If Sole Source) ▪ Copy of Solicitation & Awarded Contract (If Cooperative Purchase) ▪ Copy of Staff Report ▪ City Council's Approval |
| | ≤ \$150,000 | <ul style="list-style-type: none"> ▪ Professional Services | | <ul style="list-style-type: none"> ▪ Contract ▪ Summary of Requisition ▪ Copy of Quotes ▪ Signed Justification Letter (If Sole Source) ▪ Copy of Solicitation & Awarded Contract (If Cooperative Purchase) ▪ Copy of Staff Report ▪ City Council's Approval |

**Vehicle purchases, regardless of purchase amount, are expressly required to be presented to, and approved by, the City Council. Such purchases shall include the costs of all applicable maintenance for the life of the vehicle.*



PURCHASING & INTERNAL CONTROLS POLICY & PROCEDURES

3.5.2 FOLLOW-UP APPROVAL FOR CONTRACTS THAT EXCEED ORIGINAL LIMITS:

If a contract originally approved by a Department Head or the City Manager later requires authorization for additional expenditures or costs that, if included as part of the original contract, would have exceeded the Department Head's or City Manager's contract approval authority, any amendment(s) authorizing such additional expenditures or costs shall be:

- approved by the City Manager if the additional expenditures and costs, had they been included in the original contract, would have still been within the City Manager's approval authority; or
- approved by the City Council if the additional expenditures and costs, had they been included in the original contract, would have exceeded the City Manager's approval authority.

3.5.3 MISCELLANEOUS FORM AND CONTENT REQUIREMENTS:

All purchase orders must be made using printed forms that have been pre-approved by the City Manager and/or the City Council or on such other forms that have been approved as to form by the City Attorney.

All contracts (other than purchase orders) must be made in writing and approved as to form by the City Attorney.

During any given fiscal year, procurements of identical supplies, equipment, materials or general services may not be broken-up into multiple procurements for the purpose of evading the more approval requirements of this Section, above. The City Council reserves the right to disapprove any purchases, engagements or other procurements placed with such intent where it is determined that the accountability and expenditure control benefits of complying with the more stringent approval requirements outweigh the immediate convenience of avoiding such requirements or where such action runs contrary to the spirit of fiscal accountability which is the underlying objective of this chapter.

3.5.4 CITY ATTORNEY REVIEW:

All contracts required under this section must be submitted to and approved by the appropriate authorizing officer or body and the City Attorney before being presented to the vendor or general services provider as the City's proposed instrument. Purchase orders do not need to be approved by the City Attorney.



PURCHASING & INTERNAL CONTROLS POLICY & PROCEDURES

3.6 FORMAL SOLICITATION PURCHASE REQUIREMENTS (EMMC 3.24.050)

The following Formal Solicitation Purchase Requirements apply to the Purchase of Supplies, Materials, Equipment and General Services:

| | SOLICITATION AMOUNT | SOLICITED RESOURCES | MINIMUM SOLICITATION REQUIREMENTS | DOCUMENTATION REQUIRED FOR PURHASING |
|--------------------------------|---------------------|--|---------------------------------------|---|
| CITY COUNCIL APPROVAL REQUIRED | > \$150,000 | <ul style="list-style-type: none"> Supplies Materials Equipment General Services | Formal Solicitation Invitation to Bid | <ul style="list-style-type: none"> Contract Summary of Requisition Notice Inviting Bid Copy of Bids Signed Justification Letter (If Sole Source) Copy of Solicitation & Awarded Contract (If Cooperative Purchase) Copy of Staff Report City Council's Approval |

3.6.1 REFERENCE SECTIONS 1.7.1 AND 1.7.2 REQUEST FOR PROPOSALS/ REQUEST FOR QUALIFICATIONS

The following Request for Proposals/ Request for Qualifications Informal Solicitation Purchase Requirement applies to the Purchase of Professional Services only.

| | SOLICITATION AMOUNT | SOLICITED RESOURCES | SOLICITATION REQUIREMENTS | DOCUMENTATION REQUIRED FOR PURHASING |
|--------------------------------|---------------------|---|---|--|
| CITY COUNCIL APPROVAL REQUIRED | > \$150,000 | <ul style="list-style-type: none"> Professional Services | <ul style="list-style-type: none"> Request for Proposals (RFP) Request for Qualifications (RFQ) | <ul style="list-style-type: none"> Contract Summary of Requisition Copy of RFP/RFQ Copy of Proposals or Qualifications Signed Justification Letter (If Sole Source) Copy of Solicitation & Awarded Contract (If Cooperative Purchase) Copy of Staff Report City Council's Approval |



PURCHASING & INTERNAL CONTROLS POLICY & PROCEDURES

3.7 PUBLIC PROJECTS

3.7.1 GENERAL COMPETITIVE BIDDING PROCEDURES (EMMC 3.24.075)

The following Formal Solicitation Purchase Requirements apply to the Purchase of Public Projects (General):

| | SOLICITATION AMOUNT | SOLICITED RESOURCES | MINIMUM SOLICITATION REQUIREMENTS | DOCUMENTATION REQUIRED FOR PURCHASING |
|--------------------------------|---------------------|---|---------------------------------------|---|
| CITY COUNCIL APPROVAL REQUIRED | > \$5,000 | <ul style="list-style-type: none"> Public Projects (General) | Formal Solicitation Invitation to Bid | <ul style="list-style-type: none"> Contract Summary of Requisition Notice Inviting Bid Copy of Bids Signed Justification Letter (If Sole Source) Copy of Solicitation & Awarded Contract (If Cooperative Purchase) Copy of Staff Report City Council's Approval |

Public projects shall require the execution of a written agreement.

Following the award of a public project contract, such contract may be amended by the issuance of a change order, provided the change which is the subject of the change order is reasonably related to the scope of the original contract. Unless a lower limit has been set by the terms of the City's bid solicitation documents, applicable law or the City Council, the City Manager is authorized to approve and execute the following change orders for public project contracts awarded pursuant to this section without City Council approval:

- (i) Any change order which results in the total contract price of fifty thousand dollars (\$50,000.00) or less; and
- (ii) Any change order which results in a total contract price not to exceed ten percent (10%) of the original contract price.

Any change order for contracts which results in a total contract price in excess of ten percent (10%) of the original contract price must be approved by the City Council.



PURCHASING & INTERNAL CONTROLS POLICY & PROCEDURES

3.8 PUBLIC PROJECTS – UPCCAA PROCEDURES (EMMC SECTION 3.24.080)

The following Informal Solicitation Purchase Requirements apply to the Purchase of Public Projects (UPCCAA):

| | SOLICITATION AMOUNT | SOLICITED RESOURCES | MINIMUM SOLICITATION REQUIREMENTS | DOCUMENTATION REQUIRED FOR PURCHASING |
|--------------------------------|----------------------------|--|---|---|
| CITY COUNCIL APPROVAL REQUIRED | > \$75,000 and ≤ \$220,000 | <ul style="list-style-type: none"> Public Projects (UPCCAA) | Informal Solicitation Invitation to Bid | <ul style="list-style-type: none"> Contract Summary of Requisition Notice Inviting Bid Copy of Bids Signed Justification Letter (If Sole Source) Copy of Solicitation & Awarded Contract (If Cooperative Purchase) Copy of Staff Report City Council's Approval |

Minimum criteria for development and maintenance of the contractors list determined by the California Uniform Construction Cost Accounting Commission. (Source: https://www.sco.ca.gov/ard_cuccac.html)

- (1) At least once per calendar year, the City will update its existing list of qualified contractors by mailing, faxing, or emailing written notice to all construction trade journals designated for the City. The notice shall invite all licensed contractors to submit the name of their firm to the City for inclusion on the City's list of qualified bidders.
- (2) The notice shall require that the contractor provide:
 - (a) The name and address to which a Notice to Contractors or Proposal should be mailed, faxed, or emailed;
 - (b) A phone number at which the contractor may be reached;
 - (c) The type of work in which the contractor is interested and currently licensed to do (earthwork, pipelines, electrical, painting, general building, etc.);
 - (d) The class of contractor's license(s) held; and
 - (e) The contractor license number(s).
- (3) The list must include, at the minimum, all contractors who have properly provided the City with the information required under #2 above in response to the written notice.
- (4) A contractor may have his or her firm added to the City's contractors list at any time by providing the required information.



PURCHASING & INTERNAL CONTROLS POLICY & PROCEDURES

Delegation of Award of Public Project Awards under the UPCCAA. The City Council may delegate the authority to award informal contracts to the Public Works Director, City Manager, Purchasing Agent, or other appropriate person. The City Council has delegated approval of the following public project awards to the designated individual or body pursuant to [EMMC 3.24.080](#):

| AMOUNT | APPROVAL REQUIRED |
|---------------------------|-------------------|
| ≤ \$15,000 | Department Head |
| > \$15,000 and ≤ \$50,000 | City Manager |
| > \$50,000 | City Council |

3.9 DISPOSITION OF SURPLUS AND/OR OBSOLETE PROPERTY (EMMC 3.24.090)

Each city department or division shall submit to the Purchasing Officer, at such times and in such form as the Purchasing Officer shall prescribe, reports showing all supplies, materials and equipment which are no longer used or which have become obsolete or worn out. The Purchasing Officer shall have authority to sell or otherwise dispose of all supplies, materials and equipment which cannot be used by a department, or which have become unsuitable for city use. The Purchasing Officer may also exchange the same for, or trade in the same on, new supplies, materials and/or equipment.

Disposition of surplus and/or obsolete items may include some form of recycling or reuse such as donation to public bodies, charitable, civic or nonprofit organizations and may include city property which has no commercial value or for which the estimated cost of continued care, handling, maintenance or storage would exceed the estimated proceeds of sale. Sales procedures may include negotiated sales, acceptance of sealed bids or public auction. Services of a paid auctioneer may be used, as appropriate. City Council is required for the sale or other disposition of supplies, materials or equipment when the total estimated value the specific supply, material or equipment exceeds ten thousand dollars (\$10,000.00).

A Disposition or Transfer of City Property form shall be completed by the Department(s) and approved by the Purchasing Officer for each surplus property item disposed of or transferred pursuant to EMMC 3.24.090. The Department(s) shall provide a copy of the completed Disposition or Transfer of City Property form to the Finance Department.

Proceeds from the sale or trade-in of surplus or obsolete property shall be returned to the appropriate fund.

3.10 AVAILABILITY OF FUNDS (EMMC 3.24.100)

The Finance Department shall not issue any purchase orders for supplies, materials, equipment or services in excess of one thousand dollars (\$1,000.00) unless there exists an unencumbered amount in the current fiscal budget against which said purchase is to be, or may be, charged.



PURCHASING & INTERNAL CONTROLS POLICY & PROCEDURES

3.10.1 BUDGET

The City's Budget is prepared annually by each Department. The Departments' budgets are then compiled and adjusted, as necessary, by the Finance Department to create a comprehensive Citywide Budget for presentation to the City Council for review and recommended approval. The final budget is then adopted by Resolution of the City Council.

It is each Department's responsibility to monitor the Budget vs. Actuals on a regular basis throughout the year and to communicate any changes to be made with Finance to ensure that accounts have appropriate funding and are not over expended.

Department should review and verify that there is an available budget before purchasing by running Expenditure Status Reports in the City's financial system. If the Department's review indicates that an account is over budget or will become overbudget as a result of a planned purchase, then the Department is required to issue a Budget Transfer or Budget Amendment as deemed appropriate for the purchase.

3.10.2 BUDGET AMENDMENTS

A Budget Amendment is required when an increase to the budget appropriation on specific accounts and subsequent increase to the total budget of the fund is needed for a planned or proposed procurement. All Budget Amendments are to be approved by the City Council.

Budget Amendments submitted to the Finance Department for processing must be supported with the following documentation:

- (1) Completed Budget Amendment Form signed by the Department Head;
- (2) City Council Staff Report;
- (3) City Council Meeting Minutes evidencing a vote of approval; and
- (4) Grant Agreement and/or Contract.

3.10.3 BUDGET TRANSFERS

A Budget Transfer is required when a transfer of budget appropriations between expenditure accounts within the same fund is needed for a planned or proposed procurement. A Budget Transfers net effect on the fund will always be zero as there is a decrease in one account to increase another account. All Budget Transfers require the Department Head's approval and the Purchasing Officer and/or Designee's approval.

Budget Transfers cannot be made between Revenue and Expenditure Accounts.

Budget Transfers submitted to the Finance Department for processing must be supported with the following documentation:



PURCHASING & INTERNAL CONTROLS POLICY & PROCEDURES

- (1) Completed Budget Transfer Form signed by the Department Head.
- (2) Expenditure Status Reports evidencing available funding.

3.11 PURCHASE AWARDS TO CITY BUSINESSES (EMMC 3.24.110)

Local preference is desirable because of its ability to stimulate the local economy, generate jobs and spur further investment into the community. As set forth in this section, the City shall strive to give preference to businesses located within the City. All other procurement factors being equal, if the cost differential or unit price difference between an item provided by a business located in the City is no greater than one percent of the cost or unit price quoted by a non-City business, the procurement may be awarded to the El Monte business under the rationale that the City will recoup at least one percent (1.00%) of the cost of the transaction in the form of sales taxes.

3.12 UNAUTHORIZED PROCUREMENTS (EMMC 3.24.120)

- (A) Any procurement of supplies, materials, equipment or services made in violation of the procedures set forth under EMMC Section 3.24.120 or under this Purchasing & Internal Controls Policy and Procedures Manual shall be void and not considered an obligation of the City.
- (B) Invoices issued without an authorized purchase order may be returned to the contractor or service provider unpaid. The person making the unauthorized purchase may also be held personally liable for the costs of the purchase or contract.
- (C) With respect to procurements authorized via purchase order, such purchase orders shall be issued prior to ordering supplies, equipment, materials or general services and not "after the fact" for work already performed or materials already supplied.

3.13 REQUISITIONS AND PURCHASE ORDERS

3.13.1 REQUISITIONS

A requisition is a method of communicating the needs of the requesting Department(s) to the Purchasing Division when a demand for supplies, materials, equipment, or services exists.

Requisitions can be submitted to the Purchasing Division in the following forms: paper requisition form or electronic requisition. Requisitions in any form must contain the required information.

A complete requisition form will have all the required information and be approved by the Department Head.



PURCHASING & INTERNAL CONTROLS POLICY & PROCEDURES

Additional approval by the City Manager is required for requisitions above \$15,000, except when the City Council approved the purchase.

If the City Council has approved the purchase, the requisition will not require additional signature beyond the Department Head. A copy of the approved staff report must be attached to the requisition.

Requisition forms will be reviewed by the Purchasing Division. Incomplete or incorrect requisition forms will be returned to the requestor for correction.

3.13.2 PURCHASE ORDERS

A purchase order (PO) is generated in response to a requisition as a written confirmation of an order and as a contract between the supplier and the City. POs are computer generated and can only be created by the Purchasing Division and approved by the Purchasing Officer and/or Designee.

PO is a written authorization from the City to a specific contractor to deliver specific goods or services at a pre-determined price, quantity, and/or length of time. The assignment of a purchase order number (PO #) and the signature of the Purchasing Officer and/or Designee is evidence of authorization to proceed with the purchase.

Purchase orders are:

- Used to document that the purchase is allowable, necessary and allocable, and to document approval of purchase;
- Used to give a contractor approval to sell to the City;
- Used to control expenditures; and
- Issued and approved prior to the purchase.

Department(s) is(are) encouraged to consider utilizing a yearly purchase order for repetitive purchases made on a regular basis throughout the year. This eliminates the need for issuing numerous requisitions.

A purchase order or contract is necessary for all purchases in excess of Five Thousand Dollars (\$5,000).

3.13.2.1 Purchase Order Exemptions

A purchase order is not required for the following types of payments. The Department(s) should submit the invoice and payment request to Accounts Payable. The Department(s) is(are) responsible for ensuring that all procurements without purchase order have sufficient budgets. In addition, all applicable purchasing policies (e.g. solicitation method, signatory authority/approval, and contract compliance) must continue to be adhered to. Purchase Order Exemptions include the following:

- Advertising & Publications/Marketing/Notices;
- Bank Service Charges and Merchant Fees;



PURCHASING & INTERNAL CONTROLS POLICY & PROCEDURES

- Debt Service Payments;
- Donations/Contributions issued by the City to the public or another outside agency;
- Grants or Loans issued by the City to the public or another outside agency, Pass-Through Payments (e.g. Payments for Goods/Services reimbursed by a revenue/holding account);
- Insurance Claims and Premiums;
- Medical Payments (Physicians, Lab, etc.);
- Membership Dues;
- Permits, Assessments, And Taxes;
- Postage/Courier/Delivery;
- Real Property/Easement Acquisition;
- Trade Circulars or Books;
- Utility Payments (Gas/Electricity, Telephone/Internet/Cable, Water);
- Payments to other Government Agencies; and
- Payments Made Through:
 - Petty Cash;
 - Reimbursements;
 - Procurement Card; and
 - Store Accounts (e.g. Staples Business Advantage).

Refer to the separate policy and procedures for Petty Cash, Reimbursements, and Procurement Card (3.15).

When the purchase order has been approved, an electronic copy of the purchase order will be kept by the Purchasing Division. A hard copy of the purchase order is to be distributed to the following:

- Requesting Department(s);
- Receiving Department(s); and
- Contractor

If the user Department(s) determine(s) a Purchase Order needs to be modified, or cancelled, a Change Order Request should be submitted to the Purchasing Division.



PURCHASING & INTERNAL CONTROLS POLICY & PROCEDURES

3.13.2.2 Blanket Purchase Orders

A Blanket Purchase Order is issued to selected contractors, on an annual basis, by the Purchasing Division for use by City Department(s) to procure repetitive, high volume, low dollar value items on a continuous basis. Blanket Purchase Orders may not be issued by the individual Department(s).

At the beginning of the fiscal year, Purchasing will make arrangements with certain contractors to have open accounts for use by all City Departments. A listing of those contractors who have been issued Blanket Purchase Orders will be maintained by the Purchasing Division. Categories of Blanket Purchase Orders issued by the Purchasing Division include, but are not limited to, those that cover common purchases made by multiple departments such as: Fuel, any Equipment/Machinery, Software/Systems (excluding subscriptions due to GASB 96), and/or Materials/Supplies necessary to maintain standard Office/Facility operations. The Blanket Purchase Order shall state the products or services available and the terms and conditions of the purchase.

The intent of this procedure is to authorize a process through which Department(s) may purchase, with minimum administration and cost to acquire operating supplies on a just-in-time or repetitive basis thus reducing invoicing and overhead.

- Blanket Purchase Orders shall be limited to the assigned value to the Blanket Purchase Order unless such a change to the Blanket Purchase Order has been approved by action of the Purchasing Division at the Purchasing Officer and/or Designee's discretion.
- Material requirements will not be broken up in order to procure them by Blanket Purchase Order.
- No purchases shall be made by Blanket Purchase Order unless there are unencumbered monies in the fund which the purchase is to be charged.
- Blanket Purchase Orders will be issued by the Purchasing Division, after negotiating the terms and conditions with the contractor, for a period of one (1) year.
- The Purchasing Officer and/or Designee will issue and approve all Blanket Purchase Orders.
- While Blanket Purchase Orders are generated and negotiated by the Purchasing Division, Department(s) is(are) encouraged to request that the Purchasing Division add vendors based on opportunities to achieve economies of scale or remove vendors if such purchases may be more efficiently and cost-effectively achieved through competitive quotes, proposals, or bids.

3.13.3 INSURANCE CERTIFICATES AND EXECUTED AGREEMENTS

Services involving the performance of work on City property shall not be procured unless there is a fully executed agreement for the work and the contractor has current insurance certificates and endorsements. It is the responsibility of the Department(s) requesting the services to ensure compliance on this requirement.

Failure to secure executed agreements and proper insurance and endorsements for services performed on City property renders the City unprotected against any subsequent claims by Contractors/Consultants/Vendors. See the insurance section of the contract to be used for general insurance requirements. Any deviation from these



PURCHASING & INTERNAL CONTROLS POLICY & PROCEDURES

requirements must be coordinated with the Purchasing Officer and/or Designee and final approval authority rests with the Risk Management Division.

3.13.4 BUSINESS LICENSES

Contractors must have an active business license. It is the responsibility of the requesting Department(s) to ensure compliance with this requirement prior to submitting a Purchase Requisition.

3.14 CHANGE ORDERS

A Change Order is a written request to alter an existing Purchase Order after the issuance date that alters the Purchase Order amount or changes the account numbers used to fund the purchase. Change Orders are often requested as a result of an Amendment to the Contract that extends the term of the Contract, revises the scope of work to add or remove goods/services, revises the payment terms, and/or to add/remove/change the account number(s) used to fund the purchase. While Purchase Orders for defined Contracts are intended to be the final price, sometimes revisions are needed to accommodate mutually agreed upon changes between the contracting parties and/or adjust how payments are applied to the funding accounts.

All Change Orders for processing an increase to the Purchase Order require the Department Head's approval and the Finance Department's approval. If the additional expenditures and costs requested in the Change Order, had they been included in the original Purchase Order/Contract, would have exceeded the Department Head's approval authority, then the Change Order must also be approved by the City Manager. If the additional expenditures and costs requested in the Change Order, had they been included in the original Purchase Order/Contract, would have exceeded the City Manager's approval authority, then the Change Order must also be approved by the City Council.

Change Orders submitted to the Finance Department for processing an increase to the total Purchase Order amount must be supported with the following documentation:

- (1) Completed Change Order Form signed by the Department Head. City Manager signature is also required for Change Orders within the City Manager's Authority. Change Orders that have been approved by the City Council do not require City Manager's signature, but must be accompanied by the Staff Report and City Council vote of approval;
- (2) Purchase Order Accounting Report;
- (3) Purchase Order Transaction Report;
- (4) Expenditure Status Report;
- (5) Copy of the Contract (As Applicable):
 - Effective Date Page;
 - Term Page;
 - Not-To-Exceed Amount Page;



PURCHASING & INTERNAL CONTROLS POLICY & PROCEDURES

- Federal Requirements Pages (If Applicable);
 - Signature Page.
- (6) Copy of the approved Work Order (As Applicable);
 - (7) Copy of the Amended Contract(s) (As Applicable);
 - (8) City Council Staff Report (As Applicable, for the Original Contract and Amendment(s));
 - (9) City Council Meeting Minutes (As Applicable, for the Original Contract and Amendment(s)); and
 - (10) Sam.gov Suspension-Debarment Report (If Adding or Increasing a Federal Funded Account).

All Change Orders for processing a decrease to the total Purchase Order amount only require the Department Head's approval and the Finance Department's approval, they do not require City Manager or City Council approval.

Change Orders submitted to the Finance Department for processing a decrease to the Purchase Order must be supported with the following documentation:

- (1) Completed Change Order Form signed by the Department Head;
- (2) Purchase Order Accounting Report; and
- (3) Purchase Order Transaction Report.

All Change Orders for processing a closeout to the total Purchase Order amount require the Department Head's approval, the Contractor's/Consultant's/Vendor's approval, and the Finance Department's approval, they do not require City Manager or City Council approval.

Change Orders submitted to the Finance Department for processing a closeout to the Purchase Order must be supported with the following documentation:

- (1) Completed Purchase Order Closeout Confirmation Form signed by the Department Head and the Contractor/Consultant/Vendor;
- (2) Purchase Order Accounting Report; and
- (3) Purchase Order Transaction Report.

All Change Orders for processing a mechanical change (transfer/change between account numbers) that does not alter the total Purchase Order amount only require the Department Head's approval and the Finance Department's approval, they do not require City Manager or City Council approval.

Change Orders submitted to the Finance Department for processing a mechanical change to the Purchase Order must be supported with the following documentation:

- (1) Completed Change Order Form signed by the Department Head;
- (2) Purchase Order Accounting Report;



PURCHASING & INTERNAL CONTROLS POLICY & PROCEDURES

- (3) Purchase Order Transaction Report; and
- (4) Expenditure Status Report.

3.14.1 NON-PUBLIC PROJECTS

If a contract or Purchase Order originally approved by a Department Head or the City Manager later requires authorization for additional expenditures or costs that, if included as part of the original contract, would have exceeded the Department Head's or City Manager's contract approval authority, any amendment(s) authorizing such additional expenditures or costs shall be:

- (A) Approved by the City Manager if the additional expenditures and costs, had they been included in the original contract, would have still been within the City Manager's approval authority; or
- (B) Approved by the City Council if as the additional expenditures and costs, had they been included in the original contract, would have exceeded the City Manager's approval authority.

3.14.2 PUBLIC PROJECTS

Following the award of a Public Project contract, such contract may be amended by the issuance of a change order, provided the change which is the subject of the change order is reasonably related to the scope of the original contract.

Change Orders for public projects are subject to the following authorization:

| AUTHORIZATION | | LIMIT |
|---------------|--------------|---|
| ❖ | City Manager | <ul style="list-style-type: none">▪ Any Change Order which results in the total contract price of fifty thousand dollars (\$50,000.00) or less; and▪ 10% or less of the original contract price. |
| ❖ | City Council | <ul style="list-style-type: none">▪ In excess of 10% of the original contract price |

3.15 CREDIT CARD (P-CARD) USAGE

A Procurement Card is a City issued credit card from a financial institution that is used as a tool to conduct official and authorized business on behalf of the City. The City Procurement Card shall not be used for personal purchases under any circumstances. For fiduciary purposes, the Procurement Card is administered by the Finance Department.

The Department Head shall evaluate the operational necessity for issuance of a Procurement Card to employees based on the duties and responsibilities of employees and the operational requirement. The request for issuance of a Procurement Card should be limited to Supervisory, Managerial, or Administrative staff. To determine the operational necessity, the Department Head should take into consideration shift schedules, frequency of purchases, types of purchases, and the anticipated monthly average procurement card transaction. Further, the Department Head should



PURCHASING & INTERNAL CONTROLS POLICY & PROCEDURES

consider the accountability required from an employee and the hours necessary to perform additional procedures to properly report the Procurement Card transactions timely and accurately.

Procurement Cards can only be assigned to permanent City employees and not to contract or temporary employees. All Procurement Cardholders are required to sign a Procurement Card User Agreement, and the card must only be used by the employee to whom it is assigned. Use of a Procurement Card is a privilege, and the City may revoke the use of Procurement Card at any time, with or without cause, and without notice.

Under certain circumstances, the use of a City credit card may be the most appropriate method for certain purchases. The following policies and procedures are established to insure internal control and timely payment of charges.

- (A) City credit cards will be signed out on an as-needed basis to staff at the sole discretion of the Purchasing Officer and/or Designee, in accordance with internal control procedures. Failure to comply with established procedures may result in discontinuance of use by the Employee(s)/Department(s).
- (B) City credit cards shall be available to staff for the conduct of official City business, included, but not limited to the following purposes:
 - (1) Gasoline purchases;
 - (2) Authorized travel expenses and hotel charges which shall subsequently be documented on the travel reconciliation report;
 - (3) To charge the cost of meals when required in the conduct of official business, except when an employee is traveling on a per diem basis; and
 - (4) Other circumstances where the use of a credit card best meets the City's purchasing needs as determined by the Purchasing Officer and/or Designee.
- (C) All receipts must be turned in and approved as soon as is practicable, but no later than when the credit card bill(s) is(are) submitted to the Finance Department for payment. Failure to submit the itemized receipt or invoice for two (2) consecutive cycles will be a cause for cancellation of Procurement Card.
- (D) No personal items shall be charged on any City credit card except those charges that might be incidental to another charge made on the card for travel or meetings. Whenever one (1) of these personal charges is made on the City credit card, the charges will be reconciled and reimbursed to the City when the travel reconciliation is completed. Under no circumstances shall a single personal charge be made on a City credit card. It is mandatory for the cardholder to reimburse the City for any unauthorized purchases and purchases without receipt or invoice.
- (E) Refer to the complete policy of procedures for the Procurement Card. Failure to follow the Policy may lead to suspension or cancellation of the Procurement Card and employee disciplinary action.

3.16 ACCOUNTS PAYABLE

Accounts Payable is(are) the amount(s) owed to Contractor(s)/Consultant(s)/Vendor(s) resulting from the Contractor(s)/Consultant(s)/Vendor(s) providing goods and/or services on credit.



PURCHASING & INTERNAL CONTROLS POLICY & PROCEDURES

The Accounts Payable process is as follows:

- (A) Contractors/Consultants/Vendors is(are) to submit timely invoices to the soliciting Department(s) for goods/services rendered to the City.
- (B) The Department(s) is(are) to responsible for:
 - (1) Reviewing the invoice in detail and ensuring that the items, quantity, price, period, etc. are in alignment with the terms of the Purchase Order or Contract and the Delivery Receipt (If Applicable);
 - (2) Verifying that valid and correct receipts are attached to reimbursement request;
 - (3) Writing the Account Number(s) and Purchase Order Number(s) on the invoice;
 - (4) Providing Receipt/Confirmation of Delivery Acceptance (e.g. Photograph, Packing Slip, Email, etc.) for Capital Assets; and
 - (5) Obtaining a signature on the invoice from an Authorized approver and forwarding the original approved invoice to Finance.
- (C) The Finance Department Accounts Payable will be responsible for:
 - (1) Entering and posting invoices into the Financial system;
 - (2) Reviewing the posting list and verifying that invoices are recorded with the proper amount, account, period information, etc.;
 - (3) Processing electronic payments and printing checks; and
 - (4) Preparing a Demand Resolution for City Council approval.
- (D) The City Treasurer and Finance Treasury will be responsible for:
 - (1) Examining and authorizing the release of the Final Check List;
 - (2) Coordinating the City Treasurer's questions to Department(s) subject to the City's Chain of Command Policy; and
 - (3) Issuing checks.
- (E) The City Council will be responsible for approving the Demand Resolution.

Accounts Payable prints checks Thursday morning, or the last working day of the week if an alternative work schedule is in place. Timely submission of invoices is crucial in the Accounts Payable process as invoices are processed on a first come, first served basis unless penalties or interest will be incurred.

To ensure a more efficient and prompt payment process, the Finance Department encourages City Contractors/Consultant/Vendors to sign up for Electronic Funds Transfers (EFT) in-lieu of paper checks. EFT's are similar to a Direct Deposit, allow access to funds faster, prevent lost or misplaced checks resulting in cancellations/reissue, and safeguard against mail fraud.



PURCHASING & INTERNAL CONTROLS POLICY & PROCEDURES

3.16.1 ACCOUNTS PAYABLE INVOICES

In general, the City's terms of payment to a Contractor/Consultant/Vendor are within thirty (30) days after the City's receipt and acceptance of an invoice.

Each invoice received from Contractors/Consultants/Vendors shall, at the minimum, include the following information (as applicable):

- (1) A reference to the City Representative's Name and Department;
- (2) A reference to the Purchase Order(s) and CIP Number(s) (If Applicable);
- (3) A reference to the Total Purchase Order Amount and Total Contract/Purchase Order/Work Order Balance Remaining (As Applicable); and
- (4) The basis for the amount invoiced, including a line-item description of Tasks/Services provided.

3.16.1.1 Late Invoices

Department(s) is(are) required to fill out a Late Invoice Justification Form when submitting invoice(s) dated past sixty (60) days. The form is to be signed by the Department Head. The form, together with the invoice(s), will be attached to the check as audit support documentation.

The intent of the Late Invoice Justification Form is to obtain an explanation from the Department(s) prior to the City Treasurer's review of invoices during the weekly check run. The City Treasurer will contact the Department(s), subject to the Chain of Command Policy, if there are any additional questions or concerns regarding the invoice(s). No checks will be released without approval from the City Treasurer. This procedure aims to reduce the volume of late invoices and audit findings, in addition to maintaining positive Contractor/Consultant/Vendor relations.

3.16.2 ACCOUNTS RECEIVABLE

Accounts Receivable is(are) the amount(s) owed to the City resulting from the City providing goods and/or services on credit. The unpaid balance in this account is reported as part of the current assets listed on the City's balance sheet. The Finance Department shall prepare all accounts receivable invoices so that the amount due is properly recorded in the City's financial system. Under no circumstance should the Department(s) send out a self-prepared invoice. Supporting documents and agreements should be provided to Finance when requesting an invoice to be prepared.

Examples of Accounts Receivable include, but are not limited to, the following:

- (A) Police Off-Duty Officer Special Assignments;
- (B) Property Abatement Charges;
- (C) Recreational Transportation Charges;



PURCHASING & INTERNAL CONTROLS POLICY & PROCEDURES

- (D) Loans made to Developers;
- (E) Retiree Post-Employment Health Benefits, COBRA, etc.;
- (F) Rents or Leases; and
- (G) Other Services Performed by the City.

3.16.2.1 Billable Staff Time

All calculations for staff time related to Accounts Receivable Invoicing, Grant Match, Plan Reviews, Special Officer Details, etc. should be requested from Finance by the Department(s) to ensure 100% cost recovery. Under no circumstance should the Department(s) calculate or quote billable rates for staff time.

3.16.2.2 Check Acceptance

The City's policies on the acceptance of checks are as follows:

- (A) Customer's name and address must be printed on the check, not handwritten, as no temporary checks will be accepted;
- (B) Checks cannot be postdated to a later date;
- (C) Checks cannot be held until a later date as checks must be submitted to Treasury in a timely manner;
- (D) The handwritten amount and the numeric amount must be the same. The amount must match the amount(s) due on the attached receipt(s); and
- (E) The receipt number (i.e., MR#, Building Permit#) need to be clearly written on the top of all checks.

3.16.2.2.1 Timely Deposit of Funds

The Timely Deposit of Funds is outlined in the City's Internal Control Procedures. Compliance is required to reduce the potential occurrence of audit observations/findings.

Checks that are not processed in a timely manner have a higher likelihood of being returned by the bank for insufficient funds or stop payment, as the payer considers the check to be lost/stale dated. It is required that all City employees in receipt of a check they are unsure of how to handle, the employee hand deliver the check to the Treasury Division immediately for research and proper credit.

All incoming mail shall be opened daily to ensure that a check is not enclosed before setting aside envelopes to handle at a later date.

3.16.2.3 Cash Receipts

The Treasury Division of the Finance Department maintains the inventory of prenumbered miscellaneous



PURCHASING & INTERNAL CONTROLS POLICY & PROCEDURES

receipts. The Department(s) may request issuance of receipt packets from Treasury staff and then track the issuance via control log. As a fraud preventative control, receipt sequences are then accounted for via receipt registers.

Voided receipts should be marked and recorded as such and should not be destroyed without:

- (1) Proper Documentation; and
- (2) At Least One Copy Forwarded to the Treasury Division.

Any missing or unaccounted receipts should be traced and reported to Treasury immediately via email to ensure that fraudulent activity is not occurring.

3.16.2.4 *Miscellaneous Receipts*

Each Miscellaneous Receipt shall include the following information:

- (1) The Name of the Person or Organization Paying (Do Not List the Name of the Department Writing the Receipt);
- (2) The Method of Payment. If Paid by a Check, it is Required to List the Check Number;
- (3) The Department Issuing the Receipt Needs to be Checked Off;
- (4) The Department Staff Member's Signature;
- (5) The Account Number, Amount, and a Brief Description of the Payment (e.g. Swim Lessons); and
- (6) The Specific Date Range of Payment being Received (e.g. June 2024).

3.17 **CONTRACTOR FILES**

The Finance Department shall create a contractor file for each new contractor or re-activated contractor from whom the City purchases goods or services.

The Department(s) shall mail a blank Form W-9 to new contractor and request that the contractor complete and sign the W-9 (or provide equivalent, substitute information) and return it in the postage-paid envelope provided (or via email). Completed, signed Forms W-9 or substitute documentation shall be filed in each contractor's file.

Contractor files shall have the following information:

- (1) Completed and signed Form W-9. Contractors being reactivated are required to complete a new Form W-9 to verify current name, address, and tax ID number;
- (2) Contractors with a post office (PO) box shall provide a physical location address for the master file. The PO Box number may be used for postal purposes. The contractor's name and physical address will be verified by performing an online search if such information is available online, particularly with the Secretary of State,



PURCHASING & INTERNAL CONTROLS POLICY & PROCEDURES

and mailing of contractor forms that are required to be returned;

- (3) Insurance Certificates and Endorsements; and
- (4) Business Licenses.

The following procedures will be performed prior to creating or re-activating all contractor files to help ensure that each contractor only has one (1) master file:

- (1) Search for existence of the tax ID number in the master file;
- (2) Search for name variations and name standardization (entity resolution) (e.g. Doe, John; J Doe; John Doe);
- (3) Search for matching or similar addresses;
- (4) Perform an online search of the contractor and the physical address to determine validity; and
- (5) Search for matches against the employee master file.

3.17.1 CONTRACTOR MASTER FILE MAINTENANCE

The City will monitor the contractor master file on a regular basis, with a full review of the master listing completed every year prior to year-end.

The Finance Department will review the master file for:

- (1) Duplicate contractors. Contractors with the same or similar tax ID number, name, address, email, contact, and other information. Duplicate contractors will be merged, and duplicates will be inactivated.
- (2) Contractors with a post office (PO) box address. Contractors with only a PO Box will be required to provide a physical location address for the master file.
- (3) Contractors without activity in the past 5 years will be inactivated. Inactivated contractors must go through the contractor creation process before being re-activated.

3.18 CONTRACTOR RELATIONS

It is to the City's advantage to promote and maintain good relations with contractors. The Purchasing Division and all Departments shall conduct their dealings with contractors in a professional manner and shall promote equal opportunity and demonstrate fairness, integrity, and courtesy in all contractor relations.

3.19 PURCHASING TEMPLATES



PURCHASING & INTERNAL CONTROLS POLICY & PROCEDURES

3.19.1 BUDGET AMENDMENT

The Budget Amendment Form may be revised from time to time at the Purchasing Officer's, or their designee's, discretion. Any such modification or revision will be documented by a Citywide email and/or memo.

3.19.2 BUDGET TRANSFER

The Budget Transfer Form may be revised from time to time at the Purchasing Officer's, or their designee's, discretion. Any such modification or revision will be documented by a Citywide email and/or memo.

3.19.3 JOURNAL ENTRY TO RECLASSIFY TO CORRECT AMOUNT

The Journal Entry to Reclassify to Correct Amount Form may be revised from time to time at the Purchasing Officer's, or their designee's, discretion. Any such modification or revision will be documented by a Citywide email and/or memo.

3.19.4 SUMMARY OF REQUISITION

The Summary of Requisition Form may be revised from time to time at the Purchasing Officer's, or their designee's, discretion. Any such modification or revision will be documented by a Citywide email and/or memo.

3.19.5 SOLE SOURCE JUSTIFICATION

The Sole Source Justification Form may be revised from time to time at the Purchasing Officer's, or their designee's, discretion. Any such modification or revision will be documented by a Citywide email and/or memo.

3.19.6 PURCHASE REQUISITION

The Purchase Requisition Form may be revised from time to time at the Purchasing Officer's, or their designee's, discretion. Any such modification or revision will be documented by a Citywide email and/or memo.

3.19.7 CHANGE ORDER

The Change Order Form may be revised from time to time at the Purchasing Officer's, or their designee's, discretion. Any such modification or revision will be documented by a Citywide email and/or memo.



PURCHASING & INTERNAL CONTROLS POLICY & PROCEDURES

3.19.8 PURCHASE ORDER CLOSEOUT CONFIRMATION

The Purchase Order Closeout Confirmation Form may be revised from time to time at the Purchasing Officer's, or their designee's, discretion. Any such modification or revision will be documented by a Citywide email and/or memo.

3.19.9 LATE INVOICE JUSTIFICATION FORM

The Late Invoice Justification Form may be revised from time to time at the Purchasing Officer's, or their designee's, discretion. Any such modification or revision will be documented by a Citywide email and/or memo.





CITY OF EL MONTE

BUDGET AMENDMENT

INTERDEPARTMENTAL COMMUNICATION

| | | | |
|---------------------|--|--------------------|--|
| REQUEST DATE | | FISCAL YEAR | |
|---------------------|--|--------------------|--|

| | | | |
|----------------------------|--|--|--|
| Department/Division | | | |
|----------------------------|--|--|--|

| | | | |
|-----------------------|--|------------------------|--|
| Requestor Name | | Requestor Title | |
|-----------------------|--|------------------------|--|

REQUEST INFORMATION

| | | | |
|---|----|--|--|
| Amount of Money to be Added, or (Reduced), to the Budget | \$ | | |
|---|----|--|--|

| | | | | |
|--|----|--|----|--|
| Account to which Funds are to be Added or (Reduced) | \$ | Current Account Balance before Budget Amendment | \$ | |
|--|----|--|----|--|

REASON FOR REQUEST

e.g. Amendment to Contract to Increase Funding, Amendment to Contract to Revise Scope of Services, Unanticipated Costs

| | | | |
|--|--|--|--|
| | | | |
|--|--|--|--|

SOURCE OF REVENUE

| | | | |
|--|--|--|--|
| Fund Name <i>(e.g. General Fund, AQMD Grant)</i> | | | |
|--|--|--|--|

REQUIRED DOCUMENTS ATTACHED

Contract or Contract Amendment
(Pages to Include: Effective Date, Term, Not to Exceed, and Signature Pages)

Council Staff Report & Meeting Minutes
(For increases only)

AUTHORIZATIONS

| | | | |
|------------------------------------|--|-------------|--|
| Department Head | | Date | |
| Insert Department Head Name | | | |

| | | | |
|---|--|-------------|--|
| Finance Department | | Date | |
| Insert Purchasing Officer and/or Designee Name | | | |



CITY OF EL MONTE

BUDGET TRANSFER

INTERDEPARTMENTAL COMMUNICATION

| | | | |
|---------------------|--|--------------------|--|
| REQUEST DATE | | FISCAL YEAR | |
|---------------------|--|--------------------|--|

| | | | |
|----------------------------|--|--|--|
| Department/Division | | | |
|----------------------------|--|--|--|

| | | | |
|-----------------------|--|------------------------|--|
| Requestor Name | | Requestor Title | |
|-----------------------|--|------------------------|--|

REQUEST INFORMATION

| | | |
|--|----|--|
| Amount of Money to be Transferred | \$ | |
|--|----|--|

| | | | | | |
|---|----|--|---|----|--|
| Account from which Funds are to be Transferred | \$ | | Account to which Funds are to be Transferred | \$ | |
|---|----|--|---|----|--|

| | | | | | |
|---|----|--|---|----|--|
| Current Account Balance before Budget Transfer | \$ | | Current Account Balance before Budget Transfer | \$ | |
|---|----|--|---|----|--|

REASON FOR REQUEST

e.g. Amendment to Contract to Increase Funding, Amendment to Contract to Revise Scope of Services, Unanticipated Costs

| |
|--|
| |
|--|

REQUIRED DOCUMENTS ATTACHED

Expenditure Status Report(s) (for all accounts listed)

AUTHORIZATIONS

| | | | |
|------------------------|--|-------------|--|
| Department Head | | Date | |
|------------------------|--|-------------|--|

Insert Department Head Name

| | | | |
|---------------------------|--|-------------|--|
| Finance Department | | Date | |
|---------------------------|--|-------------|--|

Insert Purchasing Officer and/or Designee Name

FOR FINANCE USE ONLY

| | | | | | |
|------------------|--|--------------------|--|-----------|--|
| Month End | | JE Page No. | | By | |
|------------------|--|--------------------|--|-----------|--|



CITY OF EL MONTE

JOURNAL ENTRY TO RECLASSIFY TO CORRECT ACCOUNT

REQUEST DATE

FISCAL YEAR

Department/Division

Requestor Name

Requestor Title

EXPLANATION FOR THE JOURNAL ENTRY

e.g. Account Charged in Error, Account was not created/active at the time of approval, Account was created/approved after the charge

CHANGE OF ACCOUNTS

Original Account Number Charged

Amount

\$

New Account Number to Charge

Amount

\$

ATTACHMENTS

Expenditure Detail Report

Copy of Check Including Invoices and Purchase Order (If Applicable)

Other Supporting Documents

If "Other" list the total number, and names, of attachments in the space provided below.

AUTHORIZATIONS

Department Head

Date

Insert Department Head Name

Finance Department

Date

Insert Purchasing Officer and/or Designee Name



CITY OF EL MONTE

SUMMARY OF REQUISITION

PROCUREMENT TYPE

Select the type of procurement from the options below.

- Supplies, Materials, Equipment General Services Professional Services

Indicate if this Purchase Requisition is for a Public Project.

- Public Project (General) Public Project (UPCCAA) Not Applicable

Indicate if this Purchase Requisition is to be funded via Federal Award

- Yes No Other (Explain)

PROCUREMENT METHOD

Select the method of procurement used from the options below. If the Purchase Requisition is for an additional scope of goods and services under an authorized contract, please provide the Contract and/or Contract Amendment number in the space provided.

| Exempt Solicitation | Informal Solicitation | Formal Solicitation |
|--|---|--|
| <input type="checkbox"/> Single-Source/ Sole-Source, Cooperative Purchase, No Competitive Market, Emergency, City Council Waived | <input type="checkbox"/> Request for Written Quotes | <input type="checkbox"/> Request for Proposals, Request for Qualifications |
| | | <input type="checkbox"/> Invitation to Bid |

Contract or Contract Amendment Number(s)

PROCUREMENT EXEMPTIONS

If this purchase requisition is exempt from the competitive bid process, please indicate the reason for the exemption below. Provide additional details as necessary.

- Attachments Included:**
- Single-Source/ Sole-Source Letter
 Cooperative Purchase (Piggyback) Solicitation
 Membership/ Subscription
 City Council Staff Report & Meeting Minutes



CITY OF EL MONTE

SUMMARY OF REQUISITION

QUOTES

For Bids submitted by El Monte Businesses, Deduct 1% from the Taxable Cost and insert the new cost in the "El Monte Bus. Cost" space provided.

| | | | | |
|---------------|-----------------|-----------|---------------------------|-----------|
| Bidder | Net Cost | \$ | El Monte Bus. Cost | \$ |
| Bidder | Net Cost | \$ | El Monte Bus. Cost | \$ |
| Bidder | Net Cost | \$ | El monte Bus. Cost | \$ |

Non-Responsive Bidders (If Any)

REQUEST FOR PROPOSALS/REQUEST FOR QUALIFICATIONS

Indicate the names of the Awarded and Shortlisted Bidders.

| | |
|---------------------------|--------------------------------|
| Awarded Bidder (1) | Short Listed Bidder (1) |
| Awarded Bidder (2) | Short Listed Bidder (2) |
| Awarded Bidder (3) | Short Listed Bidder (3) |
| Awarded Bidder (4) | Short Listed Bidder (4) |
| Awarded Bidder (5) | Short Listed Bidder (5) |

PURCHASE REQUISITION AWARDED TO

Name of Contractor/ Consultant/ Vendor

IF BIDDER IS NOT THE LOWEST COST, PROVIDE JUSTIFICATION BELOW

Empty text box for justification.

ATTESTATION

I hereby certify that, to the best of my knowledge, the provided information is true, accurate, and complete.

| | |
|--------------------------|-------------|
| Form Completed By | Date |
|--------------------------|-------------|



CITY OF EL MONTE

SOLE SOURCE JUSTIFICATION

SINGLE-SOURCE & SOLE-SOURCE PROCUREMENTS

An item or service shall be considered single-source or sole-source if such item or service is essentially unique and can be met solely by a single, patented, copyrighted or proprietary article or process available from a single or sole source. Examples of acceptable sole source purchases are:

- Equipment for which there is no comparable competitive product;
- A component or replacement part for which there is no commercially available substitution, and which can be obtained only from the manufacturer; or
- An item where compatibility with supplies, equipment, materials, general services or processes already in use by the City is the overriding consideration.

The facts and circumstances justifying the purchase from a single-source or sole-source must be documented. Elements of the Justification should include, at the minimum, the following information:

- (1) A description of the needs of the City for the matters covered by the contract.
- (2) A specification of the El Monte Municipal Code provision that exempts the solicitation from the competitive bidding requirements of EMMC Section 3.24.050 or from any informal competitive procedures set forth in Chapter 3.24 or in this policy manual.
- (3) A determination that the use of a sole-source contract is in the best interest of the City.
- (4) A determination that the anticipated cost of the contract will be fair and reasonable.

If this purchase requisition is for a Single-Source or Sole-Source Procurement, indicate the reason below.

- | | | |
|--|--|--|
| <input type="checkbox"/> Unique or Proprietary Product/ Service | <input type="checkbox"/> Manufacturer Exclusive Product/ Service | <input type="checkbox"/> Compatibility with supplies, equipment, |
| <input type="checkbox"/> No comparable or competitive Product/ Service available | <input type="checkbox"/> No commercially available substitution | <input type="checkbox"/> materials, general services or processes already in use by the City |

Provide detailed justification below.

Signed Single-Source or Sole-Source Letter on Vendor Letterhead Attached:

Yes

No

If "No", explain why.

ATTESTATION

I hereby certify that, to the best of my knowledge, the provided information is true, accurate, and complete.

Form Completed By

Date



CITY OF EL MONTE

PURCHASE REQUISITION

INTERDEPARTMENTAL COMMUNICATION

| | | | |
|-------------------------|--|------------------------|--|
| REQUISITION DATE | | REQUISITION NO. | |
|-------------------------|--|------------------------|--|

| | | | |
|----------------------------|--|---|--|
| Department/Division | | Suggested Contractor/ Consultant/ Vendor | |
| Shipped To | | Physical Address | |
| Ship To Attn. | | Contact Name | |
| Phone Number | | Phone Number | |
| Email Address | | Email Address | |

| ITEM | QUANTITY | UNIT | ITEM DESCRIPTION | ACCOUNT NO. | UNIT PRICE | TOTAL |
|--------------|----------|------|------------------|-------------|------------|-------|
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| TOTAL | | | | | | |

AUTHORIZATIONS

- Department Head Approval Authority**
 ≤ \$15,000 (Supplies, Materials, Equipment, General Services, Professional Services, UPCCAA Public Projects)
 ≤ \$5,000 Public Projects (General)
- City Manager Approval Authority**
 ≤ \$50,000 (Supplies, Materials, Equipment, General Services, Professional Services)
 ≤ \$50,000 Public Projects (UPCCAA)
 ≤ \$50,000 Capital Improvement Projects
- City Council Approval Authority**
 > \$50,000 (Supplies, Materials, Equipment, General Services, Professional Services)
 > \$5,000 Public Projects (General)
 > \$50,000 Public Projects (UPCCAA)
 > \$50,000 Capital Improvement Projects

| | | | |
|---------------------------|--|-------------|--|
| Department Head | | Date | |
| | Insert Department Head Name | | |
| City Manager | | Date | |
| | Insert City Manager Name | | |
| Finance Department | | Date | |
| | Insert Purchasing Officer and/or Designee Name | | |



CITY OF EL MONTE

CHANGE ORDER

INTERDEPARTMENTAL COMMUNICATION

| | | | |
|------------------------------|--|---------------------------|--|
| FISCAL YEAR REQUESTED | | PURCHASE ORDER NO. | |
|------------------------------|--|---------------------------|--|

| | | | |
|----------------------------|--|--------------------------|--|
| Department/Division | | Form Completed By | |
|----------------------------|--|--------------------------|--|

| | | | |
|--|--|--|--|
| Contractor/ Consultant/ Vendor Name | | Contractor/ Consultant/ Vendor Number | |
|--|--|--|--|

| Account Number(s) to Use | 1 | Amount to Increase or (Decrease) | \$ |
|--------------------------|---|----------------------------------|----|
| | 2 | | |
| 3 | | \$ | |
| 4 | | \$ | |
| 5 | | \$ | |

| | | | | |
|----------------------------|------------------------------|----|---------------------------------------|--|
| Budget Was Verified | <input type="checkbox"/> Yes | \$ | <input type="checkbox"/> No (Explain) | |
|----------------------------|------------------------------|----|---------------------------------------|--|

REASON FOR REQUEST

e.g. Amendment to Contract to Increase Funding, Amendment to Contract to Revise Scope of Services, Unanticipated Costs

REQUIRED DOCUMENTS ATTACHED

- Purchase Order Accounting Report
- Purchase Order Transaction Report
- Expenditure Status Report
- Contract and Contract Amendment(s) (Date, Term, Not to Exceed, and Signatures)
- Council Staff Report(s) & Meeting Minutes (If Applicable)
- Sam.Gov Suspension-Debarment Report (If Applicable)

AUTHORIZATIONS

- Department Head Authority**
≤ \$15,000 (Supplies, Materials, Equipment, General Services, Professional Services)
- City Manager Authority**
≤ \$50,000 (Supplies, Materials, Equipment, General Services, Professional Services)
≤ 10% of Contract Price for Public Projects
- City Council Authority**
> \$50,000 (Supplies, Materials, Equipment, General Services, Professional Services)
> 10% of Contract Price for Public Projects (General)

| | | | |
|------------------------|-----------------------------|-------------|--|
| Department Head | | Date | |
| | Insert Department Head Name | | |

| | | | |
|---------------------|--------------------------|-------------|--|
| City Manager | | Date | |
| | Insert City Manager Name | | |

| | | | |
|---------------------------|------------------------------------|-------------|--|
| Finance Department | | Date | |
| | Purchasing Officer and/or Designee | | |

| | |
|--|--|
| FINANCE CHANGE ORDER PROCESS DATE | |
|--|--|



CITY OF EL MONTE

PURCHASE ORDER CLOSEOUT CONFIRMATION

**PURCHASE ORDER CLOSEOUT
REQUEST SUBMISSION DATE**

**PURCHASE ORDER/
CHANGE ORDER NO.**

Department/Division

Fiscal Year Requested

**Contractor/ Consultant/
Vendor Name**

**Contractor/ Consultant/
Vendor Number**

Amount to Decrease \$

Budget Was Verified

Yes

\$

No (Explain)

REASON FOR REQUEST (If Other Than Fiscal Year End Closeout)

CONTRACTOR/ CONSULTANT/ VENDOR ATTESTATIONS

I understand and acknowledge that a Purchase Order may not be reopened once closed and I hereby certify that all invoices for goods and services rendered have been submitted to the City of El Monte and paid in full as of June 30, 202X.

Invoice Balance as of June 30, 202X \$

Enclosed is a statement containing the invoice numbers, dates, and amounts comprising the balance due.

Contractor/ Consultant/ Vendor Name

**Contractor/ Consultant/ Vendor
Authorized Signatory**

Date

Insert Contractor/ Consultant/ Vendor Authorized Signatory Name

DEPARTMENT ATTESTATIONS

I understand and acknowledge that a Purchase Order may not be reopened once closed and I hereby certify that, to the best of my knowledge, the provided information is true, accurate, and complete.

Department Head

Date

Insert Department Head Name

Finance Department

Date

Insert Purchasing Officer and/or Designee Name

FINANCE PURCHASE ORDER CLOSEOUT PROCESS DATE

