

ADAMHS BOARD OF CUYAHOGA COUNTY

POLICY STATEMENT

SUBJECT: PURCHASING POLICY

EFFECTIVE DATE: November 28, 2018

PURPOSE

To identify the policies and procedures to be used in the procurement of goods and services by the ADAMHS Board of Cuyahoga County.

POLICY

The Alcohol, Drug Addiction and Mental Health Services (ADAMHS) Board of Cuyahoga County will ensure the fair and equitable treatment of all persons involved in public purchasing; will maximize the purchasing value of public funds; and will provide safeguards for maintaining a procurement system of quality and integrity.

In support of the ADAMHS Board's goal to exercise good stewardship of public funds, the ADAMHS Board will oversee comprehensive purchasing and procurement activities that will provide greater cost-effectiveness, public accountability, efficiency, and transparency, as well as promote equal economic opportunity. The elements of this policy shall apply to all personnel involved with any procurement of goods and services for the ADAMHS Board of Cuyahoga County.

DUTIES AND RESPONSIBILITIES

- 1) The Chief Financial Officer (CFO) for the ADAMHS Board, under the guidance and direction of the Chief Executive Officer (CEO), shall oversee all procurement activities for the agency. It is the CFO's responsibility to give leadership in all purchasing and contracting activities for the Board.
- 2) The CFO may designate others in the agency to serve as purchasing agents under the CFO's supervision. It is the CFO's responsibility to delegate purchasing responsibilities.
- 3) The CFO is responsible for establishing purchasing and procurement policies, coordinating the purchasing and procurement procedures for the ADAMHS Board, and overseeing the formal bidding and proposal processes for materials, services, supplies and professional services.

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VENDOR RELATIONS

Purchasing activities will be conducted so that vendors will value ADAMHS Board business and make every effort to furnish the requirements on the basis of quality, service and price. The relationship between the purchaser and seller is one of mutual respect. The ADAMHS Board desires the highest quality of services to those we serve. Thus the ADAMHS Board will buy only from suppliers who have adequate financial strength, high ethical standards, and a record of adhering to specifications, maintaining delivery promises and giving a full measure of services.

It is essential to develop and maintain goodwill between the ADAMHS Board and its suppliers. The reputation of the ADAMHS Board can be promoted by:

- 1) Keeping competition open and fair.
- 2) Keeping specifications fair and clear.
- 3) Cooperating with the seller and considering their difficulties in providing the service or products.
- 4) Having consistent buying policies and principles.
- 5) Observing strict truthfulness in all transactions and in correspondence.
- 6) Respecting the confidence of the salespersons or their company as to confidential information.
- 7) Keeping free from obligation to any vendor.
- 8) Guaranteeing integrity, accountability and transparency.

ETHICAL CONSIDERATIONS

Vendors:

In any consideration of public responsibilities, there must be understanding and agreement with reference to the ethics of public purchasing. Vendors are expected to comply with the Ohio Ethics Law and related statutes of the Ohio Revised Code.

ADAMHS Board Employees:

Employees shall not become obligated to any vendor and must not enter into any transaction from which they may personally and improperly benefit, as a result of their association with the ADAMHS Board.

Purchasing activities shall be conducted so that vendors will value the ADAMHS Board's business and will make every effort to furnish its requirements on the basis of quality, service and price.

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Individuals engaged in purchasing and procurement shall promote constructive competition by seeking new bidders/proposers, obtaining several bids/proposals when possible on materials and services purchased, and developing more than one active source of supply for various products and services.

PROMOTION OF EQUAL OPPORTUNITY:

No person shall be denied the benefit of, or otherwise be discriminated against, on the basis of race, creed, color, national origin, handicap, sex, age, marital status, or sexual orientation in connection with performance, and/or modification of a procurement between a vendor or contractor and the ADAMHS Board where said procurement is paid for, in whole or in part, with monetary appropriations by the ADAMHS Board.

SMALL BUSINESS ENTERPRISE PROGRAM (SBE):

The objective of the SBE Program is to promote and encourage full and open competition in the procurement of goods and services by the ADAMHS Board; encourage all of ADAMHS Board's personnel involved with procurement and contracting activities to maintain good faith efforts and follow appropriate purchasing procedures; and to protect the ADAMHS Board from becoming a passive participant in any unlawful discrimination.

MINORITY BUSINESS ENTERPRISE

From the purchasing procurements to be awarded for the purchases of equipment, materials, supplies, or services, other than contracts entered into under section 340.03 of the Revised Code (for the provision of community addiction and mental health services), the ADAMHS Board will set aside funding for bidding by minority business enterprises only. The funding set-aside will be no less than fifteen per cent of the total annual procurements to be awarded in the current fiscal year and aggressively strive to award above the fifteen per cent goal.

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PROCUREMENT METHODS

ONE-TIME PURCHASE OF SUPPLIES, EQUIPMENT OR SERVICES COSTING UNDER \$25,000.00 (No ADAMHS Board Approval Required)

Although Ohio Revised Code Section 307.86 does not require competitive bidding for one-time purchase of goods / equipment / services, under \$50,000.00, the ADAMHS Board requires said purchases to be approved if in excess of \$25,000.00. Informal competitive bidding may be undertaken for these types of purchases when the cost is expected to exceed \$1,000.00 (i.e. documented phone/fax/e-mail quotes).

FULL AND OPEN COMPETITION (ADAMHS Board Approval required)

Full and open competition procurement methods encourage competitive pricing, maximum participation by vendors, promotes transparency and accountability, and increases awareness of available options. All procurements with a cost of \$25,000.00 or more are awarded through a bidding process and are to be approved by the ADAMHS Board of Directors. Available options include:

Formal Competitive Bidding

For those goods or services estimated to exceed \$25,000.00, a formal competitive bidding process shall be done unless exempt from the competitive bidding process. The standard of award is the lowest and best bidder in accordance with all applicable requirements.

Request for Information (RFI) / Request for Proposals (RFP)

A **request for information (RFI)** is a solicitation made for the provision of information that will assist in decision making process to procure products or services that assist the ADAMHS Board in fulfilling its mission. An RFI can generate multiple ideas for product selection and/or service delivery and allow prospective providers who have both unique solutions to problems and expertise to provide the service.

A **request for proposal (RFP)** is a solicitation made, for the provision of services that benefit individuals in need of Mental Health and/or Addiction Services. (i.e. purchase of Computer System). The RFP solicitation presents preliminary requirements for the commodity or service, and dictates the structure and format of the provider or

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supplier's response. Price alone is not the sole determining factor; a provider's expertise, experience, ability to grasp the problem and propose a clear solution, and level of commitment to the project is also considered. The RFP solicitation will be advertised in on the ADAMHS Board of Cuyahoga County's website (<http://adamhsc.org/>). RFP's will be conducted on an as-needed basis.

In principle, an RFP:

- informs suppliers that an organization is looking to procure and encourages them to make their best effort.
- requires the company to specify what it proposes to purchase.
- alerts suppliers that the selection process is competitive.
- allows for wide distribution and response.
- ensures that suppliers respond factually to the identified requirements.
- is generally expected to follow a structured evaluation and selection procedure, so that an organization can demonstrate impartiality

EXEMPTIONS TO FULL AND OPEN COMPETITION

Non-competitive procurements may be utilized to address unique procurement needs. All non-competitive procurements with a cost of \$25,000.00 or more are to be approved by the ADAMHS Board of Directors. Non-competitive procurements include:

Sole Source Purchases

The ADAMHS Board will use this method when it can be documented that the goods and services are limited to a single supplier.

Government Purchases

The ADAMHS Board allows for purchases without competitive bidding when the purchase is from the federal government, a state, a county, or another ADAMHS Board.

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State Contract Purchases

The ADAMHS Board will participate in certain contracts into which the State of Ohio Department of Administrative Services has entered for the purchase of various supplies, services, and equipment. A list of state contracts can be obtained on the Internet by visiting the website for the Ohio Department of Administrative Services at www.procure.ohio.gov.

Lower than State Contract Purchases

The ADAMHS Board will purchase supplies or services from another party, including political subdivisions, instead of through participation in State Contracts, when the other party can provide the supplies or services under equivalent terms, conditions, and specifications, but at a lower price than on State Contract.

Public Utilities

The ADAMHS Board allows for purchases without competitive bidding in accordance with Ohio Revised Code Section 307.86. For purchases meeting this requirement, no justification is required.

Providers Identified in Grant Applications

When applying for external funds, the ADAMHS Board identifies partner agencies to provide the service(s) required in the grant/funding solicitation. To meet grant submission deadlines, the ADAMHS Board needs to quickly identify the partner agencies and work with them to develop the program plan and scope of services. Factors in identifying partner agencies include licensure, past performance, staff qualifications and capacity.

Amendments to Existing Provider Contracts

The ADAMHS Board will on an as needed basis amend contracts. Contract amendments may be necessary to extend the contract period or to increase the contract value. Amendments will be considered if all of the following is satisfied:

- Program performance is satisfactory;
- Services funded are within the scope of the provider's RFI/RFP response;
- Additional funding requested is deemed necessary and reasonable;
- The extended time period (if applicable) is within the period identified in the RFI/RFP solicitation.

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Ohio Revised Code Procurement Exemptions

Section 307.86 of the Ohio Revised Code allows for the exemption of competitive procurement for the services of the following: an accountant, architect, attorney at law, physician, professional engineer, construction project manager, consultant, surveyor, or appraiser.

Reference: Ohio Revised Code Section: 307.86

Supersedes and retires: Purchasing Policy, Effective June 24, 2015

/s/ Rev. Benjamin F. Gohlstin, Sr. /s/ Scott S. Osiecki

Rev. Benjamin F. Gohlstin, Sr.
ADAMHS Board Chair

Scott S. Osiecki
Chief Executive Officer

11/28/2018

11/2021

Approval Date

Review Date