

Wyoming Department of Transportation



Procurement Services Policies & Procedures Manual (including Disposal of Equipment and Property)

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Chapter 1 – Introduction

This manual is designed for WYDOT staff involved in requesting, ordering, receiving, and/or paying for goods or services needed by WYDOT. It is a guide to the tasks and responsibilities of employees who play a role helping maintain WYDOT's reputation for fairness and integrity in procurement practices.

To have an outstanding procurement program, all personnel involved must work as a team, and cooperation between the various functions is vital. Those individuals whose duties require them to become a part of the acquisition function must be aware of the responsibilities delegated to them in their role as an agent for WYDOT; and with the Procurement staff who can help them through the procurement process.

This guide will serve as a general framework within which consistent, sound business decisions can be made. The policies and procedures outlined in this manual are all within the context of the Wyoming State Statute, WYDOT Operating Policy, Federal Acquisition Regulations (FARs), Office of Management and Budget (OMB) Circulars and other governing sources.

Please note that the goal is to procure goods and services deemed to be the **best value**. To achieve this objective, WYDOT needs to seek, within reason, as much competition as possible. This requires all players in the process to adopt the value of fairness so that the process is open to all those who want to compete for our business.

Each person involved in procurement strives to ensure that integrity and sound business practices are woven throughout the procurement cycle in order to maintain a position of unquestioned ethics in the transaction of WYDOT business.

The procedures described in this manual have been prepared to ensure the best possible service to all concerned at WYDOT and are a summary guide for WYDOT staff engaged in procurement activities. The manual clarifies policies and objectives necessary to procure goods and services for WYDOT as expediently as possible and at the best value for WYDOT.

1.1 Mission Statement

To support the needs of WYDOT by procuring quality goods and services at the best value for the taxpayer's dollar while maximizing fair and open competition and maintaining the highest standards of integrity and ethical conduct.

1.2 Procurement Code of Ethics

All employees engaged in any procurement activity for WYDOT shall be guided by the conduct and disciplinary provisions of Executive Order 1997-4 and the WYDOT Procurement Code of Ethics.

1.3 Procurement Services Department

The Procurement Services Department is ready to assist in obtaining quality goods and services at competitive prices with responsive and responsible service. The Procurement staff has been assigned responsibilities to support procurement activities on behalf of WYDOT. A current listing of team and commodity assignments is maintained on the departmental website at: http://employees.dot.state.wy.us/home/procurement_services/procurement_services_staff.html.

1.4 Authorization

Procurements and contracting are governed by Wyoming Statute 9-2-1016, and delegated at various levels of authority as authorized by the monetary limitations, set forth in Operation Policy 24-1, Monetary Limitations and Approving Authority.

1.5 Definitions

- “Procurement” means buying, purchasing, renting, leasing, or otherwise acquiring any supplies, services, or construction. It also includes all functions that pertain to the obtaining of any supply, service, or construction, including description of requirements, selection and solicitation of sources, preparation and award of contract, and all phases of contract administration.
- “Goods” means all tangible items purchased or consumed, including but not limited to, all materials and equipment.
- “Services” means the furnishing of labor, time or effort by a contractor.
- “IT Equipment and Software” Information technology equipment means all business and personal computing devices, intelligent handheld devices including tablets and smart phones, printers and other related peripheral equipment. Software means all procured or developed software for use on any information technology equipment.

1.6 Organization

The Procurement Services Program shall be supervised by a procurement services manager and shall be responsible to the Chief Financial Officer. The Procurement Services Program shall consist of three sections:

A. Procurement Services Section:

- Prepares and administers documents for procuring materials, supplies, equipment, printing, services, and construction within established authority and limitations;
- Maintains liaison and/or contact with internal customers (requestors) regarding specifications for or required information on materials, supplies, equipment, printing, services, and construction being requested;
- Maintains liaison and/or contact with suppliers, manufacturers, etc.;
- Supervises proper disposal or transfer of surplus property, inventory, etc.; and
- Expedites information to concerned personnel on delivery dates, sources of supply, etc.

B. Administrative Professionals Section:

- Provides administrative support for the Procurement Services Program in preparing and issuing formal bid and RFP solicitation packages, contracts, bid tabulations, contract and bid addenda, and technical correspondence in the procurement of materials, supplies, equipment, printing, services, and construction;
- Types a variety of forms and correspondence relating to the practices in the Procurement Services Program;
- Screens and corrects documents for procedural compliance and accuracy;
- Acts as first point of contact for incoming telephone calls and walk in customers; *and*
- Enters, updates, maintains, and creates filing systems.

C. Warehouse Section:

- Maintains a stock inventory of materials, supplies, equipment, and forms for distribution to WYDOT offices and personnel statewide;
- Establishes a uniform process for selling and disposing surplus equipment and property;
- Maintains storage facilities to support shipping and receiving functions;
- Ensures that the supply catalog is current and a proper inventory level is maintained at all times;
- Takes required action to order replacements when stock levels so indicate;
- Inputs and updates computer information so that the computerized warehouse summary is current at all times;
- Makes required pickup and deliveries of materials, supplies, equipment, and forms; *and*
- Annually inventories all items stocked in the warehouse for comparison to computer inventory records maintained by the Property and Inventory Section of the Financial Services Program. Analyzes results and makes adjustments as required and approved by the procurement services manager.

Chapter 2 – Requisitions

The requisition is used to order goods or services. Supplies that are stocked in the Procurement Services warehouse or listed in the supply catalog are to be ordered from the warehouse.

The Procurement Services Program will not begin the procurement process until an approved requisition is received in the Procurement Services office. The appropriate district engineer or program manager approves all requisitions.

Information presented on the requisition provides the basis for bids, quotations, request for information (RFI) or request for proposal's (RFPs) sent to potential bidders or offerors supplying the needed goods or services. The requisition serves to inform the buyer of the needs of the department and to fully define the goods or services requested. An accurate and well-planned requisition will ensure the completion of an economical and timely procurement transaction.

2.1 Pre-Planning

- A. It is important for requestors to invest a sufficient amount of time in preparing their requisitions for the goods or services needed. Requestors must remember that their requisitions will determine what they will receive and how quickly they will receive it. Any additional information supplied to the buyer will help the purchasing process flow smoothly (e.g., suggested suppliers, manufacturer or model numbers, previous POs, brochures or literature, specifications).
- B. The formal bid or RFP process (for procurements valued over \$25,000) may take 30-120 days from the time of receipt of the requisition and specifications to final approval depending on the complexity of the request. Competitive sealed bids typically take 30 days (public works bids typically take 60-90 days). RFP's typically take 90-120 days (and sometimes a lot longer if contract negotiations are difficult or if a bidding agency contests the decision). Additional time (up to 30 days) should be added for any procurement that requires a formal Contract from the Attorney General's office.

2.2 Requisition Preparation

A purchase requisition is the initiating document required for the purchase of goods and the engagement of service providers. Purchase requisitions transfer the authority to expend funds. This document is prepared electronically through the PeopleSoft e-Pro system by authorized individuals within WYDOT. Depending on various elements and methods of procurement, Procurement staff will convert the purchase requisition into a purchase order.

Typical components of a Requisition:

- Description of the requirement;
- Specifications;
- Quantity of the item(s) to be procured;

- Delivery or performance requirements;
- Any recommended special packaging and marking requirements;
- Inspection and acceptance requirements;
- Recommended sources;
- Any recommended special contract administration requirements;
- Any recommended special provisions or clauses;
- Any recommended price-related factors for award;
- Any recommended non-price evaluation factors for award (if any);
- Justifications and approvals for other than full and open competition; and
- Determination that a pre-bid or pre-proposal conference is needed.

Procurement will review the requisition and complete the contracting process once all documentation is received. Please remember:

- Should major deficiencies or omissions be identified, the requestor will be contacted to supply any missing information or to make the necessary corrections.
- Failure to provide the needed documentation may cause delays in processing the requisition.

A. Requisition Creation Procedure

1. District or program personnel determine the need to purchase materials, supplies, equipment, printing, services, or construction.
2. District or program personnel (authorized requestors) create an e-Pro requisition in PeopleSoft for the goods or services desired.
3. Follow the step-by-step instructions listed on the Intranet under the ERP Resources Page, ERP Training Resources, link, under the headline, "PeopleSoft 9.2 ePro Requisitions Training."
4. The Procurement Services Program will solicit RFP's, bids, RFI's, or quotations and route for all additional approvals required (executive staff, the Commission, etc.).

2.3 Requisitioning Information Technology (IT) Hardware and Software Procedure

IT hardware (including computers, tablets, mobile phones, printers, and other related peripheral equipment such as portable storage devices) and all software purchases require Enterprise Technology Services (ETS) approval. An approved requisition, along with a Wyoming Department of Enterprise Technology Services (ETS) confirmation e-mail listing the ETS approval number must be submitted to the Procurement Services Program for all IT Hardware and Software in excess of \$500.00 for each item. All requisitions must be approved by the appropriate district engineer or program manager.

1. District or program personnel determine the need to purchase IT hardware and/or software.
2. Personnel from the district or program (authorized requestors), submit an ETS request to the Wyoming Department of Enterprise Technology Services for approval. The ETS requests are submitted at:

<http://etsrequest.wyo.gov/>. An E-Mail notification is sent to the requestor with request approval.

- IT projects, RFP's and contracts require ETS approval PRIOR to letting the contract. A business case is required for submission to and approval from the IT manager (or designee) to ETS when:
 - The project contains hardware, software, professional services, maintenance, telecommunications, or video exceeding \$200,000;
 - The project affects multiple agencies; *or*
 - The Governor or state information officer requests a business case.
3. The district or program personnel (authorized requestors), create an e-Pro requisition in PeopleSoft by following the step by step instructions listed on the Intranet under the ERP Resources Page, ERP Training Resources link, under the headline, "PeopleSoft 9.2 ePro Requisitions Training for IT hardware or software desired. The requisition and ETS confirmation e-mail (with the ETS approval number), are submitted to the appropriate district engineer or program manager for review and approval.
 4. The district engineer or program manager verifies that an ETS approval has been obtained prior to approving the requisition. After ETS approval, the district engineer or program manager finalizes the requisition in PeopleSoft.
 5. The Procurement Services Program orders from pre-approved state contracts or solicits RFP's, bids, RFI's, or quotations and route for all additional approvals required (executive staff, the Commission, and so forth).

2.4 *"Confirming Only" Requisitions*

I. Definition:

A purchase of goods or services, without having a purchase order.

II. Policy:

Confirming only requisitions should only be used in an emergency situation and should follow the procedure outlined in Chapter 4, Section 4.5 Noncompetitive Negotiated Purchases, Sub-Section A.

III. Prohibited Practices:

Placing orders for goods or services directly with vendors, before a purchase order has been issued.

Chapter 3 – Procurement Requirements, Thresholds and Monetary Approval Authority

Employees who procure on behalf of WYDOT are charged with acquiring the best quality goods and services at the lowest cost. To maintain economies of scale, it is necessary to combine and compete like purchases.

Program managers, district engineers, and their designees may solicit, advertise, and award informal verbal quotations (purchases up to \$5,000) or formal written quotations (purchases of \$5,000 to \$25,000) within their approval authorities as designated in Operating Policy 24-1. **At least three quotations should be solicited whenever possible. Screen shots and online carts will not be accepted.**

3.1 Competitive Sealed Bids/RFP's

Expenditures \$25,000 and above require competitive bids or RFP's through the Procurement Services Program.

Sealed bid(s)/RFP(s) shall be received until the date and time indicated in the document for the return of that bid(s)/RFP(s). Any bid(s)/RFP(s) received after the designated time shall neither be accepted nor considered for evaluation, recommendation and award. See section 4.3 for definition of sealed bid and section 4.4 for definition of RFP and their associated procedures.

Once a request for bid(s)/RFP(s) is released, individuals should not discuss the requirements of the solicitation or in any way offer additional information to suppliers outside of a formal addendum to the solicitation documents. If a supplier contacts a requestor directly, that potential supplier should be referred to the appropriate representative issuing the solicitation. No verbal or written information obtained other than by the Bid/RFP documents or by an addendum to the bid/RFP is binding on WYDOT.

A supplier may not proceed with filling the requirements of the Bid/RFP until a contract has been executed or a Purchase Order released to the supplier.

3.2 Monetary Limits

A. Goods, Services, and Public Works	Monetary Limit
Employees authorized by program manager or district engineer (A Delegation of Spending Authority form must be on file with the Financial Services program)	\$5,000
Program Manager or District Engineer	\$25,000

Assistant Chief Engineers	\$50,000
Executive Staff	\$100,000
Director	\$200,000
Transportation Commission of Wyoming	Over \$200,000

The director with Transportation Commission chair approval may waive monetary limits in emergency situations.

Chapter 4 – Methods of Procurement

4.1 *P-card or Direct Pay Invoices (up to \$5,000)*

The Purchasing card (p-card) or direct pay invoice is used to procure goods and services within prescribed limits for normal day-to-day operations.

- A. Purchases under \$5,000 may be paid by purchasing card (p-card) or direct pay. Such purchases must comply with the Financial Services Program's policies and procedures. **At least three quotation should be solicited whenever possible. Screen shots and online carts will not be accepted.** Purchasing card and direct pay invoices are prohibited for:
 - 1. Any purchase of \$5,000 or more.
 - 2. Items listed in the WYDOT Procurement Supply Catalog.
 - 3. Single items costing \$500 or more, which require a property tag.
 - 4. Purchase contract items.
 - 5. Computer hardware and software.
- B. Purchases up to \$5,000 require informal telephone quotations documented on Form A-9A, Telephone Quotation Sheet, available on the Intranet under the *Procurement Services* tab or under the *Forms* tab. **At least three quotation should be solicited whenever possible.** The employee requesting the quotation obtains the following:
 - 1. Vendor's name, address, and authorized representative name;
 - 2. Price;
 - 3. Freight charges;
 - 4. Quotation date (date quote is filled out); and
 - 5. Delivery time or completion date.
- C. For purchases under \$5,000 requiring a purchase order, the responsible employee submits a requisition to Procurement Services with a copy of Form A-9A, Telephone Quotation Sheet.
- D. Districts or programs may issue a requisition to Procurement Services to solicit quotations on their behalf.
- E. The program manager or district engineer may reject any quotations.
- F. ***Purchasers must ensure they give equal opportunity for all suppliers to offer quotations and not show favoritism.***

4.2 *Quotation Solicitation Procedure (\$5,000 to 25,000)*

A quotation solicitation is the process of notifying potential qualified offerors that you have a need for a specific product or service and wish to receive quotes. Regardless of the threshold or procurement method, all solicitation documents should have enough details to allow potential offerors to submit an adequate response and to avoid unnecessary change orders and risk of exceeding your budget.

- A. Purchases of \$5,000 to \$25,000 require written quotations documented on Form A-9, Request for Quotation, to ensure compliance with WYDOT terms and conditions. This form is available on the Intranet under the *Procurement Services* tab, or under *Forms* tab. **At least three quotation should be solicited whenever possible.** The employee requesting the quotation obtains the following:
 - 1. Vendor's name, address, and authorized representative name;
 - 2. Price;
 - 3. Freight charges;
 - 4. Quotation date (date quote is filled out); and
 - 5. Delivery time or completion date.
- B. After the quotations have been received from the suppliers, the requestor submits a requisition to Procurement Services with copies of the Form A-9, Request for Quotation.
 - 1. Requests for a purchase from other than the low bidder, must be substantiated (i.e., when the low bid does not meet the specifications, etc.);
 - 2. If three quotations cannot be obtained, documentation showing an attempt to obtain at least three quotations must be submitted with the requisition; *and*
 - 3. All quotations obtained are to be submitted to the Procurement Services Program, referencing the requisition number.
- C. After the requisition and supporting documentation (quotations) have been received by the Procurement Services Program, and all required approvals have been obtained, a purchase order will be issued. The purchase order is the **only** document that authorizes purchase. **Do not** authorize delivery before receiving the purchase order from the Procurement Services Program.
- D. Requests for quotations **shall not** be obtained on items that are ordinarily purchased under formal bids or contracts. Some examples are as follows:

- Gasoline, road oil, sodium chloride, striping paint, traffic beads, or items presently under contract.
 - Routine office, drafting, engineering, safety, or field testing supplies and equipment that can be obtained from the headquarters warehouse.
- E. Ensure that the requests for quotations are filled out in their entirety. **All** required information is taken into consideration when determining the **award**. Written quotations **must** be signed by the vendor, or the quotation is **irregular** and cannot be considered. The Department will not honor commitments that do not follow the preceding required procedure.
- F. Districts or programs may issue a requisition to Procurement Services to solicit quotations on their behalf.
- G. The program manager or district engineer may reject any quotations.
- H. ***Purchasers must ensure they give equal opportunity for all suppliers to offer quotations and not show favoritism.***

Resident Bid Preference

State law requires a 5 percent bidder preference for all contracts (10 percent for printing contracts), calculated by adding the preference percentage to any nonresident bid then determining the low bidder based on the adjusted bid amount. Residency preference shall be granted to any contractor or supplier who has been certified as a resident by The Wyoming Department of Workforce Services, Labor Standards. Residency status can be verified at <http://www.wyomingworkforce.org/businesses/labor/> under the Residency Certifications List button in the drop down menu or Procurement Services can verify resident status if requested. ***No contract using federal funds may use a resident bid preference.***

4.3 Competitive Sealed Bidding (\$25,000 and above)

Competitive sealed bidding is a method of source selection in which an award is made to the most responsive and responsible bidder whose bid complies with the requirements contained in the solicitation. WYDOT will not evaluate past the low bid that meets specification.

Bids for goods and services shall be made by competitive sealed bidding, when:

1. The configuration or performance specifications are sufficiently designed to permit award based on the lowest evaluated price;
2. As determined in accordance with objective measurable criteria set forth in the invitation for bids; and

3. When available sources, the time and place of performance, and other conditions are appropriate for using competitive sealed bidding.

The competitive sealed bid process includes the following elements:

- Issuance of the invitation to bid;
- Receipt of bid by WYDOT at the date and time advertised;
- Evaluation of bids based upon the requirements set forth in the Bid; and
- Award to the lowest-cost responsive and responsible bidder meeting all of the terms and specifications in the solicitation.

Responsibilities

Requestor	Procurement
• Submitting a purchase requisition with an attached set of specifications describing the quality, performance and/or operational characteristics of the goods or services required. • Reviewing the bids received by Procurement to be certain that the offered products or services meet the specifications of the bid. • Documenting reasons, based on the specifications, why a bidder should not be considered for an award, if necessary; and • Recommending award to the most responsive and responsible bidder meeting the required minimum specifications. • Ensuring the goods or services received meet all requirements of the bid prior to receipt.	• Preparing bid solicitation documents based on the requisition and specifications submitted by the requestor. • Ensuring the process is open, equitable and fair to all potential suppliers. • Issuing and posting notification of the sealed bid requirement. • Receiving and securing bids prior to bid opening in a secure facility. • Opening bids at the date and time given in the bid. • Tabulating and analyzing the bids to determine the apparent lowest responsive and responsible bidder. • Providing copies of the apparent lowest responsive and responsible bid and the results of the analysis to the requisitioning individual for review.

4.4 Request for Proposals

A Request for Proposal (RFP) is a document in which an organization describes its requirements, asks suppliers for their proposed solutions, describes the key criteria which will be used in evaluating proposals, and outlines the terms and conditions under which the proponent will operate or supply goods or services.

An RFP is also a process for obtaining offers from competing organizations, evaluating those proposals against stated requirements using a pre-defined evaluation process and a pre-defined set of evaluation criteria in which price is not the only factor. The process must be both effective and able to withstand legal challenges from disgruntled suppliers.

The processes outlined in the Procurement Services “Request for Proposals (RFP) Procurement Guide” should be used in the development of any RFP’s. The guide is available on the Intranet under the *Procurement Services* tab, *Request for Proposal (RFP) Information*.

Confidentiality: Department staff shall not discuss bids with competing suppliers nor shall they discuss with any supplier the recommended award or the reasons for awarding or not awarding to any bidder. During the solicitation period, all supplier questions should be collected and responded to in writing through an addendum. Following award, debriefing of suppliers is allowed, but discussions should be focused on their bid and why it was unsuccessful, vs. the other bids received.

Processing Times

- A. Competitive sealed bids are advertised on WYDOT's web site and Public Purchase for a minimum period of three (3) weeks.
 - B. RFP's are advertised on WYDOT's web site and Public Purchase. The timeframe for completing the RFP can vary depending on the complexity of the project and the options utilized. With all factors considered, the RFP process shall require a minimum of twelve (12) weeks to complete.
 - C. Public works projects are advertised on WYDOT's web site, Public Purchase and when required, in newspapers with general circulation. The timeframe for public works contracts requires a minimum of twelve (12) weeks to allow for advertising, pre-bid conferences and any possible addenda to be issued.
- A requestor should take no more than five working days to review a draft bid document or the results of a sealed bid and return its recommendations to Procurement.
 - All those involved need to be notified of the delay whenever a review is expected to require additional time and analysis.

4.5 Noncompetitive Negotiated Purchases (Sole Source Purchases)

Noncompetitive negotiation is the establishment of contractual terms and conditions, including but not limited to contract price, by discussions with a single vendor, outside of the procedures established for competitive bidding and should only be used when competition is not feasible.

Noncompetitive negotiation may be used to purchase goods and services – if the item or service to be purchased is:

- A. For an emergency situation.*
- B. For compatibility with existing equipment or systems.
- C. To support a special program for which the product has unique characteristics essential to the program's needs.
- D. For trial and evaluation prior to specification development.
- E. The only known source (documentation must be submitted with the requisition).
- F. One for which users have had extensive training and experience, and the use of any other similar piece of equipment would require considerable reorientation and training.

G. To secure pre-negotiated cooperative contract pricing, such as with General Services Administration (GSA) pricing, state co-operative agreements, U.S. Communities contracts, National Association of State Procurement Officers (NASPO) contracts, and so forth. The contract number must be listed on the requisition.

- All noncompetitive negotiated purchases, up to \$25,000, must be substantiated in writing and approved by the appropriate district engineer or program manager before purchases are made.
- Noncompetitive negotiated purchases from \$25,000 to \$200,000, require chief engineer or administrator approval.
- Noncompetitive negotiated purchases over \$200,000 require Commission approval.
- The procurement services manager, district engineer, or program manager reserves the right to reject any noncompetitive negotiations.

***Emergency:** An occurrence, whether natural or human-caused, intentional or accidental, that threatens the health or safety of the traveling public or WYDOT employee's, causes loss or damage to WYDOT property or environment, and/or disrupts normal operations and, therefore, warrants immediate action.

The following are the criteria for determining whether to use Emergency Purchase Procedures:

- An equipment breakdown or act of God threatens to terminate essential services; or
- Public safety, health or welfare is threatened by a dangerous condition or immediate need for supplies, equipment or services.

The following procedures should be followed for emergency situations:

1. Obtain authorization from the appropriate Executive Staff member;
2. Procure the needed goods or services for the emergency;
3. Submit a requisition to Procurement Services with the following documentation:
 - Written authorization from the appropriate Executive Staff member must be submitted with the requisition.
 - Invoice or proposal from the contractor or vendor.

4.6 Non-Responsive, Non-Responsible and Debarred Suppliers

Debarred Suppliers: Vendors who have defaulted on WYDOT contracts are debarred and removed from our vendor's bidding list for a period of one year. It is the debarred vendor's responsibility to request to be reinstated on the vendor's list after the one year period.

Responsive Bidder/Proposer: A contractor, business entity, or individual who has submitted a bid or proposal that fully conforms in all material respects to the invitation for bids (IFB)/RFP and all of its requirements, including all form and substance.

Responsible Bidder/Proposer: A business entity or individual who has the financial and technical capacity to perform the requirements of the solicitation and subsequent contract.

It is also important to understand the reasons why a bid might be declared non-responsive or non-responsible.

Determination of Non-Responsiveness Reasons: • Bids not received prior to the specified deadline; • Bid unsigned; • Substitution or modification of WYDOT's terms and conditions; • Qualify their offers in such a manner as to nullify or limit their liability to WYDOT; • Bids which have any item or items omitted by the bidder; • Post-bid monetary modification of bids • Offer an all-or-none proposal; • Fail to conform with the required delivery schedules as set forth in the solicitation or the permissible alternatives; • Qualify their prices in such a manner that the proposal prices cannot be determined; • Make the proposal contingent upon the receipt of other awards currently under consideration; • Fail to provide the required bonds; or • Present any substantive difference between the bid and the proposal's terms and conditions, or inconsistencies and errors in quantitative or other reasoning.	Determination of Non-Responsibility Reasons: • The bidder is not a regular dealer or supplier of the goods and services offered; • The bidder does not have the ability to comply with the required delivery or performance schedule; • The bidder does not have a satisfactory record performance as documented prior to the receipt of bids by WYDOT; • The bidder is debarred by the WYDOT or the federal government. The bidder may be considered non-responsible if they do not have a satisfactory record of integrity or if they are debarred or suspended by another governmental jurisdiction; and • The bidder does not have the necessary facilities, organization, experience, technical skills or financial resources to fulfill the terms of the PO or contract.
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A minor informality or irregularity is one that is merely a matter of form and not of substance. It also pertains to some immaterial defect in a bid or variation of a bid from the exact requirements of the invitation that can be corrected or waived without being prejudicial to other bidders. The defect or variation is immaterial when the effect on price, quantity, quality, or delivery is negligible when contrasted with the total cost or scope of the supplies or services being acquired. The contracting officer either shall give the bidder an opportunity to cure any deficiency resulting from a minor informality or irregularity in a bid or waive the deficiency, whichever is to the advantage of the State.

Chapter 5 – Public Works Contracts

“Public work” includes alteration, construction, demolition, enlargement, improvement, major maintenance, reconstruction, renovation and repair of any highway public building, public facility, public monument, public structure or public system.

Federal and state funded road, road-related (such as rest areas), bridge, airport construction, reconstruction, and maintenance are excluded from this policy.

Any procurement using federal funds, regardless of size or portion, must comply with the procurement provisions of 2 CFR 200.

5.1 Procedure (Projects under \$25,000):

- A. The requestor obtains the required authority for expenditure (AFE), or budgetary approval.
- B. Obtain quotations in accordance with Section 4.2, Quotation Solicitation Procedure (\$5,000 to \$25,000), subparagraph A.
- C. Submit a requisition to Procurement Services with copies of the Form A-9, Request for Quotation in accordance with Section 4.2, Quotation Solicitation Procedure (\$5,000 to \$25,000), subparagraph B.
- D. The Procurement Services Program issues a purchase order in accordance with Section 4.2, Quotation Solicitation Procedure (\$5,000 to \$25,000), subparagraph C.
 - The purchase order is the **only** document that authorizes the work. **Do not** authorize work before receiving the purchase order from the Procurement Services Program.

5.2 Procedure (Projects over \$25,000):

- A. The requestor obtains the required authority for expenditure (AFE), or budgetary approval.
- B. A consultant (if required), is selected in accordance with Operating Policy 40-1, Consulting and Special Service Agreements.
- C. Plans and specifications are developed either by the Wyoming Department of Transportation (WYDOT) personnel, or a consultant. (Plans and specifications must be complete and concise.)
- D. The program or district requesting the construction submits a requisition, along

with an electronic set of plans and specifications to be e-mailed to the Procurement Services Program.

The requisition, plans, and specifications must be submitted at least two (2) months before the Commission meeting date, on which the contract is to be considered (i.e., bids to be considered in July, need to be submitted by the first week of May). This time allows for advertising, bidding, pre-bid conferences, and possible addenda before the bid opening time and date.

- E. After receiving the requisition, plans, and specifications, the Procurement Services Program schedules a pre-bid conference if requested, advertises the project, and solicits bids.
- F. The bids are opened and tabulated. The Procurement Services Program contacts the district, and the consultant (if applicable), for recommendations of award.
- G. Bids, tabulations, and recommendations are forwarded to administration or the Commission as required for approval. Contracts between \$25,000 and \$200,000 require administrative approval and contracts in excess of \$200,000 require Commission approval.

Note: Contracts less than \$25,000 do not require advertising.

- I. If the contract exceeds \$150,000 and has been approved, an award letter is sent out requesting a 100% contractor's bond (see bonding requirements below) and required proof of insurance from the successful contractor. The contractor has 20 days to submit the contractor's bond and required proof of insurance. After receipt of the contractor's bond and the required proof of insurance documents, the bond is sent to the attorney general's and chief engineer's offices for approval. If approved, a contract in the form of a purchase order and notice to proceed letter are issued to the successful contractor. The contractor's bond is retained until 41 days after the work has been advertised as completed and accepted.

5.3 *Receipt Process*

- In accordance with the contract documents, only 95 percent of the requested invoice amount from the contractor is to be paid (received in PeopleSoft). The final 5 percent is to be paid (received in PeopleSoft) after the 41 day advertising period (W.S. 16-6-116).
 1. After receiving an invoice, receive 95 percent of the amount in PeopleSoft, write the receipt ID and purchase order number on the invoice, e-mail to Financial Services at apinvoices@wyo.gov and e-mail the Procurement Services Program at dot-procurement-services@wyo.gov that the receipt has been made and in what amount. Continue this process for all payment requests except the final;
 2. Upon completion and acceptance of the project, e-mail the Procurement Services Program to let them know the project is completed and accepted and request that they begin the advertisement period;
 3. Procurement Services will process a Form E-96 and e-mail the Budget Program at dot-budget@wyo.gov initiating advertisement of the project. Once the project is advertised, the Budget Program will send posting notifications and notice as to when the advertisement period will be complete to Procurement Services and the project representative. The project representative will post the notices and Procurement Services will send a letter to the contractor requesting the required close out documents;
 4. After the 41 day advertisement period, the Procurement Services Program will notify the project representative that all required close out documents have been received and that it is okay to receive the final 5 percent in PeopleSoft. Again, write the receipt ID and purchase order number on the invoice and e-mail to Financial Services at apinvoices@wyo.gov and e-mail the Procurement Services Program at dot-procurement-services@wyo.gov that the final pay receipt has been made.

5.4 *Bid Advertisement*

Wyoming Statute 9-2-3006 (ii) (A) requires that WYDOT give notice of the opportunity to bid on the contract on WYDOT's web-site under procurement services for not less than two (2) consecutive weeks. The notice shall contain a general description of the proposed contract and shall indicate the procedures by which interested persons may apply for consideration.

5.5 *Partial Payments*

Wyoming Statute 16-6-702 (b) requires that WYDOT retain no more than five percent (5%) of the calculated value of any work completed as retainage. The retained payment shall be due and payable as prescribed by W.S. 16-6-116 (a).

5.6 *Project Completion Advertisement and Final Payment*

Wyoming Statute 16-6-116 (a) (ii) requires that WYDOT give notice to be published in a newspaper of general circulation, published nearest the point at which the work is being carried on, once a week for two (2) consecutive weeks, and posted on the WYDOT's web-site under procurement services. The notice shall set forth in substance that the public entity has accepted the work, or designated portion thereof, as substantially complete according to the contract and associated documents and that the general contractor is entitled to payment as provided in paragraph (iii) of this subsection upon the forty-first day (and the notice shall specify the exact date) after the notice was first published and posted;

(iii) Upon the forty-first day after the notice required under paragraph (ii) of this subsection was first published and posted, the public entity under whose direction or supervision the work has been carried on shall pay to the general contractor any payment retained by the public entity under W.S. 16-6-702(b) together with any other amount due under the contract, less any amount withheld for the portion of the public work that is incomplete or not completed in accordance with the contract and associated documents.

5.7 *Bonding Requirements*

Wyoming Statute 16-6-112 requires contractors to acquire bid bonds and performance bonds when they do business with the Wyoming Department of Transportation (WYDOT).

I. *Contracting Agent Defined*

In this policy, the term "contracting agent" means one or more of the following:

- A. The procurement services manager or an authorized employee of the Wyoming Department of Transportation.

II. Bid Bond

A bid bond is a guarantee that the conditions specified on the bid proposal will be honored by the successful bidder, and he or she will not default before the contract agreement or purchase order is signed. A bid bond guarantee may be in the form of a bond, cashier's check, certified check, or bank money order. The dollar amount of the bid bond or guarantee must be at least 10 percent of the bidder's dollar amount.

A. A bid bond is required if:

1. The Department procures construction in excess of \$150,000,
2. The project involves federal-aid participation, or
3. The contracting agent requires a bid bond.

B. In addition, the contracting agent can request a bid bond when the amount is less than \$150,000 if:

1. Past experience with the contractor(s) involved indicates assurance is needed so that the conditions, as shown on the bid proposal, will be met.
2. In the contracting agent's opinion, it benefits WYDOT to request a bid bond.
3. The Department stands to suffer an economic loss.

C. In addition to the preceding, the contracting agent may, at his or her discretion, request a bid bond for other items outside of Public Works (ex. Commodity haul items) if:

1. Past experience with the contractor(s) involved indicates assurance is needed so that the conditions, as shown on the bid proposal, will be met.
2. In the contracting agent's opinion, it benefits WYDOT to request a bid bond.
3. Price is extremely volatile
4. The Department stands to suffer an economic loss.
5. It is deemed to be in the Department's best interest.

III. Performance Bond

A performance bond (contractor's bond or surety bond) is a legal written obligation or guarantee pledging surety for financial loss caused by contractor default. A performance bond is required for the benefit of everyone who labors, furnishes materials, or contributes to the execution of the contract. It ensures the performance and completion of the terms of the contract, as well as payment of taxes, licenses, penalties, or assessments associated with the contract.

A. WYDOT requires a performance bond equal to 100 percent of the contract amount on any contract involving public works if:

1. The contract amount exceeds \$150,000,

2. Federal-aid participation is involved, or
 3. The contracting agent requires a bond.
- B. In addition to the preceding, the contracting agent may, at his or her discretion, request a performance bond when the amount is less than \$150,000 if:
1. It is needed to assure that plans and specifications are followed.
 2. Completion dates are crucial.
 3. Quality is an important factor.
 4. It is deemed to be in the Department's best interest.

IV. Supply Bond

A supply bond is a legal written obligation or guarantee pledging surety for financial loss caused by contractor default. A supply bond is required for the benefit of everyone who furnishes materials, or contributes to the execution of the contract. It ensures the performance and delivery of the terms of the contract, as well as payment of taxes, licenses, penalties, or assessments associated with the contract.

- A. The contracting agent may, at his or her discretion, request a supply bond equal to 100 percent of the contract amount for items outside of Public Works (ex. commodity/haul) if any of the following applies:
1. Past Experience with the contractor(s) involved indicates assurance is needed so that conditions, as shown on the bid proposal, will be met.
 2. It benefits or is in the best interest of WYDOT to request a supply bond.
 - 2.1 Timing of delivery of mission critical items
 - 2.2 Physical infrastructure
 - 2.3 Life and Safety
 - 2.4 The Department stands to suffer financial or operational loss
 3. Price is extremely volatile

V. Bonds Not Required

Bid bonds or performance bonds are not required when bids are called for stock or shelf items, repair parts, equipment, or materials ready for immediate delivery and further processing, labor, or handling is not a part of the contract.

VI. Risk Matrix

A Risk Matrix is a simple mechanism to increase visibility of risks and help businesses make informed decisions.

A risk matrix will be used to help determine if bonding is needed on any supply bond or public works bonding under \$150,000.00.

The Buyer will work with the each sections subject matter expert and pull recent historical data on each bid. This will help determine both the Business impacts along with the contractual obligations when conducting a risk assessment.

Risk Rating Matrix			Business Impacts				
			No business impacts can be expected based on occurrence.	Minor business impacts can be expected based on occurrence. Other means of obtaining the products are available.	Moderate Business Impacts can be expected based on occurrence. Some sort of mitigation is needed to ensure business can operate.	Major business impacts can be expected based on occurrence. Mitigation is needed to ensure business can operate.	Severe business impacts can be expected based on occurrence. Mission can not be fulfilled.
			Insignificant	Minor	Moderate	Major	Severe
Ability to meet Performance and Contractual Obligations	Expected to occur regularly under normal circumstances .	Certain	Medium	High	High	Very High	Very High
	Expected to occur at some point in time.	Probable	Medium	Medium	High	Very High	Very High
	May occur at some time.	Possible	Low	Medium	Medium	High	Very High
	Not likely to occur under normal circumstances.	Unlikely	Low	Low	Medium	High	High
	Could happen, but probably never will.	Rare	Low	Low	Low	Medium	High
Green risks – The risk here is low, so risks can usually be accepted. Risk avoidance or mitigation actions are likely not necessary.							
Yellow risks – The risk here is medium, consider risk mitigation actions to reduce or resolve the consequences. Solutions: Contract mitigation (ex. liquidated damages, demerge charges etc.); bonds secondary option							
Red risks – These are exceptionally high risks to the business. Solutions: Full bonds, liquidated damages, demerge charges etc.							

Chapter 6 – Major Maintenance

Major Maintenance is defined as expenditures made beyond the regular, normal upkeep of physical properties (i.e. Land, Buildings, and Equipment) for the repair or replacement of failed or failing building components at irregular intervals which is required to continue the use of the facility at its original capacity and for its original intended use, to prevent further damage, or to make it compliant with changes in laws, regulations, codes or standards.

Examples of Major Maintenance projects include:

Repair or replacement of components such as

- Roofs
- Boilers
- Windows
- Generators or
- Utility distribution systems

Additions or changes to safety systems such as

- Fire alarms
- Fire sprinklers
- Fire exits or
- Security systems

Necessary changes to facilities to meet regulatory requirements

- Americans with Disabilities Act (ADA)
- Occupational Safety and Health Administration (OSHA)
- Environmental Protection Agency (EPA)
- Wyoming State Building Code or
- Other applicable codes.

Projects that **will not** be considered for Major Maintenance include:

- Emergency projects
- Energy efficiency projects
- Routine Maintenance
- New Construction
- Adaptive Reuse

Chapter 7 – Specifications

The term "specification" refers to that portion of a solicitation that describes the characteristics of a commodity or service required. It is used interchangeably with the terms, "purchase description," "purchase specification," "purchase requirement," "commercial item description," and "scope of work."

A specification may include requirements for samples, prototypes, inspection, testing, warranty and packaging. The specification portion of a solicitation should not contain bidding instructions, contractual terms and conditions, pricing formats or similar materials.

7.1 Authority for Specifications

The requesting user has the authority and responsibility for specifications. Since the purpose of a specification is to translate a user's need into the delivery of goods or services, the development of specifications must be a cooperative effort between the ordering department and Procurement. However, prior to the release of a specification, as part of a solicitation, the buyer must be satisfied that its inclusion will result in a fair and equitable purchase.

7.2 Types of Specifications

There are several types of specifications. The development, selection and use of a particular type of specification, is dependent on the situation, time, information available and needs of the user. Procurement staff is available to assist with determining which type to use.

- A. **Performance Specifications** (also known as functional specifications) are preferred since they communicate what a product is to do, rather than how it is to be built. Among the ingredients of a performance specification would be the following:
- A general description;
 - Required characteristics to performance (minimum/maximum) including speed, storage, production capacity, usage, ability to perform a specific function;
 - Operational requirements, such as limitations on environment, water or air cooling, electrical requirements;
 - Site preparation requirements for which the contractor will be responsible, such as electricity, plumbing, or for which WYDOT will be responsible;
 - Compatibility requirements with existing equipment or programs;
 - Conversion requirements for maintaining current equipment or system until switching to the new equipment or system;
 - Installation requirements;
 - Delivery date;
 - Maintenance requirements;
 - Supplies and parts requirements;
 - Quantity and method of pricing;

- Training Requirements;
 - Warranty; and
 - Service location and response time.
- B. **Design Specifications** employ dimensional and other physical requirements and concentrate on how a product is fabricated, rather than on what it should do. Design specifications are normally prepared by architects and engineers for construction or custom manufactured products. Among the ingredients of a design specification would be the following:
- Dimensions, tolerances and specific manufacturing or construction processes;
 - References to a manufacturer's brand name or model number; and
 - Use of drawings and other detailed instructions to describe the product.
- C. **Brand Name or Equal** – When a specification mentions a manufacturer's brand name or model number, it shall also include the words "or equal." In this regard, "or equal" is interpreted to mean, "substantially equal and capable of performing the essential functions of the referenced brand name or model." Any specific features of the referenced brand that must be met shall be identified in the requisition. This will help make certain we have as many options as possible.
- D. **Scope of Work for Services** – This is a written description of the contractual requirements for the materials and services required. The following is an outline of the types of information needed to scope out the work that is included in a requisition for purchase of professional or other services:
- General Requirements. Describe the service provider/contractor's responsibility to provide a service, a specific study, design or report for the requesting user.
 - Specific Requirements. Address the specific tasks, sub-tasks, parameters and limitations that must be considered in producing the service or final project. Such factors as the following should be included:
 - o Details of work environment;
 - o Minimum or desired qualifications;
 - o Amount of service needed;
 - o Location of where service is to be performed;
 - o Definition of service unit;
 - o Time limitations;
 - o Travel regulations or restrictions;
 - o Special equipment required; and
 - o Other factors affecting working environment.

7.3 Statement of Work

A statement of work (SOW) is a formal document that details the work, deliverables, locations, timelines, pricing, and other requirements of a contractor in performing specific work. The SOW is typically used as part of the RFP process, builds on the scope of work, and is used to manage the agreement once it is time to execute.

7.4 Specification Drafting

Requestors are responsible for the first draft of specifications to be submitted to Procurement. Lengthy and complex specifications should be submitted in an email to Procurement Services referencing the requisition. After Procurement has reviewed the specifications and written any special terms and conditions in addition to our standard terms and conditions, the requestor will be forwarded a draft for review and approval. Keep the following in mind when writing specifications:

- Be specific and detailed in presenting mandatory requirements in construction projects, goods or services, (e.g., licensing, drawings, blueprints, bonding requirements, and insurance).
- State a requirement of fact once, and avoid duplication.
- Don't present something as mandatory if it is really optional;
- Try not to write specifications or scopes of work that restrict response to a single bidder/offeror.

Chapter 8 – Purchase Order and Change Order

8.1 Purchase Order

The purchase order is the official legal Procurement Services document most often used by the Department to authorize the supplier to furnish goods or perform a service. It summarizes all negotiations between the seller and the Wyoming Department of Transportation (WYDOT) as well as authorizes the expenditure.

To initiate the issuance of the purchase order, the requestor must create a requisition, which will then be forwarded to an approver (generally a district engineer or program manager) for approval in accordance with the limits set forth in Operating Policy 24-1, Monetary Limitations and Approving Authority. The requisition will then be forwarded to the Procurement Services Program in Cheyenne. Upon receiving the requisition, the Procurement Services staff will process the request to a purchase order or initiate the procurement function (such as requesting quotes, soliciting competitive bids or issuing RFP's).

I. Distribution of a Purchase Order

- A. The original purchase order is sent to the vendor either electronically or by hard copy to initiate delivery of merchandise, or the service to be rendered.
- B. An electronic copy of the purchase order is sent to the requestor who created the requisition and who the order is being delivered to, if different from the requestor.

II. Purchase Order Receipt Process

- A. Once the merchandise is received or service completed, the requestor must receive the purchase order in PeopleSoft **or** Agile Assets (maintenance inventory). It is the requestor's responsibility to inspect all merchandise ordered for compliance with the purchase order description/requirements **OR** inspect all work for a service requested to ensure compliance with the specifications/requirements prior to receipt in PeopleSoft or Agile Assets. Once it is received, the requestor should notify the Financial Services Program of the receipt and provide them with the receipt ID, P.O number, and forward any associated invoices.

Note: Follow the step by step instructions listed on the Intranet, under the ERP Resources Page, ERP Training Resources link, under the headline, "PeopleSoft 9.2 ePro Requisitions Training."

- B. Most shipments should be shipped freight "prepaid" and freight costs included in the total of the purchase order (these P.O.'s indicate FOB Destination on the P.O.) and do not require any further processes on the receivers part.
- C. Shipments that require WYDOT to pay freight will be marked FOB Origin and the freight bill should be forwarded to Financial Services referencing the purchase order number.

III. Damaged Merchandise

- A. At headquarters, all claims for damaged merchandise are to be promptly reported to the Procurement Services staff, with whom the claim will be handled. In a district office, the person receiving the shipment has the responsibility of submitting the claim.
 - 1. When the damage is apparent, note the damage on the driver's copy, and the department's copy of the freight bill. Shortages in shipment should also be noted. Sign the freight bill for the driver only after the damage or shortage has been noted on the freight documents.
 - 2. If hidden damage is discovered later, **immediately** notify the freight agent and request an inspection. The Procurement Services office must also be notified immediately. Procurement Services will advise on the procedure to be followed for filing freight claims.
 - a. FOB: Destination – The vendor is responsible for filing freight claims. The purchase order is not to be paid until an acceptable order is received.
 - b. FOB: Origin – WYDOT is responsible for filing freight claims with the freight or express company, and **not** with the vendor or shipper. The purchase order for the merchandise must be cleared for payment, without unnecessary delay. The purchase order **cannot** be delayed until the claim is paid.
 - 3. Claims for payment of damaged merchandise must be submitted on transportation company forms, which the inspector will provide.
 - 4. One copy of the claim form should be sent to the Financial Services Program, along with any correspondence. The purchase order number should be shown on all correspondence and payments relative to the claim.
 - 5. When claims are paid, the amount is to be credited to the purchase order.

IV. Partial Payments

Because of legislative action, the Department is required to make payment for all items delivered and invoiced within 45 days. Partial payments are authorized after receipt of the partial order in PeopleSoft or Agile Assets (maintenance inventory).

V. Cancellation of a Purchase Order

- A. When canceling an entire purchase order, or if canceling any part of a purchase order is required, the request must be sent to Procurement Services. The request must state the purchase order number, specifically what is to be cancelled on the order, as well as the reason(s) for requesting cancellation. The request must be approved by an authorized individual. Notice of cancellation will be accomplished by issuing a change order and handled in the same manner whether it is the vendor or the Department requesting to cancel.
- B. Upon receipt of a request for cancellation from WYDOT personnel, the vendor will be notified. **No** merchandise is to be returned to the vendor before confirmation

and shipping instructions are received. The Department may not receive full credit for unauthorized returns.

- C. Upon receiving notice of cancellation from the vendor, a copy of the cancellation will be sent to the applicable district offices or headquarters program.
- D. In all situations, the WYDOT district or program office will be notified of any changes, cancellations, and so forth, in a purchase order by issuance of a change order. In all situations the Department, district, or program office shall notify the Procurement Services office of any changes, cancellations, etc.

8.2 Change Order

Occasionally purchase orders and purchase contracts require a change order, to correct information that is shown on the original purchase order or purchase contract document.

I. Corrections or updates that require a change order:

- A. Price increases that exceed 5% being added to the total amount of the purchase order or purchase contract.
 - ❖ Price decreases do not require a change order.
- B. Additional work required to complete a project.
- C. Change of FOB point (from destination to origin).
- D. Change of quantity.
- E. Change of model numbers, part numbers.
- F. Change of vendor name or mailing address.

II. Procedure to be followed to initiate issuance of a change order:

Prepare and submit a requisition for any monetary change. An email may be submitted for any non-monetary changes (see preceding Section I). Procurement Services will obtain any further required approvals for monetary changes exceeding \$25,000 (Operating Policy 24-1, Monetary Limitations). Once all required approvals have been obtained, Procurement Services will issue a change order to the purchase order or purchase contract, and distribute accordingly.

Note: The Financial Services Program usually discovers the need for a change order based on invoices that do not match the prices indicated on the purchase order or contract. Financial Services will notify the requestor, and/or Procurement Services.

Chapter 9 – Purchase Contracts

9.1 *Purchase Contract*

A purchase contract is a written agreement between a buyer and a seller in which the buyer agrees to purchase goods or/and services from the seller in exchange for payment transactions. A purchase contract states each party's obligations and usually includes detailed price lists, payment information, conditions of delivery and other legal terms and conditions. There are many types of purchase contracts, including contracts with firm-fixed prices, time and materials contracts (T&M contracts), cost-reimbursable contracts, etc.

Purchase contracts cover the purchase of specific goods or services for a specific time period. After the purchase contract has been issued, separate orders can be placed by the program or district office using a purchase contract release, as the need occurs.

I. Requirements

- A. The contract must be issued for procuring standard or uniform goods or services.
- B. The contract must be for a fixed duration (generally for a period of one year).
- C. The items to be contracted can be supplied to one or more department locations.
- D. The purchase contract must indicate the total contract limits by quantity, or dollar amount.
- E. Under routine conditions, goods or services required will be contracted through a competitive sealed bid, through the Procurement Services Program.
- F. Services such as annual maintenance, repair, equipment rental, and so forth may be contracted by the districts up to \$25,000, with approval by the appropriate district engineer or program manager or contracted through the Procurement Services Program.

II. Distribution

- A. The original contract is forwarded to the vendor with any necessary attachments.
- B. A copy is sent to the Financial Services Program for their use.
- C. The Procurement Services Program keeps a copy for referencing purposes. This copy is then permanently filed with the requisition, and all other supporting documentation.
- D. A copy is sent to the office that will issue releases against the purchase contract. When additional copies are requested (i.e., multiple issuing offices exist), they will be sent to all appropriate offices.

III. Payments

All payments under a purchase contract are partial payments. Payments are made upon receipt of the purchase contract release, and vendor invoice received by the Financial Services Program.

IV. Cancellation

The Procurement Services Program, or the vendor, can cancel a purchase contract under extenuating circumstances. All cancellations will be thoroughly reviewed before any action is taken.

VI. Extension or Increase to a Procurement Contract

When extensions or increases are needed beyond the limits set on the purchase contract, a requisition must be submitted requesting the extension and/or increase. Upon approval, the Procurement Services Program will issue a change order and distribute copies to the vendor and requestor.

Please direct any questions concerning purchase contracts to the Procurement Services Program.

9.2 *Purchase Contract Release*

The purchase contract release is the document authorizing a vendor to deliver materials or perform a service that has been previously contracted on a purchase contract. The purchase contract release is written against the purchase contract, and it is issued by the requesting district or program office. The purchase contract release form can be found on the intranet under Financial Services, Other Financial Services Forms.

I. Distribution

- A. The original contract release document is sent to the vendor. This is the vendor's authorization to furnish the goods or perform the service.
- B. Upon receiving the goods or service, a copy of the release should be sent to Financial Services, along with a copy of the invoice for payment. Care should be taken to ensure that all items/services received are the same as ordered/requested (quantity, color, brand, model, and so forth).
- C. The requestor should keep a copy of the release for reference.

II. Payment

Payments that are made against a purchase contract release are partial payments, made against the total contract amount on the purchase contract. Care should be taken to ensure that the supplier understands the purchase contract, as well as the purchase contract release method of payment.

III. Cancellation

Cancellation of purchase contract releases should be avoided if at all possible. If cancellation is unavoidable, the requesting office should immediately notify the vendor of the problem and request cancellation.

IV. Modifications to a Purchase Contract Release

- A. Quantities or items are **not** to be added to an existing purchase contract release. If additional items are required, an additional release is to be issued.

The purchase contract release should be filled out as completely and concisely as possible to ensure that proper payment is made to the supplier.

Chapter 10 – Warehouse and Surplus Property

10.1 Warehouse

The Procurement Services Program houses a warehouse that maintains a stock of various items to be used in day-to-day operations. These items include stationery and office supplies, professional materials and supplies, employee safety materials and supplies, miscellaneous maintenance materials and supplies, and janitorial materials and supplies. Procurement of items stocked by the warehouse **are not** authorized to be purchased utilizing a purchasing card (p-card) or by direct pay invoice. All items in this category are to be requisitioned from the headquarters warehouse.

I. Ordering Warehouse Supplies

All items listed in the warehouse catalog in e-Procurement, are to be requisitioned via an e-Procurement requisition. Requisitions for warehouse supplies should not be combined with non-warehouse items.

The stock levels maintained at district locations are to be for what is needed for smooth and continuous operation (approximately a 30-day supply). The stock levels maintained at headquarters should be kept to a minimum. Most routine items can be supplied within one day. When unusually large requirements on any supplies are foreseen, please notify the headquarters warehouse in advance, and the inventory levels will be adjusted to handle the additional requirements.

A. Procedure:

Log into PeopleSoft, in the main menu under *e-Procurement*, requisition, WYDOT Catalog link, choose the desired catalog section, click the box by the desired item, choose a quantity and then click the “add” button. The chart field information will default in based on the user name.

B. Routing:

Requisitions will route automatically to the warehouse unless it is over \$500.00 then it will route to the appropriate approver. Once the requisition has been approved (if required), it will be forwarded to the warehouse for processing.

C. Processing:

1. Requisitions will be pulled from the ERP system every 2 hours for the orders to be filled, and will serve as the warehouse’s permanent file copy;
2. Packing lists will be pulled from the ERP system and used as address labels. Back orders do not show on existing packing lists. The warehouse will notify of any back orders via e-mail; *and*
3. Back orders are tracked on the ERP system and by the warehouse manager. Once the product has been received, the back order will create a new pick list, and the order will be processed.

II. Supplies Not Shown in the Catalog

Items and supplies that **do not** appear in the catalog may be procured via p-card or direct pay up to \$5,000; or by written quotation up to \$25,000; or by competitive sealed bidding for goods and services \$25,000 and above.

10.2 Surplus Property

Surplus property is property that is either no longer in use or for which there is no further plan for use. It includes all tangible assets such as equipment, materials, supplies and furniture. The term property, in this policy, does not refer to real property.

I. Department Property

All materials and equipment purchased by the Wyoming Department of Transportation (WYDOT), are Department property and must be managed accordingly, from the time of acquisition through disposal. No employee may cause the disposal, or dispose of WYDOT material, or designate Department property or material as scrap, obsolete, or refuse with the intention of profiting, or allowing others to profit.

II. Approval

- A. Requests to dispose of equipment and property must be approved by the district engineer, or program manager. District engineers and program managers are authorized to dispose of equipment or property up to their approving authority as prescribed in Operating Policy 24-1, Monetary Limitations and Approving Authority. Higher valued equipment or property disposal must be approved by the appropriate administrator or the director within their approving authority. The equipment manager approves disposal of vehicles or road equipment.
- B. Care should be taken in disposing of property items purchased with federal funds. If there is any question that the item being disposed of may have federal funds involved, contact the Property and Inventory Section of the Financial Services Program for specific instructions on disposition.
- C. Contact the warehouse manager in the Procurement Services Program to initiate disposal of surplus equipment or property. The warehouse manager shall help determine if the item should remain in the field location, be brought to Cheyenne for disposal, be advertised for transfer to other WYDOT locations, or offered on the surplus auction site. Items remaining in field locations shall be digitally photographed and the picture with description and condition, forwarded via E-Mail to the warehouse manager.

III. Value

A minimum acceptable price must be established before disposing of the surplus equipment or property. The minimum price can be established by examining Department records or by obtaining an appraisal. The equipment manager sets prices for vehicles and road equipment. Appraisals for other miscellaneous property and equipment can be determined by Department personnel qualified within specific areas of expertise, or they can be solicited from an outside professional, when necessary.

IV. Advertising

WYDOT locations are given priority for the transfer of surplus equipment and property. The following advertising procedure must be followed:

- A. WYDOT may dispose of the property by advertising its availability to the general public. This advertising will be accomplished via an Internet auction site. Items posted for sale will be sold “as-is,” and “where is.” Digital photographs with descriptions and conditions shall be sent to the warehouse manager in Cheyenne. Asset tags (property numbers) must be removed from all items before they are transferred to the buyer.
- B. If it is feasible to bring them to Cheyenne, any items **not** listed on the Internet auction site will be offered to State Surplus. Other government entities (cities, counties, school districts, and state agencies) are then allowed to purchase the surplus at the price the State Surplus has established. If State Surplus does not dispose of the merchandise within 120 days, it advertises the items to the general public or sells them at public auction.

V. Disposal

- A. Transfer:

If the equipment or property is transferred within the Department, the transferring office completes Form A-1P, Property Disposition Memo, and sends it to the Property and Inventory Section of the Financial Services Program.

- B. Sale:

- 1. Prior to the sale of surplus equipment or property, the Form A-1P shall be completed and forwarded to the district engineer, or the program manager for approval, and then to the Financial Services Program. The surplus equipment or property is removed from the property listing at that time. Payment, receipt, and the Form A-1P are sent to the Financial Services Program from the warehouse manager once the property is sold on an auction site.
- 2. The district or program designates a contact person at the location of the surplus item(s) being sold, to arrange for pick-up of the sold item(s), and collection of the money.
- 3. The district or program designee forwards the check or money order to the warehouse manager for coding, and forwarding to Financial Services.
- 4. In the exceptional circumstance that pick-up precedes payment, the Financial Services Program prepares an invoice and sends it to the purchaser with instructions to make payment to the Wyoming Department of Transportation, Financial Services cashier.

C. No Sale:

If the property or equipment has not been transferred or sold, it remains on file as surplus until it is sold, transferred, or scrapped (see Operating Policy 24-8, Disposal of Scrap Material, for proper procedures).

VI. Records

- A. All transaction records are maintained by the Financial Services Program in accordance with established procedures.
- B. The Procurement Services warehouse or Financial Services sends receipts for payment to the purchaser if requested.

Chapter 11 – Cooperative Purchases

Cooperatives are contracts where two or more named entities combine their requirements in order to realize a volume cost advantage. WYDOT may use these contracts even if they are not named in the cooperative purchase.

11.1 Basis for Using Cooperative Programs

This form of procurement has the benefits of reducing administrative costs, eliminating duplication of effort, lowering prices, sharing information, and taking advantage of expertise and information that may be available in only one of the participating agencies.

Cooperative purchasing transactions must be legitimate and enforceable. There must be mutuality between buyers and sellers and a commitment on the part of participants in the cooperative purchasing process to purchase from the successful supplier.

11.2 Types of Cooperative Purchasing

The following are the three types of cooperative purchasing that may be used by WYDOT:

1. *Two or more entities combine their requirements into a single request for bids.* One of the participants serves as lead jurisdiction and performs the administrative details of preparing and issuing bid documents, analyzing bids and recommending award of a contract. The other participating jurisdiction *commit* to using the resulting contract for their requirements to be purchased. This section shall include all contracts established by U.S. Communities, National Association of State Procurement Officers (NASPO), Educational and Institutional Cooperative as well as other cooperatives.
2. *"Riding" or "piggybacking" another entity's contract.* The supplier must agree to offer the commodities to the "riding" jurisdiction at the same terms and conditions as were offered to the contracting entity.
3. *Federal Contracts.* Contracts established by the General Services Administration (GSA) on behalf of the federal government.

11.3 Procedures

If a requestor becomes aware of a contract held by another entity that may be of benefit to WYDOT, they should submit a purchase requisition for the items required. The requisition should contain a notice to Procurement explaining the existence of the contract with as much information as is available to assist Procurement in locating the information needed to make the determination required by Policy. Procurement will determine if utilizing a cooperative contract is the best method for procuring the requested goods or services.

Chapter 12 – Supplier and Contract Performance

12.1 Importance of Supplier Performance

Among the important reasons for maintaining properly documented supplier performance are the following:

- To use when considering debarment or suspension of suppliers;
- To use as evidence in court cases;
- To justify a claim for liquidated damages;
- To justify a declaration of supplier default;
- To justify WYDOT seeking delivery from another source and charging the difference to the defaulting supplier;
- To use as justification for withholding payment until performance is completed; and
- To use in processing warranty claims.

It is critical to manage the performance of all suppliers. Procurement will not seek to disqualify any supplier without a properly documented performance file.

Payment may not be withheld unreasonably from a supplier if services/goods have been delivered and invoiced, unless there is demand in writing for the supplier to correct an unsatisfactory situation with a definite "date certain" for performance.

Assuring proper performance by suppliers requires cooperation and communication between requestors and Procurement. Timely action on the part of the requestors and Procurement is a prerequisite for enforcing the terms of purchase orders and contracts.

12.2 Non-Compliance

1. Failure by suppliers to deliver on time, in the proper quantities, or to meet other contractual agreements or performance milestones are serious discrepancies that must be handled in a prompt, uniform and fair manner.
2. When a noncompliant circumstance becomes apparent, the requestor should promptly contact the supplier to request rectification of the situation. A complete record should be made of the contact to include the name, title and telephone number of the person contacted and any responses made. Forward all documentation to the Procurement Services program.
3. If the supplier continues to be noncompliant after the initial contact, notification of noncompliance should be forwarded to Procurement with complete background information.

4. Procurement will provide the supplier with a written notice to cure the situation. If the supplier fails to comply with the terms of the contract after this notice, Procurement will cancel the agreement, order from another source, and seek to recover the difference in price, if any, from the noncompliant supplier.
5. For service contracts, the contract manager will provide the supplier with a written notice, approved by the Attorney General's Office, to cure the situation. If the supplier fails to comply with the terms of the contract after this notice, the contract manager will issue a termination notice, approved by the Attorney General's Office. Notification of cure and termination shall be forwarded to Procurement with complete background information. Procurement will cancel the agreement, contract from another source, and may seek to recover the difference in price, if any, from the noncompliant supplier.
6. The Procurement Services program shall be notified immediately of any non-compliant issues.

Chapter 13 – Protest Procedure

13.1 General procedure

A. The following procedures are established to resolve agency protests effectively, build confidence in WYDOT's acquisition system, and reduce protests outside of the agency:

- i. Protests shall be concise and logically presented to facilitate review by the agency. Failure to substantially comply with any of the requirements of this procedure may be grounds for dismissal of the protest.
- ii. Notification of Protest. A protest must be made in writing with a formal signed letter sent to:

Wyoming Department of Transportation
Procurement Office
5300 Bishop Blvd.
Cheyenne, Wyoming 82009

and/or emailed to: dot-procurement-services@wyo.gov

- iii. Protests shall include the following information:
 - a. Name, address, email, and telephone numbers of the protester.
 - b. Solicitation or contract number.
 - c. Detailed statement of the legal and factual grounds for the protest, to include a description of resulting prejudice to the protester.
 - d. Copies of relevant documents.
 - e. Request for a ruling by the agency.
 - f. Statement as to the form of relief requested.
 - g. All information establishing that the protester is an interested party for the purpose of filing a protest.
 - h. All information establishing the timeliness of the protest.
- iv. All protests filed directly with WYDOT will be addressed to the Procurement Manager or other official designees assigned to receive the protest.
 - a. The Procurement Manager or designee will work with the WYDOT Chief Financial Officer, Wyoming Attorney General's Office and WYDOT Director's Office accordingly.

- v. Protests based on alleged apparent improprieties in a solicitation shall be filed before bid opening or the closing date for receipt of proposals. In all other cases, protests shall be filed no later than 10 days after the Public Purchase award. The agency, for good cause shown, or where it determines that a protest raises issues significant to the agency's acquisition system, may consider the merits of any protest which is not timely filed.
- vi. WYDOT shall make its best efforts to resolve agency protests within 35 days after the protest is filed. To the extent permitted by law and regulation, the parties may exchange relevant information.

B. Action upon receipt of the protest.

- i. Upon receipt of a protest, the buyer will immediately notify the Procurement Manager or designee.
- ii. The buyer will make a record of the protest in the appropriate bid folder along with any documentation provided (emails, fax, or written documents.)
- iii. A contract may not be awarded, pending agency resolution of the protest, unless the contract award is justified, in writing, for urgent and compelling reasons or is determined, in writing, to be in the best interest of the State.
- iv. If an award is withheld pending agency resolution of the protest, the Procurement Manager will inform the offerors whose offers might become eligible for award of the contract.
- v. The Purchasing Manager shall immediately suspend performance, pending resolution of the protest within the agency, unless the continued performance is justified, for urgent and compelling reasons, or is determined, to be in the best interest of the State.
- vi. The Procurement Manager or designee will work with the WYDOT Chief Financial Officer, Wyoming Attorney General's Office and WYDOT Director's Office accordingly.
- vii. The Wyoming Attorney General's Office may issue protective orders which establish terms, conditions, and restrictions for the provision of any document to an interested party. Protective orders prohibit or restrict the disclosure by the party of procurement of sensitive information, trade secrets, or other proprietary or confidential research, development, or commercial information that is contained in such documents as described in the Wyoming Transparency Act. Protective orders do not authorize withholding any documents or information from the Wyoming Courts or an executive agency.
- viii. Agency protest decisions shall be well-reasoned, documented, and explain WYDOT's position on the matter. The protest decision shall be provided to the protester.

Chapter 14 – Commission

The Wyoming Transportation Commission governs activities of the Department of Transportation ([W.S. 24-2-101](#)). The Commission is composed of seven members appointed by the Governor, with approval of the Senate. Commissioners are appointed to six-year terms and they represent [districts](#) which include three or four counties.

Each county within the Commission District is represented, in turn, by successive appointments. State law requires the minority party be represented on the Commission. The Commission generally meets monthly.

14.1 Commission Approval Items

The Commission sets the spending authority for the State Highway Fund expenditures under Operating Policy 24-1 Spending Authority and Monetary Limits.

Pursuant to W.S. 9-2-2004(g)(ii), the Transportation Commission shall retain authority to expend funds from the State Highway Fund Account (H01). The authority of the Commission shall include:

- (A) Administering the State Highway Fund for the maintenance, operation and improvement of the state highway system;
- (B) Planning, programming, design and construction activities for the integrated state transportation system; and
- (C) Administering all functions directly related to responsibilities of the Commission under this subsection.

The following are subject to the statutory budget process:

- (A) Any use of state highway funds for purposes not related to the state highway or public road system or transportation planning process;
- (B) Administrative expenses of the department, including the budgets for the Director's Office and the Divisions of Highway Patrol and Aeronautics and all administrative functions not provided for under this subsection.

All goods, services, and public works budgeted with other funds outside of the State Highway Fund do not require Transportation Commission approval. For example H06 Highway fund purchases over Operating Policy 24-1 Spending Authority and Monetary Limits thresholds do not have to go through Commission.

13.2 General Procedure

- The Admins email all the buyers the Friday before the week of Commission asking them to email you any files going to commission as soon as possible.
- Prepare the Electronic Commission Packets:
 - Do one file at a time and put documents in the following order:
 - Tab, Recommendation, Addendum(s), Bid Documents, Proposal Pages
 - *For a requisition: Requisition, Supporting Documents
 - Scan each packet and save the packet in your new current month commission folder > “Electronic Commission Packet”.
 - NOTE: If the bid contains an equipment buy-back, include a copy of the bid evaluation form from the equipment manager with the electronic commission packet for that bid.
- Print a copy of the Commission Cover letter and Commission Notes and have a coworker proof them.
- Once proofed and returned to you, make any corrections and print a new copy of the Commission Cover Letter and Commission Notes as well as a copy of each of the bid tabulations to give to the Procurement Manager for proofing.
- Once proofed and returned to you, make any corrections and print a new copy of the Commission Cover Letter and Commission Notes as well as a copy of each of the bid tabulations.
- Print a copy of all of the bid tabulations and share the Google Folder with the CFO and Commission Administrative Assistant and put them in the black commission folder. Take this folder to the main building and give it to the CFO.
- The Procurement Services Manager meets with the CFO no later than the Thursday before Commission to go over the Commission Packet. The packet is adjusted accordingly and resent out.
- Once the commission meeting is done the CFO will send you an email letting you know the packet is ready > go pick up the black commission folder from the CFO.
- Each tabulation in the black commission folder should now be stamped “AWARD” and be signed by the CFO. Put each tab back in its respective bid file and return the file to the buyer.
- The buyer will send out award letters requiring contractor’s bonds, insurance and other submittals within 20 calendar days.

Chapter 15 – Consultants



A “consultant” is a professional who provides advice or services in an area of specialization. Consulting services generally fall under the domain of professional services.

To initiate the procurement of the consultant, the requestor must create a requisition, which will then be forwarded to an approver (generally a district engineer or program manager) for approval in accordance with the limits set forth in Operating Policy 24-1, Monetary Limitations and Approving Authority. The requisition will then be forwarded to the Procurement Services Program in Cheyenne. Upon receiving the requisition, the Procurement Services staff will process the request and initiate the procurement function (such as requesting quotes, soliciting competitive bids or issuing RFP’s). Generally, the procurement process will be an RFP due to the specialized requirements of a consultant, as outlined in Chapter 4 of this manual.