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**RESOLUTION NO. 003-2014 - ADOPTION OF CONSORTIUM PROCUREMENT POLICY
AND REQUEST FOR PROPOSAL GUIDELINES**

MOVED by Mr. Thayer, seconded by Ms. Drake, and unanimously adopted by voice vote by members present.

WHEREAS, the New York State Department of Financial Services has recommended the Consortium develop a policy for the purpose of establishing guidelines for the procurement of goods and services by the Consortium involving an expenditure of funds, and

WHEREAS, a policy was developed and reviewed by the Audit Committee that addresses the procurement of goods and services with additional guidelines for the development of requests for proposals, now therefore be it

RESOLVED, on recommendation of the Audit Committee, That the Board of Directors hereby adopts the attached Greater Tompkins County Municipal Health Insurance Consortium's Procurement Policy,

RESOLVED, further, That the Policy shall become effective immediately upon adoption by the Board of Directors.

* * * * *

STATE OF NEW YORK)
) ss:
COUNTY OF TOMPKINS)

I hereby certify that the foregoing is a true and correct transcript of a motion adopted by the Greater Tompkins County Municipal Health Insurance Consortium on April 24, 2014.



Michelle Pottorff, Administrative Clerk

Greater Tompkins County Municipal Health Insurance Consortium

PROCUREMENT POLICY

All procurements made by the Greater Tompkins County Municipal Health Insurance Consortium involving the expenditure of the Consortium funds will be made in accordance with the following procurement standards.

Purchases will be reviewed by the Consortium Treasurer to prevent duplication and to ensure that costs are reasonable.

I. METHODS FOR PROCUREMENT

Procurements shall be made using one of the following methods:

A. Verbal or Written Quotations

Purchases which cost between \$1.00 and \$499.99 may be made by authorized purchasers using the purchaser's best discretion with expense(s) to be directly paid or reimbursed by the Consortium upon receipt of a valid proof of purchase (i.e. receipt or invoice). Efforts will be made to get the lowest and best price, but written documentation is not required.

Purchases which cost between \$500.00 and \$2,999.99 require three verbal (telephone) quotes. A memorandum shall be prepared detailing the date of contact, company name, contact person, pricing, and delivery terms. Purchaser shall make every attempt to ensure fair and competitive pricing.

Purchases of supplies, equipment, and professional services between \$3,000.00 and \$20,000.00 require written quotations. Reasonable attempts shall be made to obtain a minimum of three responses. Documentation detailing such attempts shall be prepared and filed with the paid bill file.

B. Bids or Request for Proposals

Bids will be sought for purchases of goods or equipment that exceed \$20,000. Detailed specifications will be developed for approval by the Consortium prior to posting on the appropriate website(s). Bids shall be awarded to the lowest responsible bidder(s) meeting all specifications with acceptable deviations. Bids shall be awarded by the Board of Directors.

Request for Proposals shall be sought when the cost for services is expected to exceed \$20,000. Specifications shall be developed and approved by the Consortium prior to posting on the appropriate website(s). As a general rule, Request for Proposals shall be posted on the appropriate website(s) for a minimum of twenty-one days. The Board of Directors shall authorize the award and contract for the requested service(s).

Request for Proposal specifications shall detail the following:

- Scope of Services
- Evaluation Criteria
- Project Schedule

- Contract Term

Contract shall be awarded to the offerer that submits the proposal determined to be in the best interest of the Consortium once proposals have been reviewed and, if needed, negotiated. Written evaluations of each response must be provided.

The Consortium reserves the right to reject all proposals, to negotiate with an offerer, and to solicit new Request for Proposals if determined to be in the best interest of the Consortium.

II. CONTRACTS

Generally, all procurement involving services will require a written description of the service or, when applicable, a written contract.

A contract for professional services shall be for up to three years with the option to renew for an additional two years.

All contracts shall contain a cancelation clause which allows the Consortium to cancel any contract for cause. All contracts shall contain a cancellation clause which allows the Consortium to cancel any contract without cause with either a 30 or 60 day notice.

All contracts shall contain indemnification and hold harmless language and shall state required insurance coverage as deemed sufficient and appropriate by the Board of Directors.

III. DOCUMENTATION

Supporting documentation for purchases that do not require bidding or seeking proposals shall be retained and filed by the Consortium Treasurer or designee.

All bid and proposal responses shall be filed and maintained in accordance with the New York State Records Retention laws, in the Tompkins County Finance Department, Purchasing Division.

IV. ADDITIONAL GUIDELINES FOR RFP DEVELOPMENT (SEE ATTACHED)

Please see the following page for additional guidelines for writing an RFP.

GUIDELINES FOR WRITING AN RFP

Include Rules for Submitting a Proposal – The rules for submitting a proposal (instructions) must be included in the specifications. Respondents will need to know who, where, and how (format) to submit their response.

Make it a Performance Specification – Describe the performance desired rather than specifying the exact goods or services that are required. For example, a janitorial contract for providing a “clean work environment” should outline the program goals and ask for the qualifications of the Respondent’s personnel rather than telling them the number of people needed to perform the work, their required qualifications, or the number of times they must perform certain tasks.

- *Keep it Non-Proprietary* – Do not specify the service so narrowly that it fits only one provider.
- *Disclose the Contract Term* – In the Statement of Work explain the term of the contract.
- *Disclose Award Criteria & Weights* – Disclose the criteria that will be used to evaluate the proposals and the weight that will be given to each criterion. This lets the Respondents know what is important and how their proposals will be judged.

- *Require Only What Will be Evaluated* – Do not ask for information that will not be considered in making the award and that will contain a cost to the Respondent to provide (such as financial statements). The Respondents will pass along that cost to you in their proposals so ultimately you would pay for something you did not intend to use.
- *Do Not Over Specify* – Do not ask for services that are not necessary. If you are not willing to pay for additional services, do not include them in the specifications unless you include them as “options”. To avoid the appearance of an arbitrary award, identify the priority of options that will be selected if funds are available. For example: “within budgetary limits, options will be awarded in the following priority: A, B, C, and F.”
- *Hold a Pre-Solicitation Conference if Necessary* – A pre-solicitation conference may be necessary to give Respondents a chance to clarify the specifications and propose changes or corrections to them.

Checklist for Developing RFPs

- Meet and discuss the end-user’s needs before and during development of the RFP.
- Establish the award criteria and include it in the RFP.
- Explain award criteria and how to evaluate the proposals that are received.
- Set up the scoring method and evaluation team before mailing the RFP.
- Determine if you will hold a Pre-Solicitation Conference.
- Determine the contract term and any options for extension.
- Establish a timeline for the RFP to include, at a minimum, the following:
 - Release Date
 - Ending Date for Questions
 - Pre-Solicitation Conference Date, Location and Time
 - Due Date
 - Award Date
 - Contract Commencement