

- 2) Bids must be submitted in a sealed opaque envelope or package to ensure that prices and terms will not be disclosed prior to the bid opening;
- 3) All bids must be opened in public and the pricing read aloud and recorded;
- 4) Proper storage and maintenance of the formal procurement documentation must be accomplished in compliance with the North Carolina Public Records Law and Retention Schedule;
- 5) Consideration of the need for bid deposits and/or performance and payment bonds must be included in the process;
- 6) Award must be made to the lowest responsible bidder taking into consideration quality, performance, and the time specified in the bids for the performance of the contract; and
- 7) The BOCC must approve all formal contracts at a duly called public meeting.

When purchasing commodities that include the trade-in of used equipment (including technology), if the trade-in value and the amount to be paid for the new equipment exceed \$100,000 combined, the formal bid process must be followed.

11.2 Informal Bid Process

An informal bid process will be used in the following conditions:

- 1) The purchase or lease purchase of goods, apparatus, materials, supplies and equipment requiring an estimated expenditure of \$30,000 to \$99,999; and
- 2) The purchase of Construction and Repair Projects costing from \$30,000 to \$499,999.

Although G.S. 143-131 does not specify any particular method for securing informal purchases, it does require that purchases or contracts be awarded to the lowest responsible bidder taking into consideration quality, performance, and the time specified in the bids for the performance of the contract.

While informal methods are acceptable, County departments may also choose to utilize a more formal process. If the estimated total dollar amount of an informal purchase is over \$90,000, it is recommended to proceed with a formal bid process to avoid re-bidding should all quotes received total over \$100,000.

Informal purchasing methods include the following conditions:

- Requests for quotations, with submission via fax, e-mail, telephone, and/or mail is acceptable;

- All informal quotations should be on an official quote form, a standard template, or a vendor developed form or letterhead and shall include the date of submission and a vendor signature;
- Informal purchases do not require advertisement for requests for quotes;
- Proper documentation, storage and maintenance of the informal solicitation documents in compliance with the North Carolina Public Records Law and Retention Schedule;
- Informal purchases do not require approval by the BOCC.

11.3 Request for Proposals (RFP)

G.S. 143-129.8 contains an alternative provision which gives local governments more flexibility in purchasing a combination of information technology, goods and services. The statute authorizes local governments to use a Request for Proposals (RFP) process rather than an Invitation to Bid (ITB). An RFP process may be used to purchase services as well as any combination of goods or services, particularly when the services component of the purchase is greater than the goods component.⁴ Technology and services contracts, and other contracts that include a combination of goods and services, are not necessarily well-suited or best handled using the traditional bid processes called for in G.S. 143-129, and therefore a more flexible approach by County departments is desirable. The RFP process allows the County to employ a more flexible standard of award that allows for decisions to be made based on need and/or best value, not just low bid. Section 13 of this Policy details the procedures for utilizing an RFP process.

12. CONTRACTS AND AMENDMENTS

In determining the amount of a contract for purposes of award authority or selection of a procurement process, the amount of the contract is the total of all expenditures the Department estimates it will spend over the term of the contract and any extensions that the vendor or the County has a right to exercise or anticipates entering into. Expenditures include all costs the County expects to incur for equipment, licensing fees, service fees, maintenance and support and other associated fees. For Formal Solicitations, the Request for Board Action (RFBA) must include all goods that the Department anticipates procuring over the life of the contract or any contract extension.

12.1 Contract Amendments to Add Goods

⁴ See exhibit F on the predominant aspect rule where there is a combination of goods and services that are not information technology goods and services that need to be obtained.