**COUNCIL OF THE DISTRICT OF COLUMBIA**

**OFFICE OF THE SECRETARY**

**MEMORANDUM**

To: Members of the Council, Council Officers

cc: Chiefs of Staff

From: Nyasha Smith

Date: October 1, 2019

Subject: Procurement Policy and Procedures

**Purpose**

The Office of the Secretary to the Council is committed to providing efficient procurements with the goal of ensuring that the best value is secured for the Council while safeguarding the use of public dollars. This document is designed to guide employees in implementing the District’s procurement regulations in the acquisition of goods and services. Adherence to these guidelines will ensure that the Council’s contracting and procurement practices are fair, ethical and economical.

**Procurement Authority**

The Council of the District of Columbia has independent procurement authority and is subject to certain provisions of the Procurement Practices Reform Act (“PPRA”)[[1]](#footnote-1). The Chairman is the Chief Executive Officer of the Council and has designated the Secretary to the Council as the Contracting Officer.[[2]](#footnote-2) No other individual is authorized to enter into purchase contracts, or in any way obligate the Council for indebtedness, except that each personnel authority may enter into personal services contracts provided that funds are certified in advance by the Secretary to the Council. Furthermore, the Secretary is required to only disburse funds for the direct operating expenses in the office of a Member or Officer.

**Office of Procurement**

The Secretary, in accordance with the authority cited above, approves all contracts and procurements on behalf of the Council. To aid in the daily administration of contracting duties, the Secretary has established an Office of Procurement. The Office of Procurement has the daily responsibility for the management and administration of all contracts and procurements, including:

* Maintaining complete records of all contracts and procurements;
* Monitoring whether goods or services have been delivered and conform to contract requirements;
* Ensuring that inspections or acceptance procedures are followed;
* Identifying and attempting to resolve issues or problems that arise during contract performance; and
* Reviewing invoices and authorizing and processing payments of the delivery of goods or performance of services.

The Office of Procurement works in concert with the District’s Office of Contracting and Procurement (“OCP”) and the Office Chief Financial Officer (“OCFO”) to ensure that all Council procurements adhere to the District’s contracting regulations, standards and procedures where applicable.

**Procurement Standards**

The Council generally adheres to the District’s rules, regulations and procedures regarding contracting and procurement. No employee, other than the Secretary, may purchase, obligate or contract on behalf of the Council. The District government requires all vendors to have a valid contract and an approved procurement instrument **prior** to providing goods or services. As such, the following standards will be strictly enforced:

There are twenty-four (24) types of expenditures excluded from the above requirements. Of the 24 types of expenditures identified by the CFO, the following types of expenditures are applicable to the Council:

* Payments for employee training and travel reimbursement, to the extent purchase cards cannot be used.
* Employee tuition reimbursements or membership dues or fees, for licenses or certifications for organizations related to, and necessary for, job performance.
* Vendor check replacements resulting from incorrect addresses, names, amounts, disbursement bank account closing or system errors.
* Settlement and judgment payments pursuant to a settlement agreement approved by OAG (in our case, OGC) or a court order.
* Imprest fund replenishments.

The CFO will reject any reimbursement request that does not fall into one of the specified categories outlined above and an employee runs the risk of assuming all costs.

**Contractor Qualifications and Responsibilities**

All contractors must demonstrate the following to the Office of Procurement:

* Have, or have the ability to secure, adequate financial resources to perform the contract;
* Be able to comply with the required or proposed delivery or performance schedule;
* Have the integrity and reliability which will assure good faith performance;
* Have a satisfactory performance record;
* Not be suspended, debarred, or otherwise ineligible to receive contracts from the District government or the Federal government;
* Have, or commit to obtain, the necessary licenses, permits, and certifications to perform the contract;
* Provide evidence that it has paid all applicable District of Columbia and Federal taxes and filed District and Federal tax returns up to and including the most recent year; and
* Be prepared to register as a vendor in the District’s procurement system (PASS) and obtain an Ariba Supplier Network ID number.

**CBE commitment**

District government agencies are legally required to spend at least 50% of expendable budgets with small business enterprises (SBEs). The Council is not bound by this requirement; however, the Office of the Secretary is committed to supporting SBEs and will give SBEs priority in procurement.

Advantages of utilizing SBEs:

* Illustrates good citizenship.
* SBE companies tend to hire individuals who live within the community thereby providing valuable job opportunities to local residents and allowing for reinvestment of dollars throughout our community.
* SBEs can bring innovation.
* SBEs can bring flexibility and agility to a project timeline and service levels (smaller and more agile than a large corporation).
* SBEs provide a direct benefit to the District through the tax revenue received.

**Public Notice of Contracting and Procurement Actions**

Solicitations may be published on the Council’s website where appropriate, except that sole source procurements, emergency procurements or small purchases (under $10,000) do not require publication. Expenditures are published on the Council’s website quarterly.

**Procurement Process**

* All purchases begin with a Requisition for Goods and Services.  **No purchase will be executed without this form**. Once completed, this form must be signed by the Councilmember or designee (generally the Chief of Staff) and submitted to the Office of the Secretary for approval.
* Any back-up documentation describing the item or service to be purchased (e.g. website print-out, URL link, copy of catalog page, etc.) should accompany the requisition.
* Once approved by the Office of the Secretary, the requisition is deemed complete and approved and will be forwarded to the Office of Procurement for execution.
* The Office of Procurement will select a procurement instrument (either purchase order and purchase card) and will authorize the vendor to provide the good or service.
* Once the vendor satisfies its obligation to the Council, and invoices for work completed, a payment request is submitted to the CFO. The CFO typically remits payment within thirty days of receipt.
* Sole source contracts for expert and/or personal and professional services are permissible when competitive procurement methods are not appropriate and where advantageous to the Council.
* Procurements for an amount under $10,000 are considered micro-purchases and may be made without competitive quotes provided that the price is fair and reasonable. The preferred procurement instrument for micro-purchases is the purchase card.
* All procurements over $10,000 but less than $100,000 require at least three (3) quotes prior to execution. All procurements over $100,000 require a formal Solicitation or RFQ depending on goods and services desired. Procurement planning is necessary for these purchases.
* Vendors providing services for procurements over $5,000 will be checked against the District’s Clean Hands system, OTR system, the Excluded Party List, and DCRA business compliance system.

**Vendor Registration**

A new vendor must be registered in the District’s procurement system (“PASS”) to facilitate purchase order creation (i.e. a purchase order will not be generated without this information). The system requires all businesses to provide the following information:

Vendors who have conducted business with the District in the past must also have current and accurate profiles of their businesses in the PASS system to facilitate purchase order creation. Inaccurate or dated profiles will prevent purchase order creation.

**Payment Requirement – e-Invoicing**

The Council’s Office of Procurement does not issue payments. All payments are issued and processed by the Office of Treasury for the District, so all requests for payments must adhere to the District’s new e-Invoicing requirement. With the exception of the 24 voucher categories discussed above, no payment can be made unless the vendor submits invoices through the e-Invoicing portal. The vendor portal is a secure online invoicing system that only a vendor can access to create and submit invoices.  The objective of the e-Invoicing module is to standardize invoice processing throughout the District and improve the payment process for vendors and contractors doing business with the District government. Vendors will receive communication regarding the portal from OCTO with instructions on how to register and submit invoices.

**The e-Invoicing system will allow vendors to:**

* View Purchase Orders online
* Eliminate requirement of sending invoices by mail
* Submit invoices online
* Standardized invoice format
* Receive real-time notifications
* Track status of invoices & payments

**Guidelines for specific purchases**

* **Business Cards and/or Stationary**:
  + All orders must be accompanied by a Microsoft Word or enlarged copier sample marked up with the correct name, title, and contact information.
  + All proofs must be approved in writing prior to order placement. We will no longer proceed with an order without written confirmation and acceptance of a proof.
  + Timeline:

24-48 hours from the time of receipt of an approved requisition by the Office of Procurement for proof;

2-3 days from signed approval of proof and quote for printing.

* TOTAL TIME:

7-10 days (barring no corrections, missing information, questions or

production delays due to holidays).

* **Office Supplies**:
  + All orders must have a complete description of the item(s) requested (e.g. page no. from catalog, specific item no., copy of similar item or exact item from website, etc.).
  + Suggested vendor if known; otherwise we will engage a local small business from the District’s Supply Schedule.
  + The Office of Procurement will obtain a quote and/or availability of the items requested to fully inform the requestor of the cost and availability of item(s).
  + Once quote is approved, the items will be ordered.
  + Timeline:

24-48 hours from time of receipt of an approved requisition by the Office of Procurement for quote.

* TOTAL TIME:

3-5 days for delivery depending on availability of item(s) and vendor.

* **IT Equipment or Software**:
  + All orders must have a complete description of the item(s) requested (e.g. page no. from catalog, specific item no., copy of similar item or exact item from website, equipment specifications, etc.).
  + All orders must be approved by IT if they are to be used on Council IT equipment.
  + Once an approved requisition is received, the Office of Procurement will obtain a quote and/or availability on the item(s) requested, if necessary.
  + Timeline:

24-48 hours from time of receipt by the Office of Procurement for

quote, if necessary;

If no quote is necessary, items will be ordered; delivery times will vary depending on vendor.

**ATTACHMENT(S):** Requisition form for requesting services.

**AUTHORITIES:**

* [D.C. Official Code § 2-351.05(a)](https://code.dccouncil.us/dc/council/code/sections/2-351.05.html).
* Rules of Organization and Procedure for the Council of the District of Columbia, Council Period 23 Council’s Administrative and Operational Procedures Manual, Section 1.15.1. Contract Authorization.
* Financial Administrative Issuance, Financial Management and Control Order No. 07-004A\*, effective September 5, 2007, revised June 22, 2011.

1. [D.C. Official Code § 2-351.05(a)](https://code.dccouncil.us/dc/council/code/sections/2-351.05.html). The following sections of the PPRA apply to the Council: contractor standards; source selection and contract formation; types of contracts; bonds and other forms of security; prohibited actions and remedies; Contract Appeals Board authority; and other miscellaneous provisions such as green procurement, supply schedule, purchase card use, vendor portals and any subsequent Rules implemented with regards to these sections. [↑](#footnote-ref-1)
2. Rules of Organization and Procedure for the Council of the District of Columbia, Council Period 23 and Council’s Administrative and Operational Procedures Manual, Section 1.15.1. Contract Authorization. [↑](#footnote-ref-2)