



Greater Tompkins County Municipal Health Insurance Consortium

125 East Court Street • Ithaca, New York 14850 • (607)274-5590
www.healthconsortium.net • consortium@tompkins-co.org

“Individually and collectively we invest in realizing high quality, affordable, dependable health insurance.”

GTCMHIC Procurement Policy

Adopted June 25, 2020

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

The Executive Director shall have responsibility for all Consortium purchasing and bidding.

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

It is the policy of the Consortium to provide equal opportunity to all qualified suppliers. The principle of public purchasing is to obtain goods and services equitably through open competition at the least cost to the taxpayer while serving the interest of the Consortium.

Consortium procurement shall operate in full view of all members.

I. METHODS FOR PROCUREMENT

Procurements shall be made according to the parameters set forth in Tables A and B using one of the following methods:

A. Verbal or Written Quotations

Purchases costing up to \$3,000 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 \$3,000.00 and \$9,999.99 require at least two written 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 \$10,000.00 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 Executive Committee unless specifically required to be awarded by 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 Executive Committee shall authorize the award and contract for the requested service(s).

The Consortium reserves the right to postpone bid openings for its own convenience and to make changes to the specifications.

Per NYS General Municipal, State and Local laws, the Consortium may award a Bid to a vendor and/or contractor offering the "Best Value" to the Consortium. "Best Value" allows the Consortium to participate in bids let by National Cooperatives and other government agencies that have awarded contracts through this method if it proves to be in the best interest of the Consortium and member taxpayers.

Request for Proposal specifications shall detail the following:

- Scope of Services
- Evaluation Criteria
- Project Schedule
- Contract Term

Contract shall be awarded to the offeror 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 offeror, 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 cancellation 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 Executive Committee.

III. DOCUMENTATION

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

All bid and proposal responses shall be filed and maintained in accordance with the New York State Records Retention laws.

IV. GUIDELINES FOR WRITING A REQUEST FOR PROPOSAL (“RFP”)

These guidelines shall be followed with securing a bid through the RFP Process:

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, how (format) and when 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.

V. EMERGENCY PROCUREMENT

In the case of a public emergency, as declared by the Federal, State or Local authorities, and affirmed by the Consortium Executive Committee, goods and services exceeding the bid limits may be procured without competitive bidding.

The Executive Director is hereby authorized to award bids during such a declaration of emergency. Notification of such awards shall be provided in writing to the Executive Committee.

In cases where an emergency exists and a part, repair person and/or services are needed to make equipment operational and can be obtained immediately, the Executive Director or designee(s) should do the vendor research, locate the part or service needed and place the order.

VI. BEST VALUE

All awards may be made to a vendor and/or contractor offering the “Best Value” to the Consortium.

The Executive Committee or their designee will have the final approval when using “Best Value” and determine when its use would be appropriate and which criteria to use.

Award Criteria:

In determining the “Best Value” for the Consortium, the purchase price and whether the goods or services meet specifications are the most important considerations. However, the Executive Director or their designee may consider other relevant factors, including but not limited to:

- Installation costs;
- Life cycle costs;
- Quality and reliability;
- Delivery terms;
- Cost of employee training associated with a purchase;
- Effect of a purchase on productivity;
- Indicators of probable supplier performance under the contract such as past supplier performance, the supplier's financial resources and ability to perform, the supplier's experience or demonstrated capability and responsibility;
- Ability to provide reliable maintenance agreements and support;
- Ability to comply with state, federal, or other requirements linked to funding sources for specific projects including but not limited to MWBE participation, Section 3, Davis-Bacon, previous violation of federal or state labor standards, conflicts of interest, and equal employment opportunity.
- Business Enterprise status (e.g. DBE, MWBE, SDVBE);
- Other factors relevant to determining the best value for the Consortium in the context of a particular purchase, including the status of the vendor as a The Greater Tompkins County Health Insurance Consortium based business.

VII. SOLE SOURCE

Sole Source is an item or service that is available from only ONE source and there is no substantial equivalent or comparable item (s) in existence. An item cannot be created as a Sole Source by developing restrictive specifications. The product/service must have differentiation that makes it unique. The uniqueness must be demonstrably of real importance and benefit in the way the end item/ service is to be used.

In determining the “Sole Source” product/service for the Consortium, a memorandum of support will be created by the Executive Director and kept on file that details each of the following:

- Explain in detail why this product/service is the only one on the market that can satisfy the needs of the Consortium
- Explain why there are no alternatives, or the alternatives are not acceptable.
- Explain why the manufacturer/supplier or goods/service provider are the only available source to obtain the product or service, describing what research has been done to make sure this is truly a sole source.
- Explain why the price for this product/service is considered reasonable.

Table A

Purchasing Policy and Procedure for Procurement of Materials and Supplies	
Purchase Amount	Purchasing Procedure
Under \$3,000.00 per single item	<p>Executive Director should obtain one (1) to two (2) verbal quotations, but not required.</p> <p>Quotes shall be kept on file.</p>
Between \$3,000.00 to \$9,999.00 per single item	<p>Executive Director shall obtain at least two (2) written quotations inclusive of all charges.</p> <p>Audit and Finance Committee to review all purchases at regular monthly meetings.</p>
Between \$10,000.00 to \$19,999.00 per single item	<p>Executive Director shall obtain three (3) written quotations inclusive of all charges.;</p> <p>Copies to be submitted to the Audit and Finance Committee.</p> <p>Audit and Finance Committee to recommend purchase through resolution to Executive Committee.</p>
Over \$20,000.00	<p>Competitive sealed bids are required by NYS law for all purchases of any single item costing over \$20,000.00 or aggregate purchases over \$20,000.00 of any single item or type of items made within the twelve (12) - month period commencing on the date of purchase.</p> <p>The Executive Committee may establish an ad hoc Committee to review RFP specifications and all bids against set criteria. The Executive Director will develop the bid document and solicit bids according to legal requirements. Bid awards to be made by the Audit and Finance Committee or their designee through resolution to be presented at the next Executive Committee or Board of Directors meeting.</p> <p>Emergency purchases and sole source requests must be made in writing to Executive Committee.</p> <p><i>Note:</i> If time allows, two (2) quotes will be obtained for emergency purchases over \$10,000.</p>

Table B

Purchasing Policy and Procedure for Procurement of Professional Services (RFP's)	
Purchase Amount	Purchasing Procedure
Under \$10,000.00 per occurrence annually.	Executive Director shall obtain one (1) to two (2) proposals. Contract is required. Proposals should accompany the contract.
Between \$10,000.00 and \$19,999.00 per occurrence or annually.	Executive Director shall obtain two (2) proposals. A contract is required. Copies to be submitted to the Audit and Finance Committee. Audit and Finance Committee to recommend purchase through resolution to Executive Committee.
\$20,000+ per occurrence or annually	Executive Director shall obtain three (3) written quotations inclusive of all charges. Copies to be submitted to the Audit and Finance Committee. The Executive Committee may establish an ad hoc Committee to review RFP specifications and all bids against set criteria. The Executive Director will develop the bid document and solicit bids according to legal requirements. Bid awards to be made by the Audit and Finance Committee or their designee through resolution to be presented at the next Board of Directors meeting.