City of San Jose   **City Administrative Policy Manual**

Procurement of Non-Professional Services   5.1.8

PURPOSE

It is the policy of the City of San Jose to create opportunities for competition to arrive at the most economical price while meeting operational needs when acquiring non-professional services. This policy outlines the internal process of procuring non-professional services which cannot be purchased via a citywide Open Purchase Order or through utilization of a City Procurement Card (Please refer to City Policy Manual Section 5.1.2, City Procurement Cards).

AUTHORITY

City of San Jose Municipal Code (Section 4.12), Council Policy 4-6 Environmentally Preferable Procurement, and Council Policy 0-35 Procurement and Contract Process Integrity and Conflict of Interest.

POLICY

It is the policy of the City of San Jose to acquire non-professional services which meet the City's operational requirements, in the most cost-effective and efficient manner. The Finance Department provides for the acquisition of some services through citywide open purchase orders (Visit Finance's Intranet site at http://www.sjcity.net/index.aspx?nid=251 and click on Purchasing).

Non-professional services include but are not limited to maintenance or nonstructural repair of City buildings as defined in Section 4.12.055.A.1.a of the Municipal Code such as elevator maintenance, custodial services, and pest control services; repair, modification, and maintenance of City equipment; cleaning, analysis, testing, moving, removal, or disposal of City materials, supplies, and equipment; landscape maintenance; and temporary personnel services.

The Finance Department/Purchasing Division ensures that the acquisition of non-professional services is made in compliance with the applicable Municipal Code sections, including but not limited to the competitive solicitation requirements, the Local and Small Business Preferences, Procurement Integrity and Conflict of Interest, and applicable insurance requirements, and that the resulting contracts are executed by duly authorized City officials.

ACQUISITION PROCEDURES

I.   Processing of Purchase Requisitions:

Department

1. Identifies the operational need to procure non-professional services.

2. Obtains such non-professional services through citywide open purchase orders, if available.

3. If not through citywide open purchase orders, the Department determines the continuous or one-time requirement for such non-professional services.

4. If the requirement is infrequent and is less than $1,000 and the purchase is in compliance with City Policy Manual Section 5.1.2, City Procurement Cards, the purchase is assigned to Department Procurement Cardholders.

5. If the requirement is equal to or more than $1,000, the Department develops specifications for such non-professional services. Specifications must provide for fair and open competition, cannot be written by potential respondents to the resulting solicitation, and shall comply with Council Policy 4-6, Environmentally Preferable Procurement.

6. Complies with provisions of City Policy Manual Section 5.1.1, Procurement and Contract Processing Integrity and Conflict of Interest – Administrative Procedures.

7. Processes a California Environmental Quality Act (CEQA) determination with Planning, Building and Code Enforcement (PBCE) for commodity codes identified on Purchasing Intranet site (see bolded Commodity Code listings).

8. Requests an Office of Equality Assurance determination to identify the applicability of prevailing or living wage requirements.

9. For requirements with an estimated value above $10,000, identifies the evaluation factors and respective weights of these evaluation factors and submits them with the specifications.

10. If the procurement's estimated value exceeds $1 million, submits a "Request to Develop a Source Selection Plan" for procurement of non-professional services in accordance with City Policy Manual Section 5.1.3, Source Selection Plan.

11. If grant funds are used to purchase services, informs Finance/Purchasing that a portion of or all of the procurement of such non-professional services will be funded with grant funds in accordance with City Policy Manual Section 5.1.6, Procurements with Grant Funds. The Department shall also transmit a copy of all relevant grant purchasing regulations.

12. Submits an FMS System requisition with detailed specifications and applicable information such as CEQA, Grant funding, and an OEA Number.

13. Identifies a departmental contact person responsible for the requisition and the departmental billing contact person in the FMS requisition.

14. Includes contact information about vendors who may be qualified to provide the non-professional services.

15. Visits Finance/Purchasing Intranet site (http://www.sjcity.net/index.aspx?nid=251) for detailed information about these processes and any budget control measures and respective processes issued by the City Manager's Budget Office.

II. Processing of Solicitations:

Finance/ Purchasing	1. Reviews the requisition and requests further information from the department contacts, as needed.
	2. Requests determination of appropriate insurance levels from Risk Management.
	3. Issues solicitation in accordance with the City's Municipal Code.
	4. Acts as single point of contact for the solicitation, any questions or clarifications about the solicitation with the department contact.
	5. Receives solicitation responses and forwards the technical responses to the Department.
	6. Facilitates the evaluation process.
Department	7. Reviews and evaluates technical response information.
	8. Communicates the final technical evaluation to Finance/Purchasing in writing.
Finance/ Purchasing	9. Tabulates the cost responses, technical evaluation scores, and final scores, including the local and small business preference.
	10. Issues Notices of Intent to Award contract, which starts the 10-day protest period.
	11. Responds to protests received, if any.

III. Issuance of Purchase Orders or Execution of Agreement

Finance/ Purchasing	1. If the solicitation is above $250,000, processes Council Memorandum for award of contract.
Department	2. Assists Finance/Purchasing with processing of Council Memorandum, including but not limited, writing or providing information for the Outcome, Background, and Budget Reference sections.
	3. Provides input to an agreement, if applicable.
Finance/	4. Negotiates agreement in consultation with Department, if applicable.

Purchasing	5.	Develops agreement, if applicable, and forwards for review to the City Attorney's Office.
	6.	Receives signed copy of agreement from contractor prior to award of contract by Council.
	7.	Issues and distributes purchase order copies to department, vendor, and accounts payable, if applicable.
	8.	Processes agreement for execution, if applicable.
	9.	Files purchase order copy or agreement in accordance with approved retention schedule.

IV. Contract Administration

Department/ Contract Administrator	1.	Authorizes services to be rendered in accordance with the purchase order or agreement.
	2.	Assures that contractor provides services in accordance with the Purchase Order or Agreement.
	3.	Identifies non-compliance of services provided and meets with contractor to rectify the issues. If services were not provided as required by the purchase order or agreement, deducts appropriate amounts as identified by the purchase order or agreement.
	4.	Authorizes payment by signing off on invoices in accordance with the Purchase Order or Agreement.
	5.	Forwards approved invoices to departmental Accounts Payable section.

V. Payment Processing

Department/ Accounts Payable	1.	Receives approved invoice from Contract Administrator.
	2.	Adjusts invoice payment for early discount payments, if applicable (stated on Purchase Order).
	3.	Ensures that invoices are mathematically correct.
	4.	Enters appropriate payment data into the City's Financial Management System for payment of invoices received to generate an edit list.
	5.	Forwards edit list, approved invoice, and any other applicable back-up documentation to Finance/Accounts Payable.
Finance/Accounts Payable	6.	Reviews documentation and issues payment during the payment cycle requested by Department after receiving approved invoices and

applicable documentation.

7. Retains all original documentation in accordance with the Finance Department retention schedule.

/s/ Scott P. Johnson	May 22, 2008
Director of Finance	Date

Approved:

/s/ Christine Shippey	May 22, 2008
Assistant City Manager	Date