

Procurement Policies and Procedures Manual

**Department of Administration
Division of Administrative Services**

Available on the Internet at:

<http://doa.alaska.gov/das/Procurement/doc/pandp.pdf>

GENERAL POLICY

The State Procurement Code (AS 36.30) establishes the statutory authority for the procurement and control of goods and services. The regulations adopted from the procurement code are found in the Alaska Administrative Code, Title 2, Chapter 12. The Alaska Administrative Manual also contains procurement procedures and requirements. Anyone involved in procurement activities (soliciting quotations, preparing specifications, evaluating bids or proposals, etc.) must be familiar with the law, regulation, administrative manual, and these departmental policies and procedures.

All procurement activities of this department will be conducted in a manner that promotes the purposes and policies of the State Procurement Code, which includes providing increased public confidence; fair and equitable treatment of all persons; maximum purchasing value of State funds; effective broad-based competition within the free enterprise system; and safeguards for the maintenance of a procurement system of quality and integrity.

Contact the department's procurement specialist if you have any questions on procurement requirements.



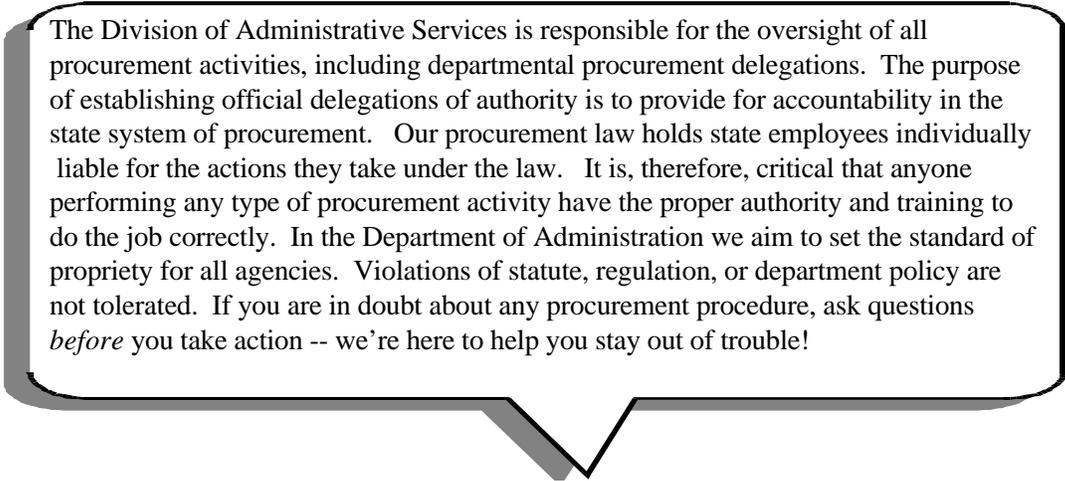
PURCHASING AUTHORITIES AND THEIR RESPONSIBILITIES

Anyone who obligates Department of Administration funds must be delegated the authority to do so. The Director of the Division of Administrative Services (DAS) delegates the authority to contract for and manage services, professional services, and supplies. The Commissioner of the Department of Transportation and Public Facilities (DOT&PF) delegates the authority to contract for construction and equipment or services for the state equipment fleet.

You may sub-delegate your purchasing authority to another individual, if your delegation authorizes you to do so. If you delegate purchasing authority or assign purchasing activities, ensure that the individual is capable and knowledgeable in the requirements governing state procurements. All delegations must be in writing and on file with DAS.

Intentional violation of the procurement regulations is just cause for revoking a purchasing authority and may result in civil or criminal penalties.

Those divisions granted “specific authority” for procurements are exempt from these policies and procedures only to the extent as stated in your specific authority.



The Division of Administrative Services is responsible for the oversight of all procurement activities, including departmental procurement delegations. The purpose of establishing official delegations of authority is to provide for accountability in the state system of procurement. Our procurement law holds state employees individually liable for the actions they take under the law. It is, therefore, critical that anyone performing any type of procurement activity have the proper authority and training to do the job correctly. In the Department of Administration we aim to set the standard of propriety for all agencies. Violations of statute, regulation, or department policy are not tolerated. If you are in doubt about any procurement procedure, ask questions *before* you take action -- we're here to help you stay out of trouble!

AS 36.30.005-.030; 2 AAC 12.740; AAM 81.005

Dan Spencer
Director of the Division
of Administrative Services



FISCAL RESPONSIBILITIES

Before requesting a purchase, soliciting quotations, awarding a bid, or signing any agreements or contracts for supplies or services, first determine that sufficient and appropriate funds are available for the purchase. To determine sufficient funding, consider the total value of the proposed procurement (be sure to include any options to renew) and the fiscal year appropriation(s) that will be charged for the obligation. See AAM 25.160, Fiscal Year Obligations.

All accounts payable documents (i.e., purchasing, contracting or approval on invoices) must be signed by a delegated purchasing or approving officer. All professional service contracts or agreements will be encumbered in AKSAS regardless of dollar value. All purchases for other services of \$5,000 or more will be issued on a Delivery Order (DO) form or written agreement and will be encumbered in AKSAS. All purchases for goods of \$5,000 or more will be issued on a DO form and encumbered in AKSAS.

AAM 30.010



Advance payments cannot be made before the receipt of goods or services except in the following cases:

- Rental payments may be made after the first day in which service commences if the lease requires advance payments.
- Subscriptions to periodicals, the purchase of documents or postage.
- Securities, investments, and real property before the assets are received.
- Grants to individuals or political subdivisions when the law so provides.

AAM 35.175

Fiscal has two main responsibilities when it comes to purchasing. One is to make sure there is sufficient funding available to pay for the purchase. Paying for a purchase should not cause you problems down the road with other obligations. The other is make sure the rules are followed so that no one gets into trouble. Let us help!

Dave Blaisdell
Finance Officer
Division of Administrative Services

REQUIRED APPROVALS

You are required to coordinate and obtain approval from the following agencies before proceeding with a procurement:

<u>Agency</u>	<u>Subject</u>	<u>Telephone #</u>
Law	Legal Service Procurements/ Changes to Standard Agreement Boiler Plates/Innovative Procurements	465-3600/3672
Administration/ Risk Management	Insurance Questions/ Changes to Appendix B	465-2180
Revenue/Treasury	Banking Services	465-2360

AAM 81.070

Documents will be approved within the department, as follows:

<u>Document Type</u>	<u>Dollar Value*</u>	<u>Written Authorizations</u>
ASPS	\$10,000.00 +	Deputy Commissioner
PSCs/Agreements	\$0 - \$9,999.99 \$10,000.00 +	Division Director Deputy Commissioner
PSC RAPs	\$5,000.00 +	Deputy Commissioner (up to \$50K)/ GS (over \$50K)
Other Svcs/ Goods RAPs	\$5,000.00 - \$50,000.00 \$50,000.00 +	Deputy Commissioner Deputy Commissioner/GS

* Dollar value stated is the total of all procurements for a specific project.

All documents approved by the Commissioner's Office must first be initialed by the division director. **DAS will review and obtain all signatures from the Commissioner's Office.**

EMPLOYER/EMPLOYEE RELATIONSHIPS

The State cannot normally enter into a contract with a State employee or contract for work that would normally be performed by a State employee. Before proceeding with a procurement, determine if the work should be performed by a State employee or a contractor. Hire a person through the personnel system if any of the following conditions exist:

- The person is subject to your control as to what, when, where, and how the work shall be done. It is not necessary that you actually direct or control the manner in which services are performed; it is sufficient that you have the right to do so.
- You have the right to discharge the person for reasons other than failure to deliver the product.
- You furnish the tools, equipment, and a place to work for the individual performing the services.

An independent contractor(s) could be hired if:

- They are subject to your control or direction but only as to the result to be accomplished and the work to be done, not as to the means and methods for accomplishing the result.
- They are in business and provide a service to the public from which they may derive a profit or suffer a loss.

Contact DAS, Human Resources Section, if you have any questions about hiring versus contracting for a particular service.

AAM 82.010





PROCUREMENT CODE EXEMPTIONS

Governmental Agencies You may provide to or procure services or goods from an external procurement or public procurement unit without preparing specifications or issuing competitive sealed proposals or soliciting bids as follows:

- Enter into a cooperative purchasing agreement for the purchase of supplies or services (must be approved by DGS in accordance with AAM 81.060);
- Enter into agreements for the common use or lease of warehouse facilities, capital equipment, or other facilities;
- Make available informational, technical, or other services;
- Provide personnel upon written request; or
- Sell to, acquire from, or use any supplies belonging to another public or external procurement unit.

A request made to or received from another State agency must comply with the Reimbursable Services Agreement procedures established by the Office of Management and Budget (OMB). Please refer to the statutes cited below for complete details and requirements on providing to or procuring services or goods from a public procurement unit, contract controversies, etc.

AS 36.30.700-.790; 2 AAC 12.700

Certified Employment Programs Within the limits of your delegated purchasing authority, you may procure goods produced or services performed by a certified employment program or accredited youth education and employment program without soliciting quotes from the private sector. Prepare a written determination which states that the goods or services meet your requirements and the price represents a reasonable cost for the goods or services. The determination can be recorded on either a DO, negotiated abstract, or memorandum form. The determination must be attached to all financial transactions and/or purchasing documents processed for the procurement. An accredited youth education and employment program is a program that allows participants to earn academic credits that are recognized by a school district in this state.

If your requirements cannot be met by a certified employment program, or the price is not reasonable, the procurement may be made competitively from the private sector.

Lists of certified employment programs are available from GS or the Department of Labor and Workforce Development, Division of Vocational Rehabilitation.

To qualify for the employment program, a bidder with a disability, or a bidder employing people with disabilities preferences, the bidder must add value if performing a service by actual performance, controlling, managing, or supervising the service to be provided to the State. If bidding on supplies, the bidder must have a documented history of selling the supplies of the general nature solicited by the State to other State agencies, governments, or the general public. If a prospective bidder cannot meet the requirement, they can bid, but would not receive the award evaluation preference.

AS 36.30.100; 2 AAC 12.050; AAM 81.055

Correctional Industries Correctional Industries products listed in the Contract Award (CA) Manual are mandatory use and may be purchased as specified in the CA without obtaining approval. If, for some reason, an item on CA does not meet your needs, you must prepare a memo requesting exemption from the requirements and submit it to ACI for approval.

For items not in the CA Manual, you must determine if the products/service meets marketability standards, meets agency needs, and is available at a reasonable cost. The following is a breakdown of whose responsibility it is to make the determination.

One time purchase of \$1,000 or less, the Commissioner of Corrections has predetermined that ACI's prices are reasonable and their products meet marketability standards of quality. The agency need is satisfied when you place your order.

One time purchases between \$1,001-\$25,000, the procurement officer is delegated the authority to make the determination required above. GS has guidelines available to assist the procurement officer in making the determination.

One time purchases over \$25,000, GS will process individual purchases from ACI .

Prepare a DO and contact the Correctional Industries Sales Office either in writing or by telephone. Include the catalog number, size, color, etc., in your order. For more information, contact the department's procurement specialist at telephone number 465-5656 or Correctional Industries in Anchorage at 269-7326 or in Juneau at 465-3317.

AS 36.30.100; 2 AAC 12.030; AAM 81.050

Grants Only those grants for which the State furnishes the property, whether real or personal, designated by law, including an appropriation Act, are exempt from the procurement code.

AS 36.30.850(b)

Federal Funds/Federal Assistance If the proposed procurement involves the expenditure of federal funds or federal assistance, and there is a conflict between the procurement code or purchasing regulations, the federal statute, regulation, policy or requirement shall prevail.

AS 36.30.890; 2 AAC 12.730

Other Items Competitive solicitations are not required, however, you are encouraged to seek reasonable competition for the items listed below. A complete list can be found in AS 36.30.850(b) and AAM Addendum 1.

¹ approval plans	advertising
² audio-visual materials	guest speakers or performers for an educational or cultural activity
³ employee moving expenses	medical doctors or dentists
⁴ network information services access	book binding services
⁵ professional witnesses	periodicals
conference attendance fees	books
newspapers	

¹Book selection services in which current book titles meeting your customized specifications are provided, subject to your right to return those books not meeting your approval.

²Nonbook pre-recorded materials, including records, tapes, slides, transparencies, films, filmstrips, cassettes, videos, compact discs, laser discs, and items requiring the use of equipment to render them usable.

³If the employee has the contractual relationship with the moving company.

⁴A group of resources from which cataloging information, holding records, interlibrary loans, acquisitions information, and other reference resources can be obtained.

⁵Professional witnesses that provide testimony relating to an existing or probable lawsuit in which the State is or may become a party.

Exemptions-don't stretch them too far!



PROCUREMENT CODE RESTRICTIONS

You may not *directly* procure the following items:

- telephone lines or circuits, radios, or any of the following equipment: electronic navigation, paging, public address, video transmission, teleconferencing, video conferencing, image transmission, telecommunications equipment, modems, bridges, routers, multiplex equipment, terminal control units, key systems, telephone switches, desk-top telephone instruments, voice mail, automated attendant, automated call sequencers or other similar equipment;
- construction, State equipment fleet vehicles, mobile homes, portable shelter units, or prefabricated and/or sectional office, housing or shelter units;
- leased office space; or
- construction involving leased space.

Submit requirements for telecommunications items to ITG on a completed Purchase Requisition (PR) form. ITG will procure the telephones, etc., DOT&PF will procure the construction/vehicles, and General Services will procure items having to do with leases.

For non-office leased space, estimated to cost no more than \$25,000 for the life of the contract, you may procure directly.

You may contract directly, but only as restricted and within your delegated purchasing authority for the goods or services listed below. Keep in mind that you must still seek the appropriate competition for the requested goods or services.

- The renovation, remodeling, repairing, or modification of leased space obtained through GS. The proposed work must be approved in advance, and in writing, by the lessor and must comply with the Alaska State Space Standards. Also, the work must not conflict with the covenants of the lease. A copy of the lessor's written approval must be received by GS before work begins.
- The renovation, remodeling, repairing, or modification of State-owned property. Explain in detail your requirements on a memorandum form to the DOT&PF. DOT&PF will evaluate your request and will either contract directly for the work, delegate you the authority to contract for the work, or disapprove the request.
- All publications shall be produced at commercial facilities or by a Certified Employment Program located in state unless:

- ~ Office copier is used to produce the publication.
- ~ Commercial in-state facilities are not capable of producing the publication.

Definition of publication: A written document, including books, brochures, flyers, manuals, newsletters, pamphlets, programs, reports and similar documents. It does not include posters, standard forms, maps, hunting-fishing-driver's licenses, fish tags, letterhead stationary or letterhead envelopes.

Solicitation requirements: For publications estimated to cost less than \$50,000, obtain solicitations from in-state vendors in accordance with small procurement requirements. Award will be made to the facility that can produce the publication in the required time frame and the lowest cost.

While basic printing standards exist, it is recognized that some publications will not meet the standards.

Waiver of Basic Printing Standards If the Basic Printing Standards cannot meet your needs, you may request a waiver of the standards. For *internal* publications, the Request for Waiver of Printing Standards form must be approved in advance by the director of GS. You are delegated the authority to waive the Basic Printing Standards for *external* publications. Publications for which the printing standards have been waived may be produced at a commercial print shop. If the costs exceed \$1,500 in general funds per printing job, a cost block which identifies the cost per copy to produce the publication must be displayed on the publication in a conspicuous location. See the Administrative Manual, Section 83.030 for examples of the cost block.

Business Card Standards: Embossed gold printing is reserved for the Governor's Office and embossed silver printing is reserved for the Lieutenant Governor's Office. Format: 3 1/2" X 2", with 9/16 diameter Alaska State Seal in the upper left corner; recycled symbol in the lower left or right corner, printed in black or blue ink, one color only, including the State Seal. The cards must be printed on 80-pound recycled stock, minimum 50 percent recycled content.

- Nonessential items are not authorized expenditures of State funds *unless* approved in advance. Such items include:
 - ⇒ printing of a personal nature such as personal letter stationery, Christmas cards, name plates, personal photographs, etc.;
 - ⇒ foodstuffs and utensils such as coffee, doughnuts, cakes, coffee makers, cups, silverware, etc.;
 - ⇒ dues for personal membership in professional and technical associations or organizations;
 - ⇒ nonfunctional or nonessential office fixtures, equipment or other items such as ash trays, radios, personalized items, wall pictures, pen and pencil desk sets, etc., and
 - ⇒ any item similar in nature or content to the above listed items that cannot be justified as essential in the administration or conduct of a State office or program.



A complete explanation of unauthorized expenditures is found in the Administrative Manual, AAM 35.150. If you feel it is necessary to purchase something of this nature, prepare your request in memorandum form, address it to the Commissioner, and explain why the procurement is necessary or an integral part of your function. Include a signature line and approved/disapproved blocks.

⇒ Rugs, draperies, plants, planters, etc.



If the procurement is necessary or an integral part of your function, prepare a memorandum that explains why and address it to either DOT&PF for State-owned buildings or GS for leased office space. Include a signature line and approved/disapproved blocks.

Once authorized, attach a copy of the approved memorandum to all accounts payable financial transactions.

AAM 35.150

Restriction on Employment After Leaving State Service For two years after leaving State service, a former public employee may not work on any matter in which the former employee had personally and substantially participated while employed by the former administrative unit. This prohibition applies to cases, proceedings, applications, and contracts.

AS 39.52.180

Believe
in
ETHICS

EMERGENCY PROCUREMENTS

An emergency exists when a timely decision must be made to prevent loss of life, damage to property or facilities, or to mitigate an imminent threat to public health, welfare, or safety.

Advance review by the Chief Procurement Officer (CPO) is required. The CPO makes the determination on the basis of the emergency and the selection of the contractor before the procurement takes place. If there is not time for the CPO to receive the information and make the determination, the procurement officer has the authority to make the determination (there is not sufficient time to obtain a written determination from the CPO if action must be taken in less than 72 hours). Seek competition that is practical under the circumstances. The procurement(s) is limited to the supplies, services, or construction necessary to meet the emergency only. Prepare a written determination, stating the factual basis of the emergency. You must submit a copy of the procurement and a procurement report to GS. Attach a copy of the determination to all accounts payable financial transactions.

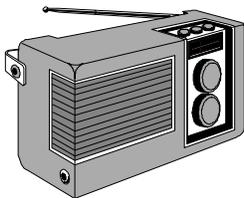
AS 36.30.310; 2 AAC 12.440-.460; AAM 81.510

Not an emergency situation:



Possible emergency situations:

This just in--the
Pioneers' Home's heating
system has stopped
functioning!



FLOOD

CONTRACT AWARDS

GS solicits bids and awards contracts for all agencies to use. You must purchase items on CA if the CA stipulates its mandatory use. All purchases from a CA must comply to the terms and conditions of the award. Only purchase those items detailed on a CA referencing that CA. If purchasing off of a CA, you are not required to use a delivery order unless the order is over \$500 or if the vendor requires it. Also, you **can** order CA items and non-CA items on the same delivery order.

For example:

If there is a CA with printing Company X and the CA applies to the printing of business cards, you may not purchase forms referencing that CA.

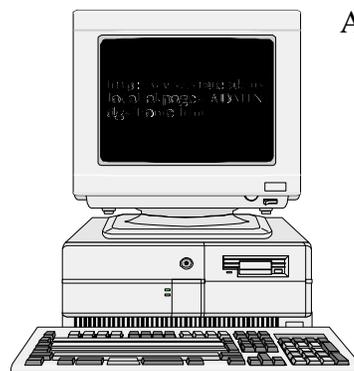
If more than one vendor or item is listed on the CA, as in the case of microcomputers, choose according to utility and economy.

Although it is occasionally possible to secure a lower price on some CA items, the purchase must still be made from the mandatory use CA. If the CA is not mandatory, you may purchase from somewhere else, however, you must solicit quotes as required by the dollar amount. If you have any problems with the products or services offered, terms or conditions, awarded vendors, etc., of a CA, contact the purchasing agent for that CA in GS. Only GS can approve the purchase of a mandatory use CA item from another source.

If you have a continuing need for goods and/or other services that are not on CA, prepare a PR requesting the establishment of a CA. Clearly state your need, terms, and conditions including any renewal options. DAS will request the establishment of CAs on behalf of the department when similar items are required on a continuous basis involving more than one division. If a CA is established for your division with renewal options, exercise that option (by preparing a PR) before its expiration date. Once a contract has expired, it is no longer valid and cannot be used.

The contract award manual is available at this Internet address:

<http://146.63.78.39/public/cam/cam.php3>



AAM 81.040

PROFESSIONAL SERVICES DEFINED

Only those services that qualify as a professional service may be procured under the statutory exclusion for professional services. A professional service is defined as a service that requires specialized knowledge and training (often through long and intensive academic preparation) or in-depth experience in a particular field or discipline. Professional services are professional, technical, or consultant services predominantly intellectual in character. They include analyzing, evaluating, predicting, planning, or recommending and usually result in producing of a report or completing a task. A contract which is procured as a professional service, but which in fact is not a professional service, is subject to being voided.

For example:

The use of a designer to do layout work for a magazine is considered a professional service. The printing of the magazine is not considered a professional service.

A carpenter who provides consulting services for a remodeling project is a professional service. The carpenter who does the remodeling is not considered a professional service.

AAM 82.430



Professional Services



Not Professional Services



COMBINED PROFESSIONAL SERVICES AND GOODS AND/OR OTHER SERVICES

When a proposed procurement consists of both professional and goods and/or other services, determine if it is reasonable to separate the professional services from the goods and/or other services. If so, proceed with separate procurements as appropriate. If it is not feasible to separate the procurement, then decide if the procurement will be made as a professional service or not. A general rule of thumb which should be applied is:

If seventy-five percent (75%) or more of the cost of the procurement consists of professional services, then procure it as a professional service. If less is a professional service, the procurement should be made by competitive sealed bids. If competitive sealed bidding is impracticable under the circumstances, request an exemption.

AAM 81.430



PREFERENCES

Alaskan Bidder Preference An Alaskan bidder is given a five percent (5%) preference on their quoted price. An Alaskan bidder is a person who:

- holds a current Alaska business license;
- submits a bid for goods, services, or construction under the name that appears on the person's current Alaska business license;
- has maintained a place of business for the six (6) month period immediately preceding the date of the bid;
- is incorporated or qualified to do business under the laws of the state, is a sole proprietorship, and the proprietor is a resident of the state or is a partnership, and all partners are residents of the state; and
- is a member of a joint venture composed entirely of ventures that qualify as an Alaskan bidder as defined above.

Use this preference only if non-Alaskan bidders submitted a quote/bid. If the five percent (5%) Alaskan bidder preference was applied to the lowest responsive and responsible bidder, obtain evidence that the bidder qualifies for the preference before determining the successful bidder or offeror. Acceptable evidence can be any one of the following:

- A copy of their Alaska business license.
- Certification on the quotation, bid, or proposal that the bidder or offeror has a valid Alaska business license. The bidder or offeror must write their license number in the space provided on the quotation, bid, or proposal.
- A copy of the canceled check that demonstrates payment for the Alaska business license fee.
- A copy of the Alaska business license application with a receipt stamp from the Department of Commerce and Economic Development, Business License Section.
- A sworn, notarized affidavit from the bidder or offeror that they have applied and paid for the Alaska business license.
- Other forms of evidence acceptable to the Department of Law.

Attach the evidence to all resulting purchasing or contracting documents.

AS 36.30.170; AAM 81.130

Alaskan Product Preference The percentage of preference applied to Alaskan grown or manufactured products vary in their assigned values. A list of the products, their values, and vendors is available from DAS. If the successful bidder or offeror fails to use the designated Alaskan product, the payment can be adjusted per AS 36.30.330.

Recycled Products Preference Apply five percent (5%) recycled products preference to a quotation or bid that indicates that the products being purchased are recycled products. Other than CA paper, at least fifteen percent (15%) of the paper you purchase annually must contain fifty percent (50%) recycled paper. If the recycled paper is not available or the recycled paper is more expensive than the nonrecycled paper, prepare a written justification in memorandum form. Address it to the Commissioner and provide a signature line and approved/disapproved blocks.

AS 36.30.339

Alaskan Offeror An Alaskan Offeror is a firm or person who qualifies as an Alaskan Bidder. A ten percent (10%) points preference is applied to the overall evaluation scale on a professional service's RFP. See RFP Evaluation Criteria.

Ten Percent Alaskans With Disabilities Preference If a vendor:

- ◆ qualifies for the Alaskan Bidder Preference;
- ◆ is a sole proprietorship owned by a person with a disability; and
- ◆ offers a response to a solicitation that is not more than ten percent (10%) higher than the lowest proposal,

the procurement officer will award the maximum number of points allocated for cost to that proposer.

SPECIFICATIONS

One of the first steps in a procurement is establishing specifications. Seek Alaskan grown or manufactured products, services provided by Alaskan bidders (minimum of solicitations must be from Alaskan vendors), and recycled products whenever possible.

If your specifications are restrictive and limits the required competition, revise your specifications.

Specifications for Goods It is State policy to procure standard commercial products, if practicable. In developing specifications:

- avoid unique requirements;
- emphasize functional or performance criteria;
- limit design or other detailed physical descriptions to those necessary to meet your needs;
- encourage the use of items grown or manufactured in Alaska or recycled products;
- state that a bidder who designates the use of Alaskan products will have a preference applied to their bid;
- construct proposed procurements in a manner that maximizes the opportunity for Alaskan vendors to issue quotes;
- list enough essential characteristics to ensure that any product which meets all of them as a minimum would be sufficient to meet your need.

Include in the specifications:

- a delivery date,
- duration of the procurement,
- possible renewal options,
- deadline for submitting quotes,
- a description of the items.

This information is very important, as the vendor will use it to select the product they offer and you will use it to determine if the product meets the minimum specifications.

If a product meets all the essential characteristics of the specifications, it must be considered responsive and acceptable to the solicitation. A product which exceeds the essential characteristics cannot be considered any more favorably than a product which only meets the minimum essential characteristics. If the product does not meet all the characteristics set out in the specification, consider it non-responsive to the solicitation and reject it as unacceptable. If the proposed procurement involves manufacturing an item, provide plans, drawings, materials lists, and a description of the manufacturing process. A product will then be built following your instructions. Describe your requirements without limiting the procurement.

Brand name specifications are used if it is impractical to use performance or functional specifications. When using a brand name specification on procurements within your delegated purchasing authority, obtain the required number of quotations. Before a brand name specification can be used which would limit a procurement to a specific manufacturer or model number, prepare an explanation of why *only* the proposed brand will meet your minimum needs. Record it in the comments section of the negotiated abstract form or the body of the PR form.

AS 36.30.060; 2 AAC 12.790; AAM 81.150

Specifications for Professional Services No matter how limited the service you require, prepare your specifications before contacting potential contractors. Describe clearly and completely the specific services you require and levels of acceptable performance. If you do not specify a required service, do not expect to receive it.

Specifications should include:

- a definition of the problem,
- the expertise or knowledge required,
- the proposed solution (if known),
- an estimated work schedule,
- an estimate of cost, and
- renewal options and “subject to funding” clauses.

Develop your RFP and the scope of services (Appendix C) of the contract from these specifications. If you wish to procure services beyond those addressed in the specifications, treat the acquisition as a new procurement.



AS 36.30.060; 2 AAC 12.070-.110 & 790;
AAM 81.410

Develop your specifications into a detailed listing; be sure to include functional specs.

DETERMINING THE DOLLAR VALUE OF A PROCUREMENT

In determining the dollar category applicable to your procurement(s), consider the total price, similarity of products, and predictability of the procurement. Consolidate procurements to the extent possible, separating proposed procurements only to accommodate Alaskan bidders, products, and/or recycled products. Artificial division or fragmentation of a procurement in order to circumvent the competitive competition requirements is strictly prohibited and will be considered a purchasing violation.

Examples

- 1:** If you wish to procure maintenance services that would cost \$200 per month and would last three years, select the process applicable to a \$7,200 procurement ($\200×36 months).
- 2:** If you need two-part, three-part, and four-part forms for a project(s), consolidate all forms into one procurement. If your need for these forms is ongoing, consider the establishment of a CA.

AAM 81.020

Remember to include all phases of a project when determining the total value of a procurement.



COMPETITION REQUIREMENTS

A solicitation may be amended, within the guidelines for amendments, as long as all responding bidders to your solicitation are notified of the change. When the procurement officer determines in writing with particularity that the use of competitive sealed proposals is more advantageous to the state than competitive sealed bidding, a contract may be entered into by competitive sealed proposals.

Procurement Card Purchases You may use the procurement card for a one-time purchase limit of \$2,500 after receiving only one quote.

Adequate and Reasonable Competition Provide adequate and reasonable competition for purchases estimated to cost less than \$5,000. The higher the price or the more contractors who can meet your needs, the more competition you should seek.

AS 36.30.320; 2 AAC 12.400; AAM 81.020; AAM 81.210 & 220

Written or Oral Quotations Procurements of goods and other services estimated to cost between \$5,000 and \$25,000, and professional services between \$5,000 and \$25,000, require oral or written quotes from at least three Alaskan vendors. Oral quotes for professional services must be followed up with written quotes. When soliciting, include the specifications, award criteria, and the date and time responses are due.

Exceptions include: Passenger transportation estimated to cost no more than \$15,000. Use competition that is adequate and reasonable for these procurements as well as hearing officer and attorney contracts estimated to cost no more than \$25,000.

Make the award in accordance with the specifications and award criteria to the responsive and responsible vendor who submitted the lowest quote or informal proposal that is the most advantageous to the State.

Record on the negotiated abstract form and keep for the record:

- the name of the person who made the solicitation and the date;
- specifications/award criteria;
- who was contacted, summary of responses, and copies of all quotes or informal proposals received; and
- justification for award.

AS 36.30.320; 2 AAC 12.400; AAM 81.210 & 82.220

Written Quotations When a proposed procurement is estimated to cost between \$25,000 and \$50,000 for goods or other services, solicit written quotes from at least three Alaskan vendors on the RFQ form. This requirement does not prevent you from contacting more than three vendors; we encourage you to seek more competition. Attach either addendum 1 for purchases of supplies and/or services other than "high tech" supplies or addendums 1 and 2 for purchases of "high tech" supplies. Advise the prospective vendors of the date the RFQ must be returned by.

Summarize on the negotiated abstract form the firms or persons contacted and the responses to the RFQ. Submit the negotiated abstract form, purchasing documents, and the original quotations to DAS for inclusion into the departmental procurement files. Faxed quotes are acceptable.

Make the award in accordance with the specifications and award criteria to the responsive and responsible vendor who submitted the lowest quote or informal proposal that is the most advantageous to the State.

Award Notification For procurements over \$25,000, provide written notice of the award, including the name of successful offeror, to each firm or person providing a quotation or informal proposal, and describe protest rights under 2 AAC 12.695 and the time limitations within which a protest must be received by the purchasing agency.

Professional Services Contracts \$25,000 - \$50,000 When a proposed procurement of professional services is estimated to cost between \$25,000 and \$50,000, solicit written proposals from at least three Alaskan vendors. Use an RFP format that details the specifications, prior experience requirements, and evaluation criteria. Contact the DAS procurement specialist prior to preparing the RFP to determine if an informal RFP is appropriate or if the formal RFP boilerplate should be used. RFP Review Committee action may be required for an informal RFP.
AS 36.30.320; 2 AAC 12.400; AAM 81.240

DAS Procurements Procurements of goods or other services estimated to cost \$50,000 or more, not on CA, are obtained through DAS. Submit your requests for these purchases by completing a PR form and forwarding it to DAS for processing. When using brand name specifications, provide the brand name and model number of at least two products that will meet your minimum needs. If you desire to procure the item yourself, state your request for a "one-time delegation of authority" on the PR. According to the specifications on the PR, DAS will either issue a PO, establish a CA or lease, or approve your request for a one-time delegation of authority. Request any changes (including optional renewals) to the terms or conditions of an existing PO or CA on a PR.

If the procurement has been delegated back to you, proceed in accordance with the Competitive Sealed Bidding section of the Procurement Code (A.S.36.30.100.-.190). If, during the competitive sealed bidding process, it is determined that a bidder qualifies as an Alaskan bidder, is offering services through an employment program, and is the lowest responsible and responsive bidder with a bid that is not more than ten percent (10%) higher than the lowest bid of a nonresident, award the contract to that bidder.

If Alaskan grown timber, agricultural, or seafood products from Alaskan vendors are not acceptable, provide a written determination, with the PR, stating the specific reasons why they are not acceptable.

All procurements over \$50,000, require the submission of a procurement report to GS within 5 days of the award.

The basic flow of an Invitation to Bid process is:

- ◆ Develop the specifications into the ITB Boiler Plate.
- ◆ Order a contractor's list from GS.
- ◆ Send the ITB to the potential bidders.
- ◆ Issue any amendments that are necessary (i.e., if questions are received during the time period allowed).
- ◆ Receive and keep sealed the bids until the date and time stated in the ITB.
- ◆ Publicly open the bids on the date and specified time.
- ◆ Read the bids aloud and log the respondents and their bid total.
- ◆ Return to work station and determine if the bids are responsive and the bidders are responsible.
- ◆ Issue the Intent to Award.
- ◆ Wait the 10-day protest period.
- ◆ After the 10-day protest period, if there are no protests, issue the CA.
- ◆ Administer the contract.
- ◆ Issue renewals as allowed in the ITB.
- ◆ Close out the CA at the end of the life of the contract.

RFPs Issue a formal RFP when you need proposals on how to approach a problem, how to achieve the most cost-effective results, what services are required to solve the problem, and for all professional services of \$50,000 or more.

The use of an RFP instead of a bid for other services and goods may be used when the procurement officer determines in writing that use of an RFP is more advantageous to the State. For construction, the written determination is made by the Commissioner of DOT&PF.

SOLICITATION SOURCES

You must solicit the minimum number of solicitations from **Alaskan vendors**, unless:

- ◆ small procurements (under \$50,000)- the procurement officer may make a written determination that soliciting quotes from Alaskan vendors is not practicable;
- ◆ large procurements (over \$50,000)- the procurement officer may request a determination from the CPO that soliciting Alaskan vendors is not practicable.



Oral Solicitations You may telephone vendors and describe the service to be performed or items to be procured. Prepare an outline of the requirements *before* calling to ensure that all prospective contractors receive the same information. Oral proposals received on professional service procurements must be followed up with written proposals. A record containing the

following information must be prepared on all oral solicitations:

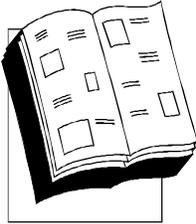
- who made the solicitation,
- the specifications or items solicited,
- the date the solicitation took place,
- the names of firms or persons contacted (if a firm, the name of the person in the firm contacted),
- the response of each firm or person, and
- justification for the award.



Written Solicitations You may issue an informal letter describing the items or specifications or issue statements of interest and qualifications or requests for proposals. For written proposals, a list of firms or persons contacted, a copy of the solicitations used, a summary of the responses, copies of all proposals or quotations received and a justification for the award must be

attached to the purchasing or contracting documents submitted to DAS.

Contractor's List You may use the appropriate contractor's list available from GS to contact vendors who perform the services you require or carry the goods you need. It is not necessary to contact all vendors on the list, however, if used, rotate it to give all contractors a fair opportunity to compete. If a solicitation is returned by the U.S. Postal Service as undeliverable, forward the returned solicitation to GS.



Catalog Prices You may use established catalog prices or published discounts from established catalog prices. You are required to rotate vendors when making procurements from established catalogs. When using catalogs, calculate the cost of delivery and include that amount in the total when determining the low offer.

2 AAC 12.400; AAM 81.220 &

230

EVALUATING QUOTATIONS/MAKING THE AWARD

In evaluating quotations, bids, or proposals, it is your responsibility to fairly award to the lowest, responsive/responsible vendor.

Rejection of Quotation/Bid/Proposal Reject an individual bid if it fails to meet the minimum specifications. Reject multiple, alternate, or conditioned bids, unless specifically authorized in the specifications.

Cancellation of a Solicitation Cancel a solicitation if you no longer require the supplies or services, cannot reasonably expect to pay for the procurement, if the specifications were ambiguous or inadequate, or if the solicitation omitted factors of significance.

A procurement may be awarded to two or more bidders of similar products if the award is necessary for adequate delivery, service, or product compatibility. Make the awards in accordance with the procurement process. Do not make multiple awards if a single award meets your needs without sacrificing economy or service.

A “no-quote” response from a vendor who typically provides the goods or services is considered a viable quote.

For example:

The item is not in stock and will not be available for two weeks and your requirement for the item is this week.

If the vendor does not normally perform the service or carry the item you wish to obtain, the “no-quote” response does not qualify as a viable quote.

Quotations received from the same vendor but in different locations do not qualify as separate quotes.

For example:

Three quotations from the Anchorage, Juneau, and Fairbanks office supply store Q does not qualify as the three required quotes.

After determining which vendors meet the criteria set out in the specifications, make the award to the lowest responsive and responsible bidder, taking into account applicable Alaskan Bidder, Alaskan Product, Employment Program, People with Disabilities, and/or Recycled Products preferences. Your obligation to the vendor is for the amount of their quote before the preferences were applied. If the award is made to an Alaskan Bidder after the preference was applied to their bid, obtain proof that they qualify as an Alaskan Bidder. See "Preferences" section.

If, after applying the allowable preferences, a low-tie bid exists, make the award through a random drawing. Do not divide the procurement among identical bidders.



To avoid misinterpretation on the part of any party (vendors) don't be afraid to take a vendor's question under advisement before responding.

WHEN IN DOUBT--THINK IT OUT--Print it and send it to every vendor in possession of your procurement document (ITB/RFP/RFQ)

REQUESTS FOR PROPOSALS

A formal RFP must be issued for all professional services of \$50,000 or more. You must solicit Alaskan vendors, unless a waiver has been approved.

All RFPs must receive the approval of the RFP Review Committee before they are released to the public. The agenda for the RFP Review Committee is coordinated by the Procurement Specialist in DAS. When you submit an ASPS for approval, let the Procurement Specialist know your preference for the date of the RFP Review Committee meeting. The division director of the requesting division and the author of the RFP are required to attend the RFP Review Committee Meeting. After preparing the RFP, submit it to the Procurement Specialist in DAS. Remember to include a "cheat sheet" that shows how the standard boiler plate has been changed to help move the RFP review process along faster.

RFP Contents The department has a standard boiler plate RFP that contains many of the requirements applicable to all RFPs. You can obtain a copy from DAS. All RFPs must contain the following:

- The date, time, and place for delivery of proposals.

- A specific description of the supplies, construction, services or professional services to be provided, and the terms under which they will be provided. See Specifications.
- A requirement that proof of the proposer's valid Alaska business license be submitted at the time the proposals are opened.
- A description of the evaluation factors that will be used in evaluating proposals and their relative weight in the overall evaluation.
- The following statement must appear in every RFP:

“Offerors shall carefully review this RFP for defects and questionable or objectionable materials. Offerors comments concerning defects and questionable or objectionable material in the RFP must be made in writing and received by the purchasing authority at least ten (10) days before the proposal opening date. This will allow time for an amendment to be issued if one is required. It will also help prevent the opening of a defective solicitation and the exposure of offerors’ proposals upon which award cannot be made. Offerors’ comments should be sent to the purchasing authority at the address shown on the front of this RFP. A copy of the offerors’ comments should be forwarded to Commissioner, Department of Administration, P.O. Box 110200 Juneau, Alaska 99811-0200.”

- Any information necessary for an offeror to submit a proposal or contain references to any information that cannot reasonably be included with the request.
- A requirement that the bidder or offeror certifies under penalty of perjury that the price submitted was independently arrived at without collusion.
- A "subject to funding" clause if the funding for the contract is dependent upon legislative approval for future periods.
- Copies of standard agreement forms with appendixes, including insurance requirements.
- A list of evaluation criteria.

AS 36.30.210; 2 AAC 12.800; AAM 81.4000-0410

RFP Evaluation Criteria General evaluation criteria should define the problem, contain minimum requirements, minimum qualifications of the firm, adequacy of work plan, and reputation and capability of the firm. Establish minimum requirements necessary to accomplish the task so that all proposals that meet these minimums will be determined as acceptable for further evaluation. The value assigned to a specific criteria should be based on its relative importance.

Cost must be an evaluation factor except for architectural, engineering, or surveying services. These procurements shall be negotiated with the most qualified and suitable firm or person for the job. The minimum weight given to price must be at least forty percent (40%) of the total evaluation points. If the forty percent (40%) minimum will prevent you from accomplishing your mission, prepare a written request to the Commissioner and explain why the minimum would prevent you from accomplishing your mission. Include a signature line and approved/disapproved blocks.

Use the Alaskan Offerors preference as an evaluation factor when soliciting and evaluating RFPs involving both in-state and out-of-state proposals. In addition to the five percent (5%) Alaskan Bidder cost preference, at least ten percent (10%) of the points must be assigned to the Alaskan Offeror preference. State this in the RFP along with the weight it will be given. This factor may be prorated based on the amount of the contract performed in Alaska.

It is recommended that an evaluation scale of one hundred (100) points be used with ten (10) of the points assigned to the Alaskan Offerors preference.

For example:

Total Points of 100 = 10 points assigned to Alaskan Offerors Preference

2 AAC 12.260; AAM 81.470

Public Notice Public notice of all RFPs must be given at least twenty-one (21) days before the date of the opening of the proposals. Notice of all RFPs must be published in the Alaska Administrative Journal. Contact the Commissioner's Office, telephone number 465-2200, to place your notice. Additionally, RFPs must either be mailed to those contractors appearing on the contractor's list for that particular service code, or published in a newspaper of general local circulation in the area pertinent to the contract or in other appropriate media. All notices must include the RFP number.



The twenty-one (21) day time frame may be shortened after the procurement officer has independently determined that it is advantageous to the State and adequate competition is anticipated. If a division advertises the RFP, a copy of the Advertising Order Affidavit and a copy of the actual advertisement must accompany your contract package when submitted for approval.

AS 36.30.210; 2 AAC 12.220; AAM 81.090

RFP Questions/Amendment/Extension/Cancellation When questions are received from potential offerors that involve clarification or interpretation of the RFP, provide a written addendum to the RFP to all potential offerors. If questions are received over the telephone, keep a record of all questions asked and answers given. Advise all potential offerors to put their questions in writing and confirm telephone conversations in writing.

Before the opening of proposals, an RFP may be amended, canceled in whole or part, or the time for opening the proposals may be extended if it is in the State's best interest. Prepare a written determination which explains the reasons for the cancellation, extension, or amendment of the RFP. See "Written Determinations" section. Notify all potential offerors known to have copies of the solicitation of an extension or amendment to the RFP. Include the reasons in the procurement file.

AS 36.30.350; 2 AAC 12.850; AAM 81.470

Treatment of Proposals/Register of Proposals Upon arrival, insure that the date and time of receipt is stamped on the envelope of all proposals, corrections, modifications, or notice of withdrawal of a proposal received. Hold the proposals in a secure place. The procurement officer will open the proposals in order to avoid disclosure of their contents to competing offerors during the process of negotiation. To the extent that the offerer designates and the procurement officer concurs, trade secrets and other proprietary data contained in the proposal documents are confidential.

A register shall be prepared of all proposals received. The register must contain the name and address of each offeror and a description of the supply, service, or construction item offered. The register of proposals and all proposals are open for public inspection after the Notice of Intent to Award has been issued.

Keep any bids or proposals that have been rejected in the procurement file.

AS 36.30.230; 2 AAC 12.240 & .880; AAM 81.460

Proposal Discussions As provided in the RFP, discussions may be conducted with responsible offerors who submit proposals determined to be reasonably susceptible of being selected for award for the purpose of clarification to assure full understanding of, and responsiveness to, the solicitation requirements. Proposals may be revised after submission and before the award of the contract for the purpose of obtaining best and final offers. All modifications to a proposal must be in writing by the offeror. Following discussion with offerors, the procurement officer sets a date and time for the submission of best and final proposals. A written determination may be prepared that justifies another submission of best and final proposals. This determination must be approved by the Commissioner. If a written determination is not prepared or approved, discussions of or changes in the best and final proposals are not allowed before award. If an offeror does not submit a best and final proposal or a notice of withdrawal, the offeror's last proposal is considered the offeror's best and final proposal. The procurement officer may not disclose information derived from proposals submitted by competing offerors.

The procurement officer must not disclose proposal contents to competing offerors prior to Notice of Intent to Award. This will avoid exposure of proposal contents until after an award decision is made and will uphold the integrity of the process.

AS 36.30.240; 2 AAC 12.230 & 290; AAM 81.470

Proposal Evaluation Committee (PEC) Proposals may be evaluated by a PEC. The procurement officer does not have to be a voting member of the Proposal Evaluation Committee.

Include State personnel who are knowledgeable in the subject area of the work to be accomplished on the committee. A nonresident of the state, other than State employees or officials, may not serve in a voting capacity on a PEC without prior written approval by the



Commissioner. Explain the value of the nonresident evaluator's participation in the request. There is no limit to the number of persons on the committee as long as you have a workable number of members. Selecting an odd number of members may be helpful depending on the evaluation situation and method you are using.

A representative from the Division of Information Services must be on every PEC involving software development which will interact with the State's mainframe computer.

2 AAC 12.260

Proposal Evaluation Proposals may be evaluated by either the procurement officer or a PEC. It is recommended that responses to RFPs be evaluated by a PEC. All members of a PEC exercise *independent judgement* and no member's vote may be considered more favorably than another's. Evaluation meetings may be held between the PEC only to discuss the RFP, the evaluation process, the weighting of evaluation factors, and proposals received before evaluation.

All proposals must be evaluated only on the evaluation factors set out in the RFP. Evaluation factors not specified in the RFP may not be considered. If a proposal does not meet the minimum requirements set out in the RFP or the procurement regulations, the proposal must be rejected as nonresponsive. The PEC or the procurement officer should outline the evaluation criteria and the corresponding point assignment as stated in the RFP. If a numerical rating system is not used to evaluate the proposals, the procurement officer or each member of the PEC must explain in writing their ranking.

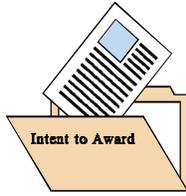
Unless otherwise provided in the RFP, a proposal, correction, modification, or notice of withdrawal of a proposal may not be accepted if received after the date set for receipt of proposals, unless the delay is due to an error of the contracting agency.

A proposal received from a debarred or suspended offeror must be rejected. Evaluations may not be based on discrimination.

If only one responsive and responsible proposal is received, the procurement officer may either make an award, reject the proposal, or reject the proposal and re-solicit proposals.

Apply the Alaskan Bidder and Offeror preferences to proposals when both in-state and out-of-state proposals are received. Alaskan vendors must provide proof of a valid Alaska business license before the preferences can be given.

AS 36.30.250; 2 AAC 12.250-.270 & .860; AAM 81.470



Award/Notice of Intent to Award Award the contract to the responsible and responsive offeror whose proposal is the most advantageous to the state taking price, preferences, and the evaluation factors set out in the RFP into consideration. If, after applying the allowable preferences, a low-tie bid exists, make the award through a random drawing. Do not divide the procurement among identical bidders. Multiple awards may not be made if a single award will meet your needs without sacrificing economy or service. The procurement officer must prepare a written determination on the selection process. See "Written Determinations" section.

Send a completed Notice of Intent to Award form, to all persons who submitted a proposal in response to an RFP. The date of the form must reflect the date it was mailed. The Notice of Intent to Award must be sent out at least *ten (10) days before the formal award of the contract. This document does not constitute a formal award of a contract. If a protest has not been received within *ten (10) days following the issuance of the Notice of Intent to Award, you may proceed with the final award of the contract.

*Days are calendar days unless the last day falls on a weekend or a holiday in which case the last day will be the first workday following the weekend or holiday.

When an RFP is canceled prior to notice of intent to award, the State will maintain a list of proposals received, but will return the proposals to the proposers after ensuring no protests are filed.

AS 36.30.250; 2 AAC 12.300-.310, .900 & .920; AAM 81.180

RFP Materials The department's boiler plate RFP can be obtained from DAS.

The Administrative Manual, Chapter 8200, Appendix A, lists items to consider when preparing RFPs.

GS has manuals and other helpful references for developing specifications, RFPs, and other procurement related activities. DAS has a book entitled *Contract Cookbook for Purchase of Services*.

PROFESSIONAL SERVICE CONTRACTING

Contracting Steps The following is the sequence of professional services contracting steps:

- Assess your need for a PSC and ensure the project qualifies as a professional service.
- Request and receive authority to seek professional services.
- Solicit proposals for desired services.
- Evaluate proposals submitted and select contractor.
- Negotiate with the selected contractor and prepare a contract.
- Obtain approval of negotiated contract.
- Administer (monitor) the contract.
- Evaluate contractor's performance.

AAM 81.420 - 480

Obtaining Authority to Seek Professional Services (ASPS) An ASPS form must be completed on all professional service procurements of \$10,000 or more. *Do not* enter into a contract, enter into negotiations with any prospective contractors, advertise, or release a solicitation until the ASPS is approved. If the ASPS is over \$50,000, let the Procurement Specialist know at the time of approval when you'd like the RFP Review Committee meeting to be held.

To amend a contract that was originally let under \$10,000 that would exceed \$10,000 total, prepare an ASPS form and obtain approval before amending the contract.

An amending ASPS form is required if the contract(s) amount(s) exceeds ten percent (10%) or more of the estimated dollar value of the project as stated on the original ASPS form and any subsequent amendments.



The Deputy Commissioner will approve all ASPSs by signing as “head of department.”

AAM 81.440

Contract Formation Policy It is departmental policy that all professional services contracts or agreements will be in written form, clearly stating the scope of services to be provided, the duration of the agreement, the method of payment, and be approved by the appropriate purchasing authority.

The use of the Professional Services Standard Agreement form and insurance Appendix B are not required on contracts of less than \$10,000. However, contact the Division of Risk Management before omitting the insurance Appendix B, if the activity is a high risk operation.

Award contracts in excess of \$10,000 on the Professional Services Standard Agreement or a form approved by the Department of Law. Include the insurance Appendix B in the contract package. Obtain advance approval for any changes or modifications to the Standard Agreement form or Appendix A boiler plates from the Department of Law. Any modification to Appendix B--insurance must be approved in advance by the Division of Risk Management. Complete a procurement report and submit it to DAS on all contracts of \$25,000 or more or on RAP procurements.

Use the checklist developed by DAS when submitting the contract package to DAS for approval.

Appendix A - General Provisions Appendix A is found on the backside of the standard agreement form. This appendix contains the general provisions applicable to all professional services contracts. Its provisions address definitions, rights of the contracting division to inspection of the contractor's facilities and activities, the handling of disputes, equal employment requirements, State's rights to termination of the contract, ownership of documents, etc. Any changes to these provisions require prior approval by the Department of Law.

Appendix B - Insurance Appendix B contains the liability and insurance provisions for contracts. Any revision of the standard insurance or hold harmless clauses requires prior approval from the Division of Risk Management. If you are uncertain about insurance provisions or have any questions regarding insurance, contact Risk Management. Include either Appendix B1 or B2 for contracts or agreements over \$10,000.

Appendix B1 details professional services contract's liability and insurance provisions.

Appendix B2 requires professional liability insurance and should only be used when contracting with the following:

Physicians	Appraisers
Dentists	Claims (Loss) Adjusters
Attorneys	Tax Consultants
Architects	Accountants
Engineers	Risk Management/Insurance Consultants
Insurance Agents and Brokers	Investment Brokers
	Investment/Divestiture Consultants

Obtain a copy of the contractor's Certificate of Insurance and verify that there is sufficient coverage. Submit the Certificate of Insurance with the contract package to DAS.

Appendix C - Scope of Services Appendix C is the statement of work to be performed. It should define in specific terms the services and products to be provided. The statement of work has a direct influence on the quality of the contractor's performance and the nature of the project's results. It describes the tasks which are to be accomplished by the contractor, the conditions under which the work is to be performed, and the assistance and products to be supplied. Inadequate or deficient statements of work can potentially lead to: failure of the project, receipt of substandard services, delays in scheduled work, and disputes between you and the contractor.

Appendix D - Method of Payment Indicate in Appendix D the method by which the contractor will receive payment. This refers to the conditions and/or schedule by which the contractor will be paid. This appendix must also contain a “do not exceed” dollar amount and a “subject to funding” clause if the contract is contingent upon future funding.

AS 36.30.260

Solicitation and Procurement Fact Sheet The intent of this form is to assist you in collecting information regarding the procurement and the existence of any employer/employee relationships. Completion and submission of this form is not mandatory, but is encouraged.

Change of Name If it becomes necessary to change the name of the contractor, such as the business was sold, obtain approval from the CPO in GS. Prepare a memorandum addressed to



the CPO explaining the situation and provide a signature line and approved/disapproved blocks. After receiving approval, complete an amendment.

2 AAC 12.480

Contract Close Out A PSC is deemed closed when the amount of the contract has been fully expended and the completion date has past or when a written request is received or from a division to liquidate existing funds on a contract and the completion date has past.

Approval of Contract The Deputy Commissioner must approve all contracts over \$10,000. Submit the entire contract package to DAS for review. DAS will then obtain the approving signature. Any contracts sent directly to the Deputy Commissioner will not be signed until DAS reviews the contract. Only one contract package is required.

WRITTEN DETERMINATIONS

The procurement officer is required to prepare written determinations for any of the following conditions:

- When the procurement officer wishes to exclude a potential contractor from bidding; (Ref. 2 AAC 12.020, AS 36.30.040 and .050) Form: memo to the file and letter to potential offeror.
- Before conducting multi-step bidding; (Ref. AS 36.30.190) Form: memo to the file.
- Before using a multi-term contract; (Ref. AS 36.30.390) Form: memo to the file.
- To limit the bid circulation period to less than twenty-one (21) days; (Ref. 2 AAC 12.130, AS 36.30.040 and .130) Form: memo to the file.
- To amend the bid or proposal even if the amendment only extends the bid opening; (Ref. 2 AAC 12.850, AS 36.30.040 and .350)
- To cancel a bid or proposal in whole or in part before opening bids or proposals; (Ref. 2 AAC 12.850, AS 36.30.040 and .350)
- To permit the correction or withdrawal of a bid, or to cancel an Award of Contract based on a bid mistake; (Ref. 2 AAC 12.170, AS 36.30.040 and .160) Form: memo to the file.
- When only one responsive bid is received; (Ref. 2 AAC 12.190, AS 36.30.040 and .350) Form: memo to the file.
- To determine that the prospective contractor is responsible/nonresponsible; (Ref. 2 AAC 12.490, AS 36.30.040 and .360) Form: Notice of Intent to Award.

- Before award of a contract to a person who does not reside or maintain a place of business in the state. Only required if the service could have been obtained from sources in the state; (Ref. AS 36.30.362) Form: memo to the file.
- To reject all bids or proposals in whole or in part; (Ref. 2 AAC 12.860, AS 36.30.040 and .350) Form: memo approved by signature by the CPO.
- When the Invitation to Bid requires security. The procurement officer shall reject a bid that does not comply with the bid security requirements unless, in accordance with regulations, the procurement officer determines that the bid fails to comply in a nonsubstantial manner with the security requirements; (Ref. AS 36.30.120) Form: Memo to CPO.
- To transfer or otherwise assign a State contract from one contractor to another. (Ref. 2 AAC 12.480, AS 36.30.040) Form: memo approved by signature by the CPO.

Cite the applicable statute and regulations that require the determination and submit to DAS for inclusion into the departmental procurement files.

AAM 81.140



AMENDMENTS TO PROCUREMENTS

There are circumstances when an amendment to an existing procurement is in the State's best interest. Amendments are divided into two basic types: anticipated and unanticipated. There are differences in the way each should be handled.

Anticipated These are amendments which are foreseen at the time of procurement. To qualify as an anticipated amendment, the RFP or solicitation must have advised offerers or bidders of the potential of an amendment, the contract or agreement must have referenced the potential amendment, and the amendment must be within the scope of the original contract or agreement. The procurement officer must make a determination in writing that the estimated requirements covered by the contract are reasonably firm and continuing; and the contract will serve the best interests of the State by encouraging effective competition or otherwise promoting economies in State procurement.

Unanticipated Unanticipated amendments are unforeseen at the time of procurement. The amendments must meet the constraints of the legitimacy, scope, contract clauses, and extent discussed below.

Legitimacy: A legitimate change is due to unforeseen circumstances or predicaments which occur as work progresses. The reasons for the change must have been unforeseen at the time of contract and not be an attempt to evade the procurement statutes.

Scope: The work must be within the scope of the original contract.

Contract Clauses: Does the contract contain clauses authorizing modification? Such clauses may not be so broadly read as to negate the statutory requirement for competition.

Extent: No important general change may be made which alters the essential identity or main purpose of the original contract or is of such importance as to constitute a new undertaking.

Amendments that exceed the maximum limitations outlined below must be treated as either an exemption to the procurement process or as a new procurement. See "Requests for Exemption from Competitive Solicitation Requirements" section.

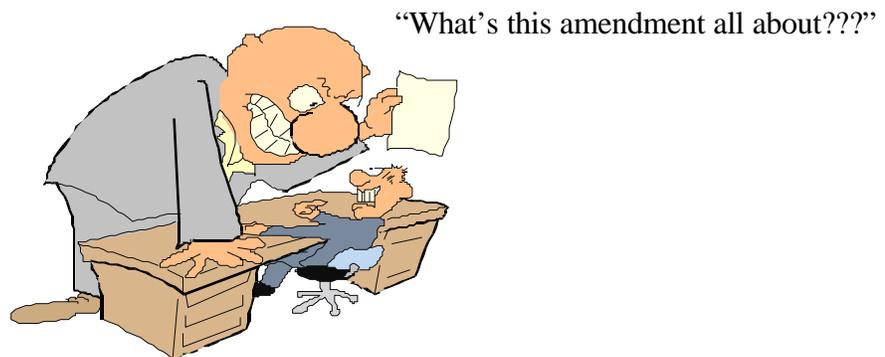
PSC Amendments A contract amendment is required for any of the following:

- To exercise a renewal option. The original RFP and contract must have stated this option.
- If the scope of services to be performed is changed or modified.

- If the period of performance is extended. (The amendment must be signed before the contract expires.)
- If you wish to increase the dollar amount of the original contract.

Amendments to Contracts for Legal Counsel When the timetable, scope, and cost of legal services are outside the State's control and selection of different legal counsel would be inappropriate, contracts for the services of legal counsel may be amended so as to enable such counsel to continue to advise or represent the State in specific legal proceedings.

AAM 81.700



EXEMPTION REQUESTS FROM COMPETITIVE SOLICITATION REQUIREMENTS

RAPs (Form 02-100) A RAP is used when normal procurement methods are impractical or contrary to public interest for procurements expected to exceed \$5,000. State on the RAP the impacts of nonapproval, explain the situation that requires the RAP, provide a complete description of the item to be procured, and specify the RAPs duration of effectiveness. RAPs must also include an itemized finding of facts that can be reviewed and verified. Include contacts, telephone numbers, support documentation, and a list of facts that support the exemption. If you wish a one-time delegation of authority to procure the goods or services, state your request on the RAP form. If your request is approved, proceed with the procurement as recommended. The procurement must take place before the stated authority on the RAP expires.

If you are interested in conducting an *innovative procurement*, prepare a RAP and submit it to DAS for processing. You must also submit a plan for the procurement to the Department of Law and obtain their approval.

If it becomes necessary to request an amendment to your approved RAP, prepare a memorandum to GS that explains the required changes and provide an explanation that the conditions that allowed approval of the original RAP still exist. Provide a signature line and approved/disapproved blocks.

All RAPs, RAP amendments, and other pertinent documents should be routed through DAS for approval and incorporation into the departmental procurement files. The Deputy Commissioner will have final approval on RAPs less than \$50,000. The Deputy Commissioner will review, sign, and forward to GS for final approval for RAPs greater than \$50,000. You are required to complete a procurement report on all approved RAPs.

The RAP form is used to request the following types of exemption:

Single Source A single source procurement may be requested when you have determined that only one source exists or is acceptable or suitable to meet your needs. State the facts or attach supporting documentation which support by clear and convincing evidence that only one source exists or a detailed explanation why competitive sealed bidding, competitive sealed proposals, or small procurement procedures is not suitable or acceptable. You must also include a statement as to why award to a single source is in the State's best interest. Acceptable evidence includes a letter from the manufacturer that states the item(s) is (are) available from only one source, a "no quote" response from at least two other vendors which states they do not carry the item(s) requested, or a statement from GS that, to the best of their knowledge, only one source exists. You may advertise an intent to make a sole source procurement to determine if other sources are available or interested in a particular procurement.

Do not award a sole source procurement if an alternative source exists. Conduct negotiations with the contractor, as appropriate, as to price, delivery, and terms of the procurement.

AS 36.30.300; 2 AAC 12.410-.420; AAM 81.530

Limited Competition A limited competition procurement is a procurement that is restricted to a group of potential contractors or a situation that makes the open competitive sealed bidding, competitive sealed proposals, or small procurement procedures processes impractical or contrary to the public interest. You may advertise an intent to make a limited competition procurement to determine if other sources are available or interested in a particular procurement. State on the RAP why other sources are not suitable or available or why competitive sealed bidding or competitive sealed proposals are impractical or contrary to the public interest. A limited competition RAP may not exceed \$100,000. Do not use a limited competition RAP to make a sole source procurement. The Attorney General will make limited competition determinations for legal services contracts.

AS 36.30.305; 2 AAC 12.430; AAM 81.520

Exception to Administrative Manual Amendment Limitations When an amendment to a procurement would exceed the limits authorized in the Amendments to Procurements section of this manual, you may either request an alternate procurement method or treat the amendment as a new procurement. If you choose to request an alternate procurement, you must address the following on the RAP:

Legitimacy: A legitimate change is due to unforeseen circumstances or predicaments which occur as work progresses. The reasons for the change must have been unforeseen at the time of contract and not an attempt to evade the procurement statutes.

Scope: The work must be within the scope of the original contract.

Contract Clauses: Does the contract contain clauses authorizing modification? Such clauses may not be so broadly read as to negate the statutory requirement for competition.

Extent: No important general change may be made which alters the essential identity or main purpose of the original contract or is of such importance as to constitute a new undertaking.

AAM 81.550

Innovative Procurements A contract may be awarded for supplies, services, or professional services using an innovative procurement process. A contract may only be awarded using this method when the Chief Procurement Officer determines in writing that it is advantageous to the State to use an innovative competitive procurement process in the procurement of new or unique requirements of the State, new technologies, or to achieve best value. The procurement officer must also submit a procurement plan to the Department of Law for review and approval as to form before issuing a public notice and solicitation.

AS 36.30.308; 2 AAC 12.575 & 577; AAM 81.540

VENDOR PERFORMANCE AFTER AWARD

After issuing a purchasing document, such as a DO, a contract exists between the State and the vendor. The vendor agreed to sell you a specific item, at a specified price, to be delivered at a specified time and place. You have the responsibility of assuring that the item delivered meets the requirements of the procurement contract. If the vendor does not meet one or more of the conditions, the contract has been breached.

If the item delivered does not meet the requirements of the purchasing document, you have several options. In effect, the vendor is now making a counter offer, which, for most situations, is unacceptable.

For example:

1. You asked for product A; you are offered product B, which could be a different product or is simply the same product delivered at a different time, place, or price. One option is to accept the counter offer. If you do, ensure that you have not paid a premium for something you did not get, for example, expedited delivery. Another option would be to make your own counter offer, for example, accept late delivery at a reduced price. Remember, you do not have to accept less than what you ordered and the vendor can be made to make up for damages caused by the seller's failure to perform.
2. An agency orders product P from vendor A to be delivered July 1. On July 2, product P has not arrived. A call to vendor A indicates that delivery will not take place soon. The agency has the right to secure product P from another source and charge vendor A the difference in cost, including extra costs incurred by the agency such as air freight or long distance calls. There are variations on the example. Vendor A might be able to deliver by July 7 and another source could not deliver sooner. Delivery by vendor A may then be the easiest approach, but you would still be entitled to quantifiable damages, i.e., you might have to rent a vehicle while awaiting delivery of your truck. Vendor A will have incentive to compensate you for damages because they may be considered nonresponsive for future bids or may be suspended or debarred from doing business with the State if they do not.

PSC Evaluation A contract evaluation must be completed by the project director when the services provided by the contractor were less than satisfactory. Submit two (2) copies of the evaluation to DAS and a copy to the contractor. DAS will retain one (1) copy for the procurement file and forward a copy to GS.

PROCUREMENT VIOLATIONS

All violations of the procurement code and regulations will be handled according to AAM 81.260. If an apparent violation has occurred, you will receive notification from DAS. You will be required to cooperate with the investigation. DAS will conduct an investigation to determine the cause and to provide recommendations to avoid similar incidents. DAS will forward the report to GS, who will recommend any additional action to be taken. Attach a copy of the report to all accounts payable documents.

Anyone who knowingly contracts for professional services, other services, or goods in a manner that is contrary to AS 36.30, can be held liable for all costs and damages arising from the violation. Anyone who contracts for professional services, other services or goods in order to avoid the requirements of AS 36.30 is guilty of a class C felony.

AS 36.30.930; AAM 82.300 - 350



When in doubt, ask for help!

PROTESTS/APPEALS

The protest and appeal process can be found in AS 36.30.560-.605. The hearing process can be found in AS 36.30.610.

Be sure to include all protest information in the procurement file.



Any interested party may file a protest concerning the solicitation, cancellation of the solicitation, proposed award of a contract, or award of a contract. Each written solicitation should contain an explanation of the protest procedures.

Protest of Small Procurements An interested party shall attempt to informally resolve a dispute with the procurement officer regarding a small procurement. If the attempt is unsuccessful, the interested party may protest the solicitation or the award of a small procurement contract under AS 36.30.320. The protest must be filed with the commissioner of the purchasing agency or the commissioner's designee. The protester must file a copy of the protest with the procurement officer for the purchasing agency. See 2 AAC 12.695.

If protesting a solicitation issued under 2 AAC 12.400, a protest shall be filed before the date and time that quotations or informal proposals are due to the purchasing agency.

If protesting the award of a small procurement contract of no more than \$25,000, the protest shall be filed within ten (10) days from the date of the solicitation or award, whichever is later.

If protesting the award of a small procurement contract greater than \$25,000, a protest shall be filed within ten (10) days from the date that notice of award is made.

To be accepted by the purchasing agency, a protest filed under (a) - (d) of this section shall contain the information required under AS 36.30.560.

The procurement officer shall immediately give notice of the protest to the contractor or, if no award has been made, to all firms or persons that were solicited for the small procurement.

The appropriate commissioner or commissioner's designee shall:

✓ With the concurrence of the protester, assign the protest to the procurement officer or other responsible State official for a final administrative resolution under alternate dispute resolution;

✓ Issue a decision denying the protest and stating the reasons for denial;

✓ Issue a decision that sustains the protest, in whole or in part, and instruct the procurement officer to implement an appropriate remedy; or

✓ Conduct a hearing on the protest consistent with the procedures contained in AS 36.30.670(b).

Protest Period A protest regarding a solicitation must be received no less than ten (10) days before the date of the bid or proposal opening or by the date set out in the Invitation to Bid or RFP, unless the RFP or ITB provides for a shorter period. If the public notice period has been shortened, the protest must be made prior to the bid or proposal opening date.

Protests concerning the cancellation of solicitations must be received no less than ten (10) days after a notice of cancellation is issued.

Protests concerning the proposed award of a contract or protests of the award of a contract must be received within ten (10) days following the issuance of the Notice of Intent to Award document.

If a pre-bid or pre-proposal conference is held within twelve (12) days of bid opening, a protest of a solicitation must be filed only prior to bid.



Timeliness of Protest A protest must be filed within ten (10) calendar days of the Notice of Intent to Award, starting from the day after the Notice of Intent to Award is issued by the procurement officer. If the first day is a weekend or a holiday, that day is counted as one day. If the final day falls on a weekend or holiday, the final day is extended to the next working day.

For protests regarding the solicitation, if a protest is received before opening of the proposals or bids, but later than the ten (10) day protest period, pointing out an obvious error which would impact the evaluation of proposals or award of a contract, the process should be halted and the error resolved.

Protests that are untimely as the result of actions by the State should be considered as timely.

Protest Content Protests must be timely, in written form, and contain the following:

- the name, address, and telephone number of the protester;
- the signature of the protester or the protester's representative;
- identification of the contracting division and the solicitation or contract at issue;

- a detailed statement of the legal and factual grounds of the protest, including copies of relevant documents; and
- the form of relief requested.

Timely protests received by telegram do not contain the signature of the protester and are not acceptable. Timely protests received by fax that contain a signature are acceptable.

Responding to the Protest The procurement officer shall immediately give notice of a protest filed under AS 36.30.565 to the contractor if a contract has been awarded or if no award has been made, to all interested parties.

The procurement officer has fifteen (15) calendar days after a protest has been filed to issue a written decision containing the basis of the decision.

You may request an extension up to thirty (30) days from the Office of the Commissioner for good cause. Your request must explain the reasons for delay. If the extension is granted, notify the protester in writing of the date the decision is due.

The written decision must be sent to the protester by certified mail, return receipt requested, or other method that provides evidence of receipt. A copy of the protest and your written decision must be filed with the Office of the Commissioner.

If a protest is untimely, does not contain the required information, or is not valid for some reason, you still must respond with a written decision explaining the reasons for rejecting the protest.

If a decision is not made and forwarded to the protester within the allotted time, whether the protest is valid or not, the protester may proceed as if you had issued a decision adverse to the protester.

Staying the Award If a protest is filed, the award may be made unless the procurement officer of the contracting agency determines in writing that a reasonable probability exists that the protest will be sustained or stay of the award is not contrary to the best interest of the State.

Appeal of a Protest If a protester wishes to appeal the decision of the procurement officer, he may do so by filing an appeal with the Commissioner of Administration within ten (10) calendar days following the date of receipt of the procurement officer's decision. The protester shall file a copy of the appeal with the procurement officer. The appeal must contain the items found in Protest Content, page 31, as well as a copy of the decision being appealed, and identification of the factual or legal errors in the decision that form the basis for the appeal.

The procurement officer should receive a copy of the appeal and upon notice of an appeal being filed should immediately notify all interested parties of the appeal.

The procurement officer must file a protest report within ten (10) calendar days after a protest appeal is filed. The protest report must also be sent to the protester (certified mail, return receipt requested). If necessary, a request for an extension may be made to the Commissioner stating the reasons for the request.

The appellant may file comments on the protest report with the Commissioner within ten (10) calendar days following receipt of the protest report. The appellant may request an extension of the period of time to file comments.

If the award of a contract was stopped (stayed) during the protest period, that stay automatically continues during the appeal process, unless the Commissioner determines otherwise.

If no appeal is received during the ten (10) calendar day appeal period following receipt by the protester of the procurement officer's decision, you should check with the Commissioner's Office to determine if an appeal has been received by that office. If no appeal has been filed, proceed with the final award of the contract.

A protester's damages are limited to reasonable bid or proposal preparation costs.

Decision on Appeal of a Protest After having received the procurement officer's report and any comments filed by the appellant, the Commissioner will:

- issue a decision without a hearing;
- reject the appeal for lack of merit or technical compliance with the appeal process; or
- accept the appeal for hearing and assign the matter to a hearing officer.

If the Commissioner accepts the appeal for hearing, your office is responsible for preparation of the case and presentation of the case at the hearing or arranging for legal representation, usually the Attorney General's office, on your behalf. If you have procedural questions concerning the protest or appeal process, contact the departmental hearing officer in DAS. Do not contact the hearing officer to discuss the merits of the appeal.

AAM 82.100 - 260

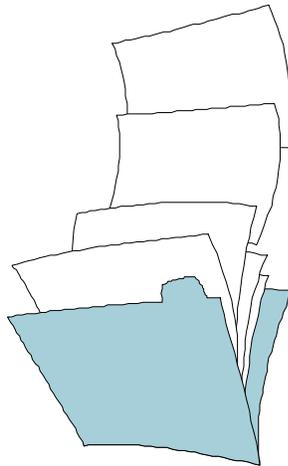
Timing of the Procurement Process Although it seems an inordinate amount of time, the solicitation, evaluation, and tentative award process should be scheduled so that the "Notice of Intent to Award" is issued approximately ninety (90) days before the date performance will be required under the contract. This is to ensure that if a protest is filed and subsequently appealed and the appeal is accepted for hearing, that such activity may run its course without impacting the scheduled date for beginning performance under the contract.

PROCUREMENT FILES

The DAS maintains and archives the required procurement files for the department. These files consist of the following:

Professional Service Procurements The file must include a copy of the RFP, the advertising order and the advertisement, screen print or FTP register of the encumbrance open item. The proposals and the dated and timed envelopes they were received in; register of proposals; required written determinations; procurement reports; ASPS; complete contract package (Standard Agreement Form, Appendix B, C, and D); Letter of Agreements or Understanding or other documents used in lieu of the Standard Agreement form and Appendices; Notice of Intent to Award; Amendments to contracts; all correspondence, records or notes applicable to the procurement; Solicitation and Procurement Fact Sheet (optional); and RAPs (if applicable).

Other Services and Goods The file must include a copy of the RAP, determination of impracticability, or negotiated abstract, and associated purchasing document(s); copy of all DOs, RFQ, solicitation documentation.



AAM 81.190

DEFINITIONS



- **Accredited youth education and employment program** means a program that allows participants to earn academic credits that are recognized by a school district in this state.
- An **Alaskan Bidder** is a person who (1) holds a current and valid Alaska business license for the line of business being offered to the state; (2) submits a bid for goods, services, or construction under the name that appears on the person's current Alaska business license; (3) has maintained a place of business for the six-month period immediately preceding the date of the bid; (4) is incorporated or qualified to do business under the laws of the state, is a sole proprietorship, and the proprietor is a resident of the state or is a partnership, and all partners are residents of the state; **and** (5) if a joint venture, is composed entirely of ventures that qualify under (1) through (4).
- An **Alaskan Offeror** is an Alaskan firm or person who qualifies as an Alaskan Bidder.
- An **Alaskan product** is a product of which at least twenty-five percent (25%) of the value has been added by manufacturing or production in the state of Alaska.
- An **alternate dispute resolution** means an informal technique that is voluntarily used to resolve issues in controversy; an “alternate dispute resolution” includes negotiation, mediation, facilitation, and arbitration.
- A **business license** is the license required under the Alaska Business License Act (AS 43.70) and, for a person engaging in a business subject to licensing provisions of a regulatory nature, a license, certificate, permit, registration, or similar evidence of authority issued for an occupation by competent legal authority.
- **Chief Procurement Officer** is a position in General Services who conducts the procurement process for the State as stated in AS 36.30.010.
- **Construction** is the process of building, altering, repairing, maintaining, improving, or demolishing a public highway, structure, building, or other public improvement of any kind to real property other than privately owned real property leased for the use of agencies. It includes services and professional services relating to planning and design required for the construction. It does not include the routine operation of a public improvement to real property nor does it include the construction of public housing. All delegations for construction must be secured in writing from DOT&PF.

- An **external procurement unit** is a buying organization not located in this state that, if located in this state, would qualify as an agency of the State, municipality or other entity that expends public funds; an agency of the United States.
- **Established catalog price** means the price included in an up-to-date catalog, price list, schedule, or other form that is regularly maintained by a manufacturer or contractor; is either published or otherwise available for inspection by customers; states prices at which sales are currently or were last made to a significant number of any category of buyers or buyers constituting the general buying public.
- **External publications** are printed documents which may be similar to internal publications, but are created for the primary purpose of communicating with the general public or others outside of government.
- **Internal publications** are comprised of newsletters, reports, brochures, and other publications created for the primary purpose of communicating with other government agencies or the legislature.
- **Limited competition** is a determination made in writing that a situation exists where competitive sealed bidding or competitive sealed proposals for procurement would be impractical or contrary to public interest. This requires prior approval of a RAP.
- **Nonresponsive** means a bid or proposal that does not conform in all material respects to a solicitation.
- **Practicable** means what may reasonably be accomplished or applied; practical has the meaning given “practicable” in this subsection.
- **Procurement** means buying, purchasing, renting, leasing, or otherwise acquiring supplies, equipment for the State equipment fleet, services, or construction. It also includes functions that pertain to the obtaining of a supply, equipment for the State fleet, service, or construction, including description of requirements, selection and solicitation of sources, preparation and award of contract, and all phases of contract administration.
- **Professional services** are any professional, technical, or consultant services that are predominantly intellectual in character. They include analysis, evaluation, predicting, planning, or recommendation and result in the production of a report or the completion of a task.
- A **public procurement unit** is a municipality or other subdivision of the State or another State agency or other entity that expends public funds and any nonprofit corporation operating a charitable hospital.

- A **Purchasing or Procurement Officer** is an individual who is delegated the authority to procure supplies or services or obligate the funds of a division.
- A **Project Director or Manager** is the person within the contracting division who is responsible for the administration of the contract and is an authorized representative of a procurement officer acting within the limits of purchasing authority. The Project Director is responsible for preparing the contracting documents, soliciting the services, evaluating or coordinating the evaluation of the proposals, writing the contract, monitoring the contract, and evaluating the contractor's performance.
- **Reasonable and adequate procedures** means procedures that ensure fairness to potential offerors and competition commensurate with the circumstances of the procurement, considering price, mission requirements, and available competition. "Reasonable and adequate procedures" includes contacting only one potential offeror in appropriate circumstances.
- A **recycled Alaskan product** is an Alaskan product of which not less than fifty percent (50%) of the value of the product consists of a product that was previously used in another product, if the recycling process is done in the state.
- A **responsive bidder/proposer** is a firm or person who has submitted a bid that conforms in all material respects to the solicitation.
- **Services** are the furnishing of labor, time, or effort by a contractor, not involving the delivery of a specific end product other than reports that are merely incidental to the required performance. It does not include employment agreements or collective bargaining agreements.
- A **sole source procurement** occurs when only one source is available for the required procurement.
- A **solicitation** means an invitation to bid, a request for proposals, a request for quotations, or any other method of soliciting bids, proposals, or quotes to perform a State contract.
- A **specification** is a description of the physical or functional characteristics, or of the nature of a supply, service, professional service, or construction project. It may include requirements for licensing, inspecting, testing, and delivery.

- **Supplies** are all property of an agency, including equipment, materials, and insurance. It includes privately owned real property leased for the use of agencies, such as office space, but does not include the acquisition or disposition of other interests in land.

Acronyms

AAC	Alaska Administrative Code
AAM	Alaska Administrative Manual
AKSAS	Alaska Statewide Accounting System
AS	Alaska Statutes
ASPS	Authority to Seek Professional Service
CA	Contract Award
CPO	Chief Procurement Officer
DAS	Division of Administrative Services
DO	Delivery Order
DOT&PF	Department of Transportation and Public Facilities
GS	General Services
OMB	Office of Management and Budget
PEC	Proposal Evaluation Committee
PO	Purchase Order
PR	Purchase Requisition
PSC	Professional Service Contract
RAP	Request for Alternate Procurement
RFP	Request for Proposals
RFQ	Request for Qualifications