



VCCS SSC

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**Professional Services Small Purchase**

Approved by: Service Line Leadership, Process Council, Management Council

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## SSC LINE OF SERVICE

Procurement

## BUSINESS RULE

### PROFESSIONAL SERVICES SMALL PURCHASE

"Professional services" means work performed by an independent contractor within the scope of the practice of accounting, actuarial services, architecture, land surveying, landscape architecture, law, dentistry, medicine, optometry, pharmacy, or professional engineering. [Virginia Code §2.2-4301].

Professional services generally must be procured by competitive negotiation. [Virginia Code §2.2-4303(B)]. However, a public body may establish written procedures for single or term contracts for professional services without requiring competitive negotiation, provided the aggregate or the sum of all phases is not expected to exceed \$80,000. [Virginia Code §2.2-4303(G)]. VCCS has made the following determinations and established the following process for procurement of professional services up to and including \$80,000:

1. Competition is not practicable for procurements of professional services up to and including \$10,000, and such procurements shall be made upon the basis of a single quotation. The procurement shall be set-aside for micro businesses. [APSPM §4.23e].
2. Formal competition is not practicable for procurements of professional services up to and including \$80,000. Procurements over \$10,000 up to and including \$80,000 shall be made using informal negotiation with at least four businesses capable of providing the required services. The procurement shall be set-aside for small businesses (including micro businesses). [APSPM §4.23e].
3. Alternatively, procurements of professional services over \$10,000 up to and including \$80,000 may be made on the basis of a single quotation if the circumstances of the procurement make informal negotiation impracticable. The facts justifying the use of a single quotation within this range must be documented in the procurement file.

Small purchase procedures shall not be used for professional services in scope of VCCS Facilities Management Services (FMS) as listed below. Such procurements shall proceed as directed by FMS.

Small purchase procedures may be used:

- Accounting
- Actuarial services
- Law
- Dentistry
- Medicine
- Optometry
- Pharmacy

Small purchase procedures may not be used:

- Architecture
- Land surveying
- Landscape architecture
- Professional engineering
- Any other professional service when arising within an FMS project

## **INSTITUTION RESPONSIBILITY**

The institution shall:

- Submit a purchase requisition for the professional services and assign a Procurement Transaction Type of "40 — Professional services"
- Attach a written description of the required professional services to the purchase requisition
- If the procurement is not expected to exceed \$10,000, search for a micro supplier that can provide the requested services and select the preferred supplier on the purchase requisition
- Otherwise, search for four suppliers that can provide the requested services (including two small suppliers if possible) and attach the list of potential suppliers to the purchase requisition
- If the circumstances of the procurement make informal negotiation impracticable, explain the circumstances that make competition impracticable and attach the explanation to the purchase requisition

## **SSC RESPONSIBILITY**

SSC shall:

- Review and approve or reject proposed justifications for noncompetitive proceedings
- Draft evaluation criteria and methodology
- Contact suppliers; negotiate and document proposals
- Evaluate proposals and award
- Post a notice of the transaction to eVA

## **AUTHORITIES**

- Virginia Code §2.2-4303(G)
- APSPM §4.23e

## **PURPOSE**

Professional services generally must be procured by competitive negotiation. [Virginia Code §2.2-4303(B)]. However, small purchases not exceeding \$80,000 may be procured using alternative methods if established by written procedures. [Virginia Code §2.2-4303(G)].

## REQUIREMENTS

Competition shall be utilized wherever practicable. [Virginia Code §2.2-4303(G)].

Informal solicitations shall be posted to eVA. [Virginia Code §2.2-4303(G)].

Procurements not exceeding \$10,000 shall be set aside for micro businesses. Procurements over \$10,000 up to and including \$80,000 shall be set-aside for small businesses. [APSPM §4.23e].

## PROCEDURE

- **Requester** go to step 1
- **SSC Contract Officer** go to step 3.1
- **SSC Compliance Officer** go to step 4.2
- **SSC Compliance Manager (or designee)** go to step 4.3

### Requester:

#### 1. Estimate cost

The procurement method is initially determined by the estimated cost of the professional services. As the procurement proceeds, the actual cost may diverge from the estimate. As new cost information becomes available, change the procurement method if necessary.

##### 1.1. What is the estimated cost of the procurement?

If the estimated cost is	Then
Up to and including \$10,000 (Single quotation)	Go to step 2.1
Above \$10,000 up to and including \$80,000 (Informal negotiation)	Go to step 1.2
Above \$80,000 (Small purchase procedures not available; use competitive negotiation)	Go to step 1.5

##### 1.2. Is informal negotiation impracticable?

The facts and circumstances of the procurement and underlying need may make it impracticable to conduct an informal negotiation with multiple suppliers.

- If **YES**, go to step 1.3
- If **NO**, go to step 1.4

### **1.3. Justify lack of competition**

- Document the facts and circumstances that make it impracticable to seek informal competition among multiple suppliers.
- *Go to step 2.1*

### **1.4. Describe requested services**

- Prepare a written description of the professional services to be performed, including all pertinent specifications and deadlines.
- *Go to step 2.3*

### **1.5. Small Purchase procedure not available**

- Small purchase method is not available for this service
- Use competitive negotiation
- *Go to step 5*

## **2. Identify supplier(s) and initiate procurement**

### **2.1. Identify a single supplier**

- Identify a supplier capable of providing the requested services
  - Supplier must be a micro business if available. If no micro business is available, supplier must be a small business if available. [APSPM §§4.23e, 3.11g]
- *Go to step 2.2*

### **2.2. Initiate single quote procurement**

- Initiate a single quote procurement by submitting a purchase requisition that identifies the selected supplier and the services to be performed. If applicable, attach the justification for the use of a noncompetitive procurement to the requisition.
- *Go to Single Quote procurement procedure*

### **2.3. Identify four service providers**

- Identify at least four suppliers that provide the requested category of professional services.
  - At least two of these suppliers should be DSBSD-certified Small businesses. [APSPM §4.23e]
- *Go to step 2.4*

## **2.4. Submit purchase requisition**

- Create a purchase requisition, selecting 'VENDOR TO BE DETERMINED' and assign a Procurement Transaction Type of "40 — Professional services"
- Attach the description of the requested services and the list of potential suppliers
- *Go to step 5*

### **SSC Contract Officer:**

## **3. Conduct information negotiation**

### **3.1. Prepare documentation**

- Append the General Terms and Conditions and any applicable Special Terms and Conditions to the written description of requested services
- Prepare evaluation criteria and methodology to be used in evaluating the proposals received
- *Go to step 3.2*

### **3.2. Contact service providers**

- Contact each supplier and provide written description of services with terms to each
- Discuss the requested services, their ability to provide those services, and obtain their proposed prices for the services
- Negotiate with each offeror until satisfied that they have provided their best proposal
- Obtain each proposal in writing, including confirmation of the services to be provided and the proposed prices
- *Go to step 3.3*

### **3.3. Evaluate proposals**

- When all discussions and negotiations are completed, apply the evaluation criteria to the proposals as negotiated and determine which supplier presented the best proposal
- *Go to step 3.4*

### **3.4. Award**

- Modify the purchase requisition and award it to the selected offeror
- *Go to step 5*

### Automated report:

#### 4. Post notice

##### 4.1. Automated report

- An automated report generates and sends to SSC Compliance a report of all purchase orders issued of Procurement Transaction Type “40 – Professional services.”

### SSC Compliance Officer:

##### 4.2. Print Notice

- Create a Notice for the procurement
- Print the Notice and hand-deliver to the SSC Compliance Manager (or designee)
- *Go to step 4.4*

### SSC Compliance Manager (or designee):

##### 4.3. Sign Notice

- Review and sign the Notice
- Return signed Notice to the SSC Compliance Officer
- *Go to step 5*

### SSC Compliance Officer:

##### 4.4. Scan signed Notice

- Scan the signed Notice
- *Go to step 4.5*

##### 4.5. Post Notice to eVA

- Create and post a new entry for the award, attaching the signed Notice. [Virginia Code §2.2-4303(G)]
- *Go to step 5*

#### 5. End

- The process is complete.



## VERSION CONTROL

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1.00	Michele Johnson	First published version	Service Line Leadership, Process Council, Management Council	January 13, 2022