




STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
DEPARTMENT OF ADMINISTRATION

Steven T. Hartford, Director
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TO: All Department Directors and Agency Executive Directors

FROM: Steven T. Hartford
Director of Administration/Chief Purchasing Officer 

DATE: November 24, 2014

SUBJECT: Changes to Delegated Small Purchase Authority

I. Introduction

This Delegated Small Purchase Authority Memorandum (“Memorandum”) reaffirms the level of delegated small purchase authority previously provided, but also amends the procedures for exercising this authority. Further, this Memorandum changes the process for the purchase of architectural, engineering and consultant services not to exceed \$20,000.

On May 9, 2013, Governor Lincoln Chafee issued Executive Order 13-05 entitled “Promotion of Diversity, Equal Opportunity and Minority Business Enterprises in Rhode Island.” The Governor’s prioritized policy mandated “increased opportunities for minority business enterprises (MBE/WBE) to participate in State procurement and construction projects.” This Memorandum is consistent with this objective.

Moreover, consistent with recently adopted legislation, and in the interest of promoting procurement opportunity for “local vendors,” the policy below implements new requirements pertaining to local business entities.

II. Small Purchase Procedures

All departments and agencies under the purview of the Division shall adhere to the following procedure for small purchases:

1. **Master Price Agreements** -- Departments and agencies shall first attempt to utilize a Rhode Island Division of Purchases (“Division”) Master Price Agreement (“MPA”) for small purchases. The MPAs were competitively procured and generally are priced based on the expectation of larger quantities. Therefore, agencies may benefit from better pricing by utilizing an MPA.

2. **For amounts between \$500 and \$5,000 (\$10,000 for construction services) --** For general procurements for these amounts, at least three (3) written quotes shall be obtained through e-mail, fax or the internet. The attached Small Purchases Authorization form, including the three (3) written quotes, must be submitted. The following requirements must be satisfied:

- a. **MPA Requirement --** Departments and agencies shall first utilize an applicable MPA to the extent one is available. If there is a certified MBE/WBE on the MPA covering services, the department or agency is required to get a quote from the certified MBE/WBE firm. Should an MPA not be available, the department or agency should utilize the below process.
- b. **MBE/WBE Quote Requirement --** One of the required three (3) written quotes shall be from a certified MBE/WBE, assuming one is available for the goods or services being purchased. Agencies or departments should utilize the State's MBE/WBE Office website, available at <http://www.mbe.ri.gov>, to identify any eligible vendors. For any questions regarding the MBE/WBE requirements, or for assistance identifying eligible vendors, agencies should call the State's MBE/WBE office at (401) 574-8253.

In order to get the most cost effective pricing, as a general rule, departments and agencies should award contracts to the lowest responsive and responsible bidder. However, there is an exception regarding the State's interest in supporting Minority Business participation. To increase minority business participation, State of Rhode Island Procurement Regulations ("Regulations") allow an MBE/WBE to be selected even if it is not the lowest cost as long as the cost does not exceed 5% compared to the lowest quote received.

- c. **Rhode Island Vendor Quote Requirement --**At least one (1) of the three (3) required quotes shall be from a local vendor, assuming there is one capable of providing the requested goods or services. The local vendor may be the same vendor used to satisfy the MBE/WBE requirement, but agencies must still get a total of three (3) written quotes for any procurement under this delegated small purchase authority.

For the purposes of this delegated small purchase authority memo and its attendant procedures memo and forms, a "local vendor" is a non-foreign, domestic business enterprise whose principal office, according to the Corporate Database maintained by the Rhode Island Secretary of State at <http://ucc.state.ri.us/CorpSearch/CorpSearchInput.asp>, is located within the State of Rhode Island.

- d. Quotes received by email, fax, or the internet are acceptable.
 - e. Documentation of the quotes shall be submitted with the “Delegated Authority Authorization - Small Purchases” form issued by the Division and attached to the RIFANS requisition.
 - f. Agencies are cautioned not to artificially divide orders which would result in a purchase exceeding the limit stated above.
3. **For Architectural, Engineering and Consultant Services not to exceed \$20,000**
-- Departments and agencies shall generally follow the same procedures described in #2 above, but in accordance with R.I. Gen. Laws § 37-2-69, must obtain the approval of the Chief Purchasing Officer/Director of Administration.

Therefore, departments and agencies must submit the completed “Architectural, Engineering and Consultant Services Form (“A&E Form”) to the Division who, on behalf of the user department or agency, will present the form to the Chief Purchasing Officer for review and approval. If an MPA vendor is utilized, departments and agencies do not need to obtain the Chief Purchasing Officer’s prior approval or submit the A&E Form to the Division.

4. **For amounts less than \$500** -- The department or agency may proceed with a vendor of its choosing, but the Division recommends contacting, if available, either a certified MBE/WBE or a Local Vendor.
5. **Selection Preference for Local Vendors** -- In accordance with R.I. Gen. Laws § 37-2-59.1 and § 37-2-80, departments and agencies should note that where contracts are entirely supported by State funds and two (2) or more vendors or service providers are judged to be equal on all other factors, the agency shall select a Local Vendor or, secondly, select those entities that propose a joint venture with a Local Vendor.
6. **Selection of MBE/WBE Enterprises When Not Low Bidder** -- In accordance with section 25(b) of the Regulations, Appendix A - General Conditions of Purchase, the department or agency may select the price offer of an MBE/WBE when it is not the low bidder if it is determined that the MBE/WBE is within a competitive range (not to exceed five percent (5%) higher than the lowest responsive price offer) for a product or service.

7. **Audits** -- The departments and agencies will be held accountable for compliance with all the small purchases laws and procedures. The Division, with assistance from the Bureau of Audits, will conduct periodic reviews. Any abuse of the delegated purchasing authority or the procedures stated herein may result in the loss of delegated authority or additional sanctions authorized by the Regulations.

III. Training

In conjunction with the issuance of this Memorandum and/or any forms or instructions, the Division, in partnership with the MBE Compliance Office, shall conduct training and field visits to the departments and agencies regarding delegated small purchase authority.

IV. Conclusion

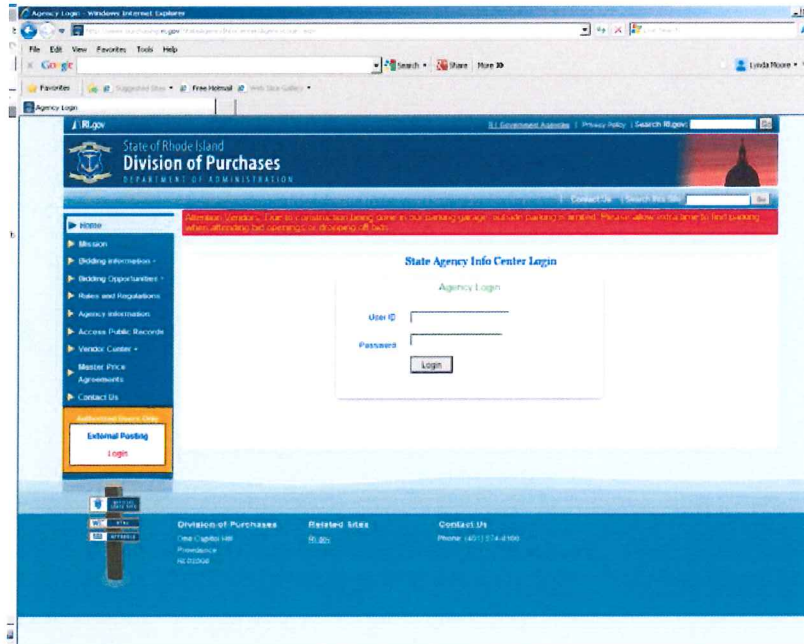
The intent of this delegation is to give the departments and agencies the ability to make small purchases on an expedited basis, while at the same time ensuring the State receives cost effective pricing. Further, the intent is to assure that the exercise of this delegated small purchase authority is in compliance with, and in furtherance of, the Governor's Executive Order 13-05 requiring increased opportunities to MBEs/WBEs. Finally, consistent with the statutory provisions mentioned above, another goal is to maximize opportunities for Rhode Island vendors. If there are any questions regarding this Memorandum, please contact my office or the Division.

cc: Nancy R. McIntyre, State Purchasing Agent
Cheryl A. Burrell, Associate Director of Diversity, Equity and Opportunity
Charles Newton; Dorinda Keene, Minority Business Compliance Office
Thomas Mullaney, State Budget Officer
Marc Leonetti, State Controller
Dorothy Pascale, Chief, Bureau of Audits

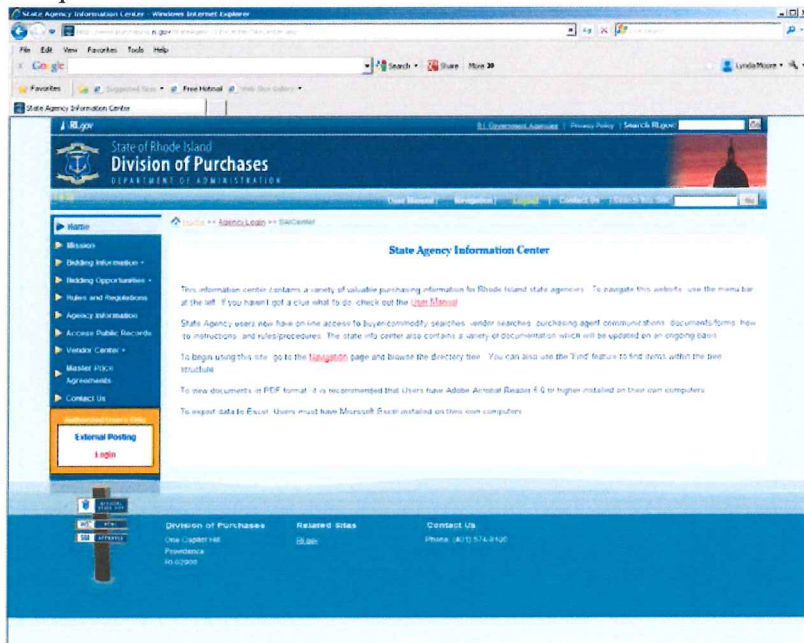
Search for Rhode Island Vendors

Go to www.purchasing.ri.gov

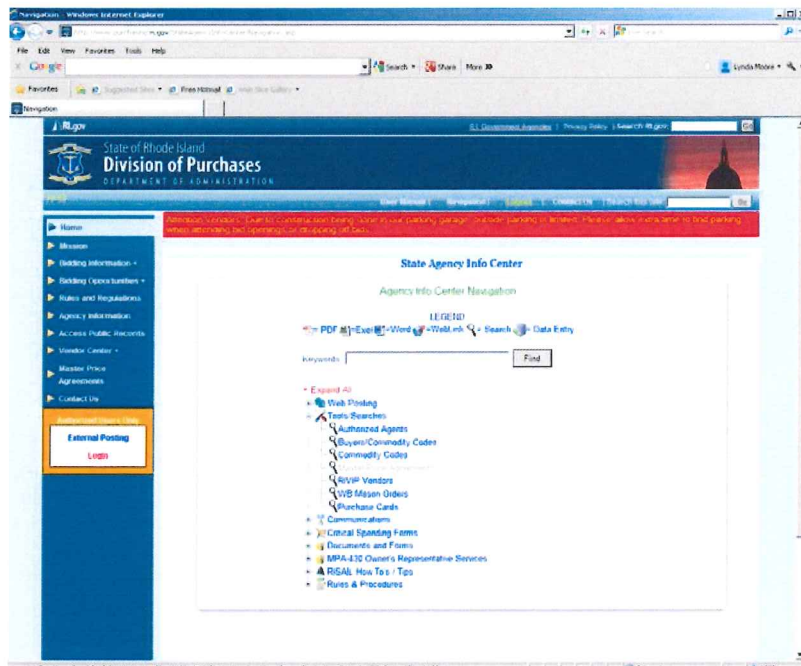
Select Agency Information from the left menu bar and click on “Agency Login”.



Login with your agency's User ID and password. User ID is agency # and password is agency # followed by “000.” For example, Department of Administration User ID is 68 and password is 68000

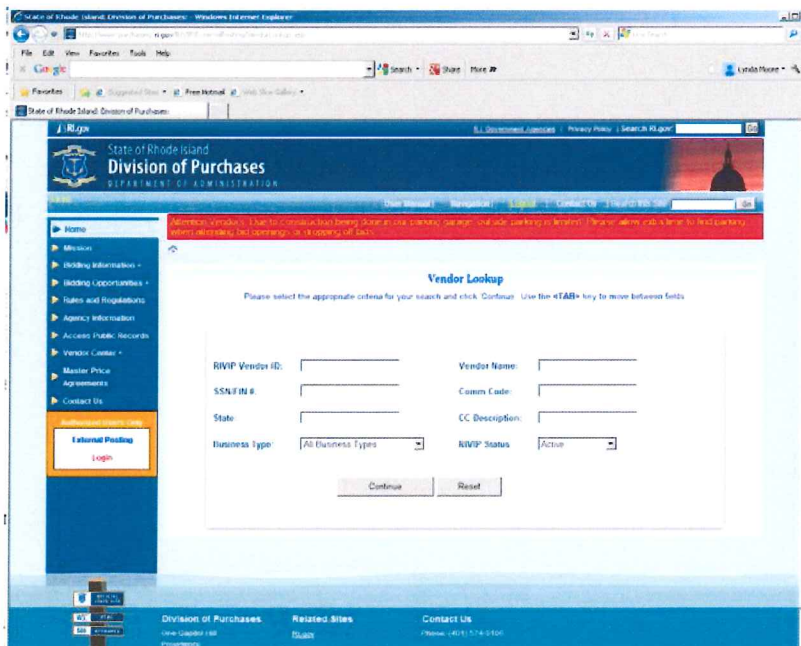


Select Navigation from the top menu bar



Select Tools/Searches

Click on RIVIP Vendors



For purposes of searching for a “local vendor” the field “State” should always be populated with “RI”. Further refine your search by entering specific commodity codes and/or commodity code descriptions. Note: the field entitled “RIVIP Status” should always be listed as “Active”.

Please select the appropriate criteria for your search and click 'Continue'. Use the <TAB> key to move between fields.

RIVIP Vendor ID: Vendor Name:
 SSN/FIN #: Comm Code:
 State: CC Description:
 Business Type: RIVIP Status:

Vendor Lookup Result

There are 88 Vendors Meeting the Entered Criteria

Vendor Name	RISAIL	State	Contact Name	Phone Number	RIVIP Status	DMW
3D Construction, LLC	N	RI	Devin Isom	(401) 888-8974	Active	M
Abao Enterprises Inc.	Y	RI	Diane Spaziano	401-354-8393	Active	M
Able Industrial Sweeping LLC	N	RI	Warren Esmonds Jr.	(401) 434-3440	Active	M
ABM Enterprises	N	RI	Hik J. Mangum	(401) 627-7000	Active	M
AC Stone, LLC	N	RI	Angela Conte	(401) 273-8030	Active	M
Advertising Ventures Incorporated	Y	RI	Andrea Reed	(401) 453-4748	Active	M
Aerotech Corporation	Y	RI	Ruth E. Fagan	(401) 351-0600	Active	M
Alpha Omega Construction, Inc.	Y	RI	Fred Abatecola	(508) 761-4484	Active	M
AMERICAN PAINTING AND RESTORATION LLC	N	RI	RODRIGO BETANCUR	(401) 437-6482	Active	M
American Tele-Connect Service, Inc	Y	RI	Anne Powers	(401) 941-8000	Active	M
Anita's Quality Words	Y	RI	Anita Gill	(401) 263-7766	Active	M
Anne Galbraith	Y	RI	Anne Galbraith	4010445881	Active	M
Architex 2000, Inc.	Y	RI	Nancy C. Sapa	(401) 941-4430	Active	M
Aries	N	RI	Pamela Olan	401-825-8875	Active	M
B Baptista Electric Inc	N	RI	Benjamin Baptista	(401) 723-8800	Active	M



State of Rhode Island, Department of Administration
Division of Purchases
One Capitol Hill
Providence, Rhode Island 02908
www.purchasing.ri.gov (401) 574-8100

DELEGATED AUTHORITY - SMALL PURCHASES
AUTHORIZATION FORM (R. I. Gen. Laws § 37-2-22)

Requesting Department/Agency: _____ Requisition #: _____

Good or Service to be Procured: _____

Procurement less than \$500. The department or agency may proceed with a vendor of its choosing, but the Division of Purchases (“Division”) recommends contacting, if available, a certified Minority or Women-owned Business Enterprise (MBE/WBE) or a “Local Vendor.” A “Local Vendor” is a non-foreign, domestic business enterprise whose principal office, according to the Corporate Database maintained by the Secretary of State at <http://ucc.state.ri.us/CorpSearch/CorpSearchInput.asp>, is located within the State of Rhode Island.

MPA Requirement. Departments and agencies shall first utilize an applicable MPA to the extent one is available. If there is a certified MBE/WBE on an MPA covering services, the department or agency is required to get a quote from the certified firm. Refer to specific MPA Contract User Guide for further information. Should an MPA not be available, the department or agency should utilize the below process. If an MPA vendor is ultimately utilized, departments and agencies do not need to submit this form to the Division. For more information on available MPAs, please call the Division of Purchases and/or visit its website (contact information listed above).

Three written quotes required. For general procurements between \$500 and \$5,000 (\$10,000 for construction services), at least three (3) written quotes shall be obtained through e-mail, fax or the internet. At least one of the quotes must be from a certified MBE/WBE, assuming there is an MBE/WBE capable of providing the goods or services. Additionally, at least one (1) of the three (3) required quotes must be from a local vendor, again assuming there is a local vendor capable of providing the goods or services. This “local vendor” may be the same vendor used to satisfy the MBE/WBE requirement, but agencies must still get a total of three (3) written quotes for any procurement under this delegated small purchase authority.

In order to get the most cost effective pricing, as a general rule, departments and agencies should award contracts to the lowest responsive and responsible bidder. However, there is an exception regarding the State’s interest in supporting Minority Business participation. When awarding to an MBE/WBE that was not the low bidder, section 5.12.1.2.3 of the State of Rhode Island Procurement Regulations and section 25(b) of the Regulations’ Appendix A - General Conditions of Purchase, allow selection of the MBE’s/WBE if its price quote is within a

competitive range, not to exceed five percent (5%) higher than the lowest responsive price offer) for a product or service.

The record shall include an objective statement explaining the basis for the decision. It is important that the person obtaining the quotes set a deadline by which all written quotes must be received or the process may not have closure. This also ensures that the vendors have an equal opportunity to participate.

Audits. All transactions made under the Delegated Small Purchase Authority are subject to audit by the Bureau of Audits and the Division of Purchases. Audits concentrate on documentation of competitive solicitations and whether Departments and Agencies artificially divide purchases. As always, Departments and Agencies are cautioned not to artificially divide orders for similar purchases which would result in exceeding the applicable \$5,000/\$10,000 limit.

Please attach vendor quotes and list below the vendor names and the date/amount of their quotes.

	VENDOR NAME	QUOTE DATE	QUOTE AMOUNT
MBE/WBE: <i>(if different from Local Vendor)</i>	Check here if not available: <input type="checkbox"/>		
Local Vendor: <i>(if different from MBE/WBE)</i>	Check here if not available: <input type="checkbox"/>		
MBE/WBE & Local Vendor: <i>(if the same)</i>	Check here if not available: <input type="checkbox"/>		
1st Vendor: <i>(only if MBE/WBE and Local Vendor are both not available - skip this if either MBE/WBE or Local Vendor is available)</i>			
2nd Vendor: <i>(only if MBE/WBE and Local Vendor are the same, or if either MBE/WBE or Local Vendor are not available - skip this only if MBE/WBE is different from Local Vendor)</i>			

<p>3rd Vendor: <i>(if MBE/WBE is different from Local Vendor - do not ever skip this)</i></p>			
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Please indicate below the vendor ultimately selected, and, if necessary, provide justification if it was not the lowest bidder.

Vendor selected: _____

Justification if not the lowest bidder: _____

I certify that the above statements are true and complete to the best of my knowledge.

Requestor Name

Title

Date

User Agency Approval

Title

Date



State of Rhode Island, Department of Administration
Division of Purchases
One Capitol Hill
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www.purchasing.ri.gov (401) 574-8100

ARCHITECTURAL, ENGINEERING OR CONSULTANT SERVICES
NOT TO EXCEED \$20,000 (R. I. Gen. Laws § 37-2-69)

Requesting Department/Agency: _____ Requisition #: _____

Service to be Procured: _____

Submit to Division of Purchases. When completed, Department or Agency must submit this form to the Division of Purchases (“Division”). In accordance with R.I. Gen. Laws § 37-2-69, the Division will present this completed form to the Director of Administration/Chief Purchasing Officer (“CPO”) for review. If a Master Price Agreement (“MPA”) vendor is ultimately utilized, departments and agencies do not need to obtain the CPO’s prior approval or submit this form to the Division.

MPA Requirement. Where an MPA covering architectural, engineering, or consultant services is available, departments and agencies are required to utilize MPA vendors. Refer to specific MPA Contract User Guide for further instructions. For more information on available MPAs, please call the Division and/or visit its website (contact information listed above).

Three written quotes required. For procurements of architectural, engineering or consultant services **not to exceed \$20,000**, at least three (3) written quotes must be obtained through e-mail, fax or the internet. At least one (1) of the quotes shall be from a certified MBE/WBE, assuming there is an MBE/WBE capable of providing the goods or services. Additionally, at least one (1) of the three (3) required quotes must be from a “local vendor,” again assuming there is a local vendor capable of providing the goods or services. This “local vendor” may be the same vendor used to satisfy the MBE/WBE requirement, but agencies must still get a total of three (3) written quotes for any procurement under this delegated small purchase authority.

In order to get the most cost effective pricing, as a general rule, departments and agencies should award contracts to the lowest responsive and responsible bidder. However, there is an exception regarding the State’s interest in supporting Minority Business participation. When awarding to an MBE/WBE that was not the low bidder, section 5.12.1.2.3 of the State of Rhode Island Procurement Regulations and section 25(b) of the Regulations’ Appendix A - General Conditions of Purchase, allow selection of the MBE’s/WBE if its price quote is within a competitive range, not to exceed five percent (5%) higher than the lowest responsive price offer) for a product or service.

The record shall include an objective statement explaining the basis for the decision. It is important that the person obtaining the quotes set a deadline by which all written quotes must be received or the process may not have closure. This also ensures that the vendors have an equal opportunity to participate.

Audits. All transactions made under R.I. Gen. Laws § 37-2-69 are subject to audit by the Bureau of Audits and the Division. Audits concentrate on documentation of competitive solicitations and whether Departments and Agencies artificially divide purchases. As always, Departments and Agencies are cautioned not to artificially divide orders for similar purchases which would result in exceeding the \$20,000 limit.

Please attach vendor quotes and list below the vendor names and the date/amount of their quotes.

	VENDOR NAME	QUOTE DATE	QUOTE AMOUNT
MBE/WBE: <i>(if different from Local Vendor)</i>		Check here if not available: <input type="checkbox"/>	
Local Vendor: <i>(if different from MBE/WBE)</i>		Check here if not available: <input type="checkbox"/>	
MBE/WBE & Local Vendor: <i>(if the same)</i>		Check here if not available: <input type="checkbox"/>	
1st Vendor: <i>(only if MBE/WBE and Local Vendor are both not available - skip this if either MBE/WBE or Local Vendor is available)</i>			
2nd Vendor: <i>(only if MBE/WBE and Local Vendor are the same, or if either MBE/WBE or Local Vendor are not available - skip this only if MBE/WBE is different from Local Vendor)</i>			



State of Rhode Island, Department of Administration
Division of Purchases
One Capitol Hill
Providence, Rhode Island 02908
www.purchasing.ri.gov (401) 222-2317

PROCEDURES:

- 1) **DELEGATED AUTHORITY - SMALL PURCHASES**
- 2) **ARCHITECTURAL, ENGINEERING & CONSULTANT SERVICES NOT TO EXCEED \$20,000**

Effective November 24, 2014

Rhode Island General Laws

§ 37-2-22 Small Purchases.

webserver.rilin.state.ri.us/Statutes/TITLE37/37-2/37-2-22.HTM

§ 37-2-7(4) Definitions “Construction”

webserver.rilin.state.ri.us/Statutes/TITLE37/37-2/37-2-7.HTM

§ 37-2-69 Architectural, Engineering, or Consultant Services Not Exceeding \$20,000.

webserver.rilin.state.ri.us/Statutes/TITLE37/37-2/37-2-69.HTM

Purchasing Rules and Regulations

<http://www.purchasing.ri.gov/rulesandregulations/rulesAndRegulations.aspx>

Master Price Agreements vs. Delegated Small Purchase Authority. This authority does not eliminate the requirement to utilize a Master Price Agreement (“MPA”) when there is one covering the area of purchase is available. A list of MPAs can be located on the Division of Purchases’ (“Division”) website at www.purchasing.ri.gov. For additional help finding an MPA, please call (401) 574-8100.

For amounts less than \$500. The department or agency may proceed with a vendor of its choosing, but the Division recommends contacting, if available, a certified MBE/WBE or a “Local Vendor.”*

* “Local Vendor” means a non-foreign, domestic business enterprise whose principal office, according to the Corporate Database maintained by the Secretary of State at

<http://ucc.state.ri.us/CorpSearch/CorpSearchInput.asp>, is located within the State of Rhode Island.

Three written quotes required. For general procurements between \$500 and \$5,000 (\$10,000 for construction services), at least three (3) written quotes must be obtained through normal mail, personal delivery, e-mail, fax or the internet. Please attach the vendor quotes to the “Delegated Authority - Small Purchases” form. The vendor quotes must meet the following requirements:

- 1) **MPA Requirement** -- Departments and agencies shall first utilize an applicable MPA to the extent one is available. If there is a certified Minority or Women-owned Business Enterprise (MBE/WBE) on the MPA covering services, the department or agency is required to get a quote from the certified firm. Refer to specific MPA Contract User Guide for further instructions. Should an MPA not be available, the department or agency should utilize the below process.
- 2) **MBE/WBE Requirement** --
 - a. One of the required three (3) written quotes shall be from a certified MBE/WBE, assuming one is available for the goods or services being purchased. Agencies or departments should utilize the State’s MBE/WBE Office website, available at <http://www.mbe.ri.gov>, to identify any eligible vendors. For any additional questions regarding the MBE/WBE requirements, or for assistance identifying eligible vendors, agencies should call the State’s MBE/WBE office at (401) 574-8253.

In order to get the most cost effective pricing, as a general rule, departments and agencies should award contracts to the lowest responsive and responsible bidder. However, there is an exception regarding the State’s interest in supporting Minority Business participation. To increase minority business participation, State Procurement Regulations allow an MBE/WBE to be selected even if it is not the lowest cost as long as the cost does not exceed 5% compared to the lowest quote received.

- MBE/WBE database search instructions:
 - a. When on the MBE website (www.mbe.ri.gov), click on the link entitled “Directory Search” on the upper left hand side of the website. This will result in a new screen allowing for customized searches.
 - b. Agencies may search for certified MBE/WBE firms by using the product or service drop down box by entering keywords or partial words into the search parameters. Please note that you can only search for one word or partial word at a time. Entering multiple word search terms will result in no findings. It is highly recommended that broad search terms be used. For example, searching for the partial term “elec” will result in findings for electricians,

electrical contractors, electrical supplies, etc. Similarly, searching for the partial term “engin” will result in findings for engineers, engineering firms, etc.

- c. Once you have narrowed down the search, you can click on each identified vendor to gather more information on each firm.

Please note that firms must be certified as an MBE, WBE, or MBE/WBE in order to be eligible for participation under R.I. Gen. Laws § 37-14.1. Firms that are certified only as a disadvantaged-owned business enterprise (DBE) do not meet the MBE participation criteria.

- 3) **Local Vendor Requirement** -- At least one of the three (3) required quotes shall be from a local vendor, assuming there is one capable of providing the requested goods or services. The local vendor may be the same vendor used to satisfy the MBE/WBE requirement, but agencies must still get a total of three (3) written quotes for any procurement under this delegated small purchase authority. A “local vendor” is a non-foreign, domestic business enterprise whose principal office, according to the Corporate Database maintained by the Rhode Island Secretary of State at <http://ucc.state.ri.us/CorpSearch/CorpSearchInput.asp>, is located within the State of Rhode Island.
- 4) Quotes received by email, fax, or the internet are acceptable.
- 5) Documentation of the quotes shall be submitted with the “Delegated Authority Authorization - Small Purchases” form issued by the Division and attached to the RIFANS requisition.
- 6) Agencies are cautioned not to artificially divide orders which would result in a purchase exceeding the limit stated above.

Architectural, Engineering and Consultant Services Not To Exceed \$20,000. For architectural, engineering and consultant services not to exceed \$20,000, departments and agencies should utilize the same procedures listed above and below, including the requirements to first utilize existing MPA vendors, and subsequently to obtain three (3) written quotes (one required MBE/WBE and one required Local Vendor). Whenever a department or agency is seeking architectural, engineering or consultant services not to exceed \$20,000, the “Delegated Authority - Small Purchases” form should in all instances be replaced by the “Architectural, Engineering and Consultant Services Not to Exceed \$20,000” form. The completed form must be submitted to the Division. In accordance with R.I. Gen. Laws § 37-2-69, the Division will present the form to the Chief Purchasing Officer for review and approval. If an MPA vendor is utilized, departments and agencies do not need to obtain the Chief Purchasing Officer’s prior approval or submit the “Architectural, Engineering and Consultant Services” form to the Division.

Local Vendors. To satisfy the Local Vendor requirement agencies may obtain a list of Rhode Island vendors from the Division's website, www.purchasing.ri.gov, by clicking on "Agency Login." Vendors that register with the State of Rhode Island sign up for specific commodity codes for goods and services. A training manual entitled "Search for Rhode Island Vendors" is attached. Departments and agencies must also verify, by reference to the Corporate Database maintained by the Secretary of State at <http://ucc.state.ri.us/CorpSearch/CorpSearchInput.asp>, that a supposed "Local Vendor" is actually a non-foreign, domestic business enterprise whose principal office is located within the State of Rhode Island. The local vendor may be the same vendor used to satisfy the MBE/WBE requirement, but agencies must still get a total of three (3) written quotes for any procurement under this delegated small purchase authority.

Contract Award and Cancellation

- ◆ **Responsive and Responsible.** State Purchasing law requires that contracts be awarded based on the lowest price offered by a responsive and responsible supplier. *See* R.I. Gen. Laws § 37-2-24 and section 4.3 of the State of Rhode Island Procurement Regulations. A responsive supplier is one which offers a price for exactly what was requested or an acceptable alternative. *See* R.I. Gen. Laws § 37-2-15(7). A responsible supplier is harder to define. Generally this term refers to financial stability, dependability, honesty and integrity. *See* R.I. Gen. Laws § 37-2-15(6). For example, the State would not order supplies from a company suspended for indictment on bribery charges or someone without a valid business address, e.g., doing business out of the trunk of a car.
- ◆ **Contract.** A solicitation combined with an offer which results in an order being placed is deemed to be a contract between the State and the vendor. All State contracts – including small purchases – are governed by R.I. Gen. Laws § 37-2 and the State of Rhode Island Procurement Regulations.
- ◆ **Notification.** A department or agency official will notify the responsible vendor offering the lowest responsive price. A written order is required so that there is a record in case of a dispute if the vendor does not deliver what was requested or does not deliver within a reasonable time. Note that the solicitation should indicate what timeframe is desired by the user department or agency.
- ◆ **Award to Lowest Bidder.** Unless otherwise stated herein, in order to get the most cost-effective pricing, as a general rule, departments and agencies should award to the lowest responsive and responsible bidder.
- ◆ **Selection Preference for Local Vendors** -- In accordance with R.I. Gen. Laws § 37-2-59.1 and § 37-2-80, departments and agencies should note that where contracts are entirely supported by State funds and two (2) or more vendors or service providers are judged to be equal on all other factors, the agency shall select a Local Vendor or, secondly, select those entities that propose a joint venture with a Local Vendor.

- ◆ **Award to MBE/WBE that is not Low Bidder.** In accordance with section 25(b) of the State of Rhode Island Procurement Regulations, Appendix A - General Conditions of Purchase, the department or agency may select the price offer of an MBE/WBE when it is not the low bidder if it is determined that the MBE/WBE is within a competitive range (not to exceed five percent (5%) higher than the lowest responsive price offer) for a product or service.

- ◆ **Cancellation.** The user department or agency must cancel a contract for a small purchase in writing, explaining the reason for the cancellation. A copy of this document must be part of the official record of the purchase. An example of a basis for cancellation is a vendor’s failure to provide what was agreed to, referred to as “nonperformance.”

- ◆ **Audit.** All transactions made under the delegated small purchase authority are subject to audit by the Bureau of Audits and the Division. Audits will concentrate on documentation of competitive solicitations and whether agencies artificially divide purchases.

Additional Requirements for Construction Projects:

Insurance (not applicable if vendor selected from MPA)

The successful bidder must submit to the user department or agency a copy of an endorsement and a certificate of insurance and name the State of Rhode Island as “certificate holder” and as “additional insured.” The certificate of insurance must state that 20 days’ advance notice of cancellation will be sent to the user department or agency and provide evidence of the following specific types and amounts of insurance:

<u>Type of Insurance</u>	Amount of Coverage
Comprehensive General Liability*	<p>\$1 Million each occurrence (inclusive of both bodily injury and property damage)</p> <p>\$1 Million products and completed operations aggregate</p> <p>\$1 Million general aggregate</p>
	<p><i>*Comprehensive General Liability coverage shall include:</i></p> <ul style="list-style-type: none"> -- Independent contractors -- Contractual (including construction “hold harmless” and other types of contracts or agreements in effect for insured operations) -- Completed operations -- Personal injury (with employee exclusion deleted)
Automobile Liability	<p>Combined Single Limit -- \$1 Million each occurrence</p>

Bodily injury, property damage, including non-owned and/or hired vehicles and equipment

Workers Compensation Coverage B -- \$100,000

Environmental Impairment \$1 Million or 5% of contract amount,
(“Pollution Control”) whichever is greater

The State Purchasing Agent reserves the right to accept alternate forms and plans of insurance and/or to require additional or more extensive coverage.

Licenses

The successful bidder and anyone performing any work on the contract awarded pursuant to this solicitation must possess all of the licenses required by any federal, state, or local law to perform such work.

Wage

The successful bidder and its subcontractors must pay their workers at the applicable federal prevailing wage rates for the various trades on a weekly basis, pay their workers one and one-half times the applicable prevailing wage rates for each hour worked in excess of 8 hours in any one day or 40 hours in any one week, and submit certified weekly payroll forms on a monthly basis to the user Department or Agency. Prevailing wage posters and rate schedules, available at the Rhode Island Department of Labor and Training (www.dlt.ri.gov), must be posted at the project site.