

## Procuring Consultants And Professional Services

To secure the professional services and/or the consultant services described in the approved grant budget, the following requirements shall apply:

- (a) Fees and Arrangements. The grantee shall consult and observe the guidelines stated in Section I, Financial and Administrative Requirements; Professional or Consultant Services.
- (b) Procurement Procedures.
  - (1) Purchases up to \$250 may be made on a spot purchase basis, without comparative pricing.
  - (2) Purchases between \$1000 and \$2,500 require a minimum of three oral bids, based on identical specifications. The purchaser (grantee) is required to maintain records for audit that show the name, telephone number, date, and bid amount of each source contacted.
  - (3) Purchases between \$2,500 and \$5,000 require that written invitations for bid, using identical specifications, be mailed to a minimum of three prospective suppliers. Such invitations must clearly state the deadline for receipt of written bids. The purchaser (grantee) is required to maintain records for audit that include copies of all invitations and all written responses thereto (including original signatures thereon).
  - (4) Purchases above \$5,000 require formal newspaper advertising soliciting bids. The purchaser is required to maintain records for audit that include copies of the advertisement(s) and all written responses thereto (including original signatures thereon).
  - (5) When the required services/supplies and/or the required skills are so unique that the purchaser cannot identify a minimum of three prospective sources – when the cost exceeds \$1,000 – the purchaser (grantee) shall seek guidance from the ABTPA. In such cases, the grantee shall provide to the ABTPA a letter containing all relevant facts and a proposed course of action.
  - (6) Audit organizations and individual independent auditors typically will not respond to an “invitation for bid,” with precise specifications stipulated by the purchaser. In such cases, the purchaser should extend an “invitation for proposal” which permits the prospective supplier to develop the specifications of the engagement/purchase and to quote a relevant cost. It is then incumbent upon the purchaser to select the lowest cost proposal which meets the organizational needs.
  - (7) In all instances, prior to the delivery of services, a written contract should be executed to secure professional and/or consultant services. A recommended format for such a contract is found on page 53.
- (c) Grantor Agency Approval. Following the solicitation of bids and prior to the execution of a contract, the grantee shall obtain ABTPA approval, by providing the ABTPA with a letter containing the following:
  - (1) a brief narrative description of the specific procurement procedure (cited herein) that was used;
  - (2) a copy of the newspaper advertisement, if that method is required by the applicable procurement procedure (cited herein);
  - (3) a draft copy of the proposed contract;
  - (4) a list of vendors or practitioners from whom bids or quotes were solicited;

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- (5) a list of vendors or practitioners who offered bids or quotes, citing the cost per hour (or other appropriate unit of measure) offered;
  - (6) an explanation, if only one response is obtained, why that is the case; and
  - (7) an explanation, if the lowest bid/quote is not selected, why that is the case.
- (d) Procurement Standards. Regardless of the procurement method used, all purchasers (grantees) must insure compliance with the procurement standards expressed in Section 36 of the Office of Management and Budget Circular No. A-102 (applicable to units of government and to nonprofit organizations).