

Subject: Citywide Purchasing Policy	Number: 3-1
	AO Date Issued: 6/1/02 AO Date Revised: 04/30/2024 Attachment Date Revised: 01/01/2023
Responsible Department: General Services Department- Purchasing Division	Approved: Signature on File

Purpose

To establish a Citywide purchasing policy.

Policy

The City of Fresno has a centralized purchasing function. The General Services Department, Purchasing Division maintains a Purchasing Handbook, updated annually, that details the required procurement processes for the various procurement options. City departments determine their operational needs, and the Purchasing Division identifies the most effective and expeditious procurement method to meet these needs.

The Purchasing Division is responsible for:

- The purchase of equipment, materials, supplies, and public work of improvement projects
- Facilitating the competitive bidding process
- Monitoring purchases made by City staff to identify opportunities for making strategic buying decisions
- Administering Citywide contracts for non-professional services
- Administering the Disadvantaged Business Enterprise (DBE) program

In contrast, consultant and professional services are decentralized in the City of Fresno and are the responsibility of the individual departments (see AO 6-19 Contracts for Consultant Services).

All procurements conducted by the Purchasing Division, except for services, are based on the principle of competitive bidding in accordance with Charter Section 1208 with award to the lowest responsive and responsible bidder. Competitive bidding assures the best pricing for the City, provides equal access to suppliers/contractors for City business and ensures accountability of public funds.

In the event that there is one, and only one, source for a product, the sole source approval process must be followed in lieu of the competitive process.

All emergency purchases must be approved by the Purchasing Manager or their designee.

For Design-Build projects, the Design-Build process must be followed as outlined in Section 4, Article 5 of the Fresno Municipal Code and in the Purchasing Handbook.

Departments are encouraged to contact the Purchasing Division for any special needs and priorities, such as grants, to allow Purchasing to plan for special assistance, if required, and to meet department needs. To maintain communication with Departments, Purchasing conducts liaison meetings with client divisions twice each year.

Procedures

Procurements fall into two distinct categories, procurement **over** the Formal Bid Limit and procurement **under** the Formal Bid Limit. The Formal Bid Limit is adjusted every year by the Purchasing Manager, as required by Charter Section 1208. The Purchasing Handbook outlines all required procedures for both procurement categories. All procurements must be initiated electronically through the system designated by the Purchasing Division.

All City procurements are posted on the City's electronic bidding website. The site can be accessed by clicking "Bid Opportunities" under the "Doing Business" header on the City of Fresno's main webpage. Bidders register (*free of charge*) and receive automatic emails when a procurement is posted for the category in which the bidder is registered. Proposals can either be submitted electronically or by paper, depending on the requirements of the solicitation.

All City employees who will be making purchasing decisions for their respective departments are required to attend procurement training prior to gaining access to the purchasing modules within the financial system.

Staff must follow the detailed purchasing procedures as outlined in the Purchasing Handbook.

Detailed purchasing procedures are contained in a separate Purchasing Handbook maintained by the Purchasing Division and must be followed.

ATTACHMENT to Citywide Purchasing Policy

PURCHASING DIVISION GUIDELINES		
Limits	Process	Notes
\$2,500	Cal Card (Visa)	Cardholder makes purchase with Visa
Up to \$5,000	Direct Invoice	Purchasing is not involved
Up to \$10,000	Open Purchase Order	Department may request an "Open" PO, which expires at the end of the fiscal year, for multiple small purchases. Only one "Open" PO per vendor per FY.
Products, Supplies, Equipment		
Up to \$50,000	Three Competitive Quotes	For simple, informal, product purchases the department may obtain 3 competitive quotes
Up to the Formal Bid Limit	Informal Bid	Once Purchasing receives specifications, 2-3 weeks from bidding to award by Purchasing
Up to the Formal Bid Limit	Informal Requirements Contract	Once Purchasing receives specifications, 3-4 weeks from bidding to award by Purchasing
Above the Formal Bid Limit	Formal Bid or Formal Requirements Contract	Once Purchasing receives specifications, 2 months from bidding to award by Council, Includes: Purchasing review, posting period, Department evaluation & Council award
Public Work of Improvement		
Up to the Formal Bid Limit	Informal Bid	Once Purchasing receives specifications, 5-6 weeks from bidding to award by Purchasing, Includes: site walk, 5 days for Department evaluation, insurance, & bonds
Above the Formal Bid Limit	Formal Bid	Once Purchasing receives specifications, 2-3 months from bidding to award by Council, Includes: Purchasing review, Department evaluation & Council award
Services - Non-Professional		
Up to \$50,000	Informal Request for Proposals OR Three Competitive Quotes	Once Purchasing receives RFP documents, 6 weeks from bidding to award, Committee meeting/recommendation OR For simple, informal, services the department may obtain 3 competitive quotes
Above \$50,000	Formal RFP	Once Purchasing receives RFP documents, 2-3 months from RFP to Council award, Includes: Purchasing, CAO/Risk review, Committee recommendation & Council award
Services - Professional (Consultant)		
All contract amounts	Follow AO 6-19	Department manages
Misc. Procurement Options		
Sole Source - Products		
Up to \$50,000	Sole Source Request	Department may request sole source procurement by providing justification to Procurement Specialist
Above \$50,000 and up to Formal Bid Limit	Sole Source Memo	Department may request sole source - memo to Purchasing Manager required
Above the Formal Bid Limit	Sole Source Resolution	Department may request sole source - Resolution & Council approval required
Uniquely Qualified - Services		
Up to \$50,000	Uniquely Qualified Memo	Department may request Uniquely Qualified finding - memo to City Manager required
Above \$50,000	Uniquely Qualified Memo	Department may request Uniquely Qualified finding - memo to City Manager & subsequent Council approval required
Piggyback/Cooperative Purchase Agreement		
Up to the Formal Bid Limit	Purchase Order	Department must receive Purchasing approval
Above the Formal Bid Limit	Purchase Order	Department must receive Purchasing approval and subsequent Council approval required
Emergency Purchases		
Up to \$50,000	Emergency PO	Department to request EPO providing justification to Procurement Specialist
Above \$50,000 and up to Formal Bid Limit	Emergency PO	Department to request EPO via justification form to Purchasing Manager
Over the Formal Bid Limit	Emergency PO	Department must obtain Council approval

All timelines provided are estimated and may vary based on project needs and requirements