

**MONTGOMERY COUNTY
CONVENTION FACILITIES
AUTHORITY**

PROCUREMENT POLICIES

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**MONTGOMERY COUNTY CONVENTION FACILITIES AUTHORITY
PROCUREMENT POLICIES**

I. INTRODUCTION

▪ **PURPOSE**

This policy is intended to establish how the Montgomery County Convention Facilities Authority (MCCFA) or its Agent procures goods and services and enters into contracts. The overall purpose of procurement policies is to ensure that the MCCFA obtains the highest quality of goods and services at the lowest practical cost in compliance with applicable laws. Furthermore, the guidelines are aimed at streamlining the process of procurement while maintaining adequate controls. These procedures apply to all staff involved in the procurement and to all types of procurement.

THIS POLICY SERVES TO APPLY OHIO LAWS GOVERNING CONVENTION FACILITIES AUTHORITIES (R.C. CHAPTER 351), THEIR CONTRACTING AUTHORITY (R.C. 2921.41 AND R.C. SECTIONS 307.86 et seq.), AND RESTRICTIONS PLACED ON PUBLIC OFFICIALS (R.C. CHAPTER 102). IN ANY INSTANCE IN WHICH THIS POLICY IS AT ODDS WITH THOSE CITED AREAS OF OHIO LAW, THE CITED SECTIONS OF OHIO LAW CONTROL.

▪ **MISSION**

Considering the MCCFA fiduciary responsibilities, the MCCFA or its agent, when acting as the purchaser on behalf of the MCCFA (each as applicable, the “purchaser”) must assure the promotion of full and open competition in all procurement activities. In doing so, the purchaser must balance economy, efficiency, expediency, and environmental impact, ensuring that Departments receive sufficient quality and quantities of goods and services, delivered at the correct time, fulfilling the facility's operating requirements.

▪ **SCOPE**

The scope of this purchasing policy covers the procurement of most goods and services. The policy covers contractual and purchase agreements between the MCCFA and other legal entities for anything to be purchased, leased, leased with an option or agreement to purchase, or constructed, including, but not limited to, any product, structure, construction, reconstruction, improvement, maintenance, repair, or service at a cost in excess of seventy-five thousand dollars (\$75,000) subject to changes in accordance with R.C. 9.17, except as otherwise provided below or at law. The procurement function includes the initial agreement/purchase, changes, and re-negotiations.

▪ **EXCEPTIONS**

Consistent with R.C. 307.86 et seq., the provisions of this policy do not apply in the following instances or procurements:

- The procurement is for services of an accountant, architect, attorney at law, physician, professional engineer, construction project manager, consultant, surveyor, or appraiser. R.C. 307.86.
- The purchase consists of supplies or a replacement or supplemental part or parts for a product or equipment owned or leased by the MCCFA, and the only source of supply for the supplies, part, or parts is limited to a single supplier. R.C. 307.86(B)(1).

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- The purchase consists of services related to information technology, such as programming services, that are proprietary or limited to a single source. R.C. 307.86(B)(2).
 - The purchase is from the federal government, the state, a county or contracting authority of another county, or a board of education, educational service center, township, or municipal corporation. R.C. 307.86(C).
 - If permitted by law, a real and present emergency exists. R.C. 307.86(A).
 - The purchase is for property, including land, buildings, and other real property, leased for offices, storage, parking, or other purposes, and all of the following apply:
 - (a) The MCCFA is authorized by the Revised Code to lease the property.
 - (b) The MCCFA develops requests for proposals for leasing the property, specifying the criteria that will be considered prior to leasing the property, including the desired size and geographic location of the property.
 - (c) The MCCFA receives responses from prospective lessors with property meeting the criteria specified in the requests for proposals by giving notice in a manner substantially similar to the procedures established for giving notice under R.C. Section 307.87.
 - (d) The MCCFA negotiates with the prospective lessors to obtain a lease at the best and lowest price reasonably possible considering the fair market value of the property and any relocation and operational costs that may be incurred during the period the lease is in effect.
- With respect to the acquisition of such property, the MCCFA may use the services of a real estate appraiser to obtain advice, consultations, or other recommendations regarding the lease of property under this exception. R.C. 307.86(I).
- If under \$75,000 and otherwise in compliance with this policy, then purchases for goods or services such as the following must comply with the purchasing thresholds provided in this policy:
 - Printed copyright material including published books, maps, periodicals, and technical pamphlets (not including software for computer systems), except where a quantity purchase can realize more significant savings.
 - Subscriptions, dues, and memberships, and board member fees established during the budget process.
 - Reimbursements provided directly to individual citizens and employees.
 - Marketing and advertising materials that are within the operating budget of the MCCFA.

Purchases made under an exception to this policy are subject to 1st approval by the Fiscal Officer of the Board and 2nd approval by the MCCFA Executive Director.

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In addition to the foregoing exceptions, purchases made through the participation in joint purchasing programs authorized pursuant to R.C. Section 9.48 are also exempt from competitive bidding requirements of this policy. Such purchases shall be subject to 1st approval by the Fiscal Officer of the Board and 2nd approval by the Executive Director.

▪ **ETHICS IN PURCHASING**

Each person involved in the procurement process must adhere to a high standard of ethics and compliance with the requirements and ethical obligations of public officials pursuant to R.C. Section 102.03. In addition, to the extent not in conflict with existing laws:

○ **Cash**

It is never permissible for an MCCFA Employee, Official, or its Agent to accept a gift in cash, cash equivalents, gift cards, stocks, or other forms of marketable securities of any amount.

○ **Travel rewards cards**

The MCCFA prohibits the use of personal credit cards that provide the individual with travel or cash rewards associated with a purchase that is reimbursed through the MCCFA unless that received value is donated back to the MCCFA for use by the MCCFA.

○ **Prohibition Against Contractor- Based Contingent Fees**

It shall be unethical for a person to be retained, or to retain a person, to solicit or secure a MCCFA contract upon any agreement or understanding for a commission, percentage, brokerage, or contingent fee, from a contractor, except for retention of bona fide employees or bona fide established commercial selling agencies to secure business.

○ **Unauthorized Purchases**

No purchases of goods or services shall be made in the name of MCCFA, except as required for official use by the MCCFA.

○ **Disclaimer of Responsibility for Improper Purchasing**

The MCCFA may disclaim responsibility and liability for any purchase, expenditure, or agreement for expenditure arising from a purchase made in its name by an unauthorized person or any person acting outside this policy or the authorization or delegation as provided in this policy. The expense of any such disclaimed transaction will become the personal liability of the individual who acted improperly.

II. PROCUREMENT PROCESS

○ **PURCHASE ORDER**

Each specific procurement procedure process to which this policy applies shall be initiated by purchase orders or request for proposal/request for qualifications and shall show detailed requirements for the item(s) requested.

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▪ **Purchase Order Form Data:**

Each procurement requisition form requires the following information:

- Complete item description as evidence by attaching the quote or invoice received.
- Accounting information to include department, cost code, and any additional accounting-related data.
- Signature of the person preparing the purchase order.
- The purchase order will be assigned an internal number for tracking and invoicing purposes.

▪ **PROCUREMENT CONTROLS**

- Goods and services will only be procured within approved budgets except in emergencies, which will be approved by the Executive Director.
- The Executive Director will help conduct periodic checks on procurement activities to ensure they conform to budget guidelines.
- It is the person's responsibility that signs the procurement requisition to verify that the correct item (s) have been received in the right quantities, the quality and price of goods are accurate, and that the goods delivered are secure and inventory records are updated.
- Once confirmed, the packing slip will be forwarded to the Fiscal Officer to await the invoice.
- Purchases under petty cash must not exceed the maximum amount established and documented by the Board Treasurer.

▪ **APPROVAL PROCESS**

- Once the purchase order is created, it is submitted to the Executive Director, Board Chairperson, or Finance Committee or its Agent for approval. All purchase orders must have one signature; the positions listed above have approval authority. Once approved, the purchase order is forwarded to the Fiscal Officer or its Agent for certification. Once certified, the purchase order is sent to the vendor, and the order is placed.

▪ **SEGREGATION OF DUTIES (FOR CONVENTION CENTER MANAGEMENT)**

There will be proper segregation of duties to maintain internal controls between:

- The Employee or its Agent places the order with the vendor.
- The Employee or its Agent confirms that the goods supplied are correct.
- The Employee or its Agent accepts the goods into the venue.
- The Employee or its Agent that authorizes payment.

▪ **VENDOR DIVERSITY**

MCCFA and its Agent are committed to providing equal access and meaningful opportunities to all vendors and to promoting diversity including minority business enterprises as defined under R.C. Section 122.71 as authorized pursuant to R.C. Section 307.921, as well as women owned enterprises and veterans. Our mission is to maximize the inclusion of minority, women, veteran, and small disadvantaged business enterprises and individuals in our supply chain. If the supplier is not diverse, they may be asked to report on

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relevant subcontracting (Tier II) activity with diverse suppliers. Supplier shall submit these reports at the frequency specified by MCCFA or its Agent.

○ **Company Ownership**

- Is your company publicly or privately held?
 - Public Company _____
 - Private Company _____
 - If your company is publicly held, please provide the stock symbol that your company's stock is traded under.

- **Please fill out the table below as it applies to your company's diversity status**
 - Women Business Enterprise (>=51% owned and controlled) *Yes / No*
 - Minority Business Enterprise (>=51% owned and controlled) *Yes / No*
 - Veteran Business Enterprise (>=51% owned and controlled) *Yes / No*
 - Other (Specify)
 - If Diverse, is your business certified?
 - If certified, by which organization/council?

▪ **VENDOR SELECTION**

In evaluating vendor bids, MCCFA or its Agent may consider the following in conjunction with the requirements set out in R.C. 307.862 (when applicable):

- Bidder's price.
- Confirmation that bidder item specifications match the purchase order or that an acceptable pre-approved substitution is provided.
- Bidder's ability to perform within the specified time limits.
- Bidder's previous records of performance and service.
- Bidder's ability to meet other terms and conditions, including insurance and bond requirements.
- Payment terms.
- Bidder's availability to provide future service, maintenance, and support.
- Nature and size of the bidder.
- Bidder's ability to provide samples and a warranty if applicable.
- Contract provisions are acceptable to MCCFA.
- Any other factors that the MCCFA determines are relevant in connection with the given project or scope of work.

III. PURCHASING THRESHOLDS

- For goods and services applicable to this policy, including marketing and advertising goods and services, which are below \$20,000, the MCCFA shall obtain goods and services most advantageous to the organization by directly using a purchase order with a minimum of one written quote.

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- For goods and services applicable to this policy between \$20,001 and \$74,999, MCCFA or its Agent shall obtain at least three written quotes. If three written quotes are not received, a written justification is required.
- For goods and services applicable to this policy above \$75,000, MCCFA or its Agent will use a formal Request for Proposal (RFP) procurement process. R.C. 9.17.
- For professional services , applicable to this policy which are below \$20,000, MCCFA shall obtain goods and services most advantageous to the organization by directly using a purchase order with a minimum of one written bid.
- For professional services applicable to this policy between \$20,001 and \$74,999, MCCFA shall obtain at least three written quotes. If three written quotes are not received, a written justification is required.
- For all professional services above \$75,000, the MCCFA or its Agent will use a formal Request for Proposal (RFP) procurement process.

GOODS AND SERVICES
(Including Marketing and Advertising Services)

<u>\$ Threshold</u>	<u>Purchasing Method</u>	<u>Responsibility</u>
=/> \$75,000	Formal RFP Process	Executive Director or MCCFA Agent
\$20,001 - \$74,999	Three (3) Written Quotes	MCCFA or its Agent
<= \$20,000	One (1) Written Quote	MCCFA

PROFESSIONAL SERVICES

<u>\$ Threshold</u>	<u>Purchasing Method</u>	<u>Responsibility</u>
=/> \$75,000	Formal RFP Process	Executive Director or MCCFA Agent
\$20,001-\$74,999	Three (3) Written Quotes	MCCFA or its Agent
<= \$20,000	One (1) Written Quote	User Department

- **COSTS UNDER THE COMPETITIVE THRESHOLD**
 - The applicable User Department of the MCCFA may acquire Goods and Services by Direct Negotiation or by some other non-competitive method when the dollar value of the purchase does not exceed \$20,000, and a properly executed and authorized purchase order is received, and other factors considered. The User Department may acquire Professional Services by Direct Negotiation or by some other non-competitive method when the dollar value of the purchase does not exceed \$20,000, and an adequately executed purchase order is received. Under this non-competitive method,

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the User Department shall attempt to obtain the Goods and Services and Professional Services most advantageous to the MCCFA or its Agent.

IV. COMPETITIVE PROCUREMENTS

Formal Solicitations will generally be solicited on a project-by-project basis in compliance with the requirements of R.C. 307.862.

▪ **REQUEST FOR PROPOSALS (RFP)**

- The RFP will contain all information required pursuant to R.C. Section 307.862, including the criteria to be considered and evaluated as the basis of the award.
- Proposals submitted by Responsible and Responsive Proposers are evaluated by a Standing or Special Committee, based upon the criteria applicable to the RFP, and presented to the Board for final approval. All submissions (or the most acceptable proposals at the discretion of the committee evaluating proposals) will be ranked in order of their acceptability to the MCCFA or its Agent considering the criteria. The MCCFA or its Agent has no obligation to award the Contract to the Proposer who proposes the lowest price.
- The MCCFA or its Agent reserves the right to reject any and/or all proposals, waive any informalities or irregularities of proposals, request clarification of information submitted in any proposal, and further negotiate with a Responsive and Responsible Proposer who has been selected for Contract award or to reject any or all proposals for any reason whatsoever.
- The Contract award will be awarded, if the award is made, by the MCCFA or its Agent to the Responsive and Responsible Proposer whose proposal is determined, in the Authority's exclusive discretion, to be the most advantageous to the MCCFA, taking into consideration price, qualifications, and other factors as indicated in the RFP. The RFP will contain the basis on which the award is to be made.

▪ **QUALITY BASED. SELECTIONS (RFQ)**

- Requests for Qualifications (RFQ) may be used when it is in the MCCFA's best interest to evaluate the experience and qualifications of a Service provider, without regard to price or before considering the price.
- The procedure for soliciting, opening, and evaluating statements of qualifications shall be the same as described herein for a request for proposals. Service providers whose qualifications meet the criteria established in the Request for Qualifications, at the sole discretion of the MCCFA or its Agent, may be considered for Contract award by participation in the completion of price negotiation. The MCCFA or its Agent shall attempt to negotiate a fee with the highest-ranked firm. If no agreement is reached, MCCFA or its Agent shall begin negotiations with the next highest-ranked firm. Negotiations will proceed in this manner until an agreement is reached. Alternatively, MCCFA or its Agent may, by Direct Negotiation, finalize terms with service providers who are selected for

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the award based on qualifications. MCCFA or its Agent reserves the right to reject any or all responses for any reason. The MCCFA or its Agent may request clarification of information.

V. GUIDELINES FOR PROMOTING SUSTAINABILITY THROUGH THE PURCHASING PROCESS

The MCCFA encourages the procurement of sustainable and environmentally preferred products and services. MCCFA and its Agent will take an active role to promote the analysis of life cycle costs for products and services to encourage the protection of the environment by considering sustainable products and services for use in MCCFA operations.

- In general, environmentally preferable products and services are those that would reduce negative effects on human health and the environment when compared with the competing products and services.
- In practice, the objective is to consider products that have been environmentally certified or eco-labeled because they have reduced environmental impact due to the way they are made, used, transported, stored, packaged, and disposed of.
- Reports will be provided to MCCFA Executive Director on an annual basis to track the procurement of sustainable and environmentally preferred products.