

I. STATEMENT OF PURPOSE

The Land Reutilization Corporation of the Capital Region (the “ Land Bank” or the “Corporation”) conducts its purchasing and procurement in accordance with the Laws of New York State, the Land Reutilization Corporation of the Capital Region Act, as amended, and Section 2879 of the Public Authorities Law.

- a) The Corporation is responsible for maintaining a program for procuring goods and services that ensures fairness and integrity, and guards against fraud, favoritism and corruption.
- b) The Land Bank seeks to fulfill its need for goods and services through open competitive bidding wherever practical and possible.
- c) The Land Bank invites all segments of the business community to participate in its purchasing and procurement program, including women and minority business owners.

The Board of Directors must review and re-approve these guidelines at least every three (3) years.

II. OBJECTIVES

- a) Goods and services must be procured in a manner that assures the prudent and economical use of funds.
- b) It is the Corporation’s policy to establish and incorporate certain internal procedures and controls for the acquisition of goods or services of any kind.

III. DELEGATION OF CORPORATION

- a) The Land Bank’s responsibility for administration and implementation of procurement guidelines is delegated to the Executive Director.
- b) The Executive Director’s responsibilities for procurement include:
 - i.) Determining the classification of purchases;
 - ii.) Implementing and monitoring purchasing/procurement policies;
 - iii.)Soliciting, administering, advertising and opening all competitive bids;
 - iv.)Negotiating and issuing purchase orders for items need by the Corporation.
 - v.) Developing and implementing an adequate internal control structure to provide a satisfactory level of accountability based on maintaining a proper paper trail, database or electronic record providing transaction descriptions, amounts, dates and other relevant information.
- c) Periodic review and internal audit of the finance policies and procurement guidelines, procedures and activities shall reside with the Corporation’s Fiscal Audit Committee. The Committee shall prepare written reports directly to the Land Bank Board of Directors.

IV. PURCHASE OF SUPPLIES, MATERIALS AND EQUIPMENT

1. Purchases of goods with an estimated price of \$5,000 or less
 - a) Purchases of office supplies, materials and equipment with an estimated price of \$5,000.00 or less may be ordered directly by the Land Bank personnel, if approved by the Executive Director, without formal competitive bid.
 - b) The Land Bank personnel responsible for such procurements shall make significant efforts to obtain the lowest price and best overall value for the Land Bank, such as comparing pricing and applicable features through the use of catalog or other published pricing when reasonably available.
 - c) Generally, three *verbal* quotes from vendors should be obtained, and a purchase order issued to the vendor, for commonly available office goods, materials, supplies and equipment.

2. Purchases of goods greater than \$5,000 up to \$20,000
 - a) At a minimum, three *written* quotes (fax, catalog or other advertised bids, quotes or proposals) from vendors must be obtained unless the purchase qualifies for the use of a pre-approved vendor's list, sole source, single source or an emergency exception.
 - b) If a specialized or unique purchase is necessary, the Land Bank personnel must make reasonable efforts to obtain vendor quotes.

3. Purchases of goods over \$20,000
 - a) Supplies, materials and/or equipment purchases of more than \$20,000 per year in the aggregate must be competitively bid and awarded to the lowest responsible bidder.
 - i) Requests for bids are to be advertised in a medium(s) approved by the board for that purpose for at least one day.
 - ii) There must be a minimum of five (5) days between the first day of bid publication and the public opening of bids by the Executive Director.
 - iii) The Executive Director will review bid results to determine the award, which shall be made to the lowest responsible bidder.

V. USE OF PROFESSIONAL SERVICE CONTRACTORS

1. Professional services contractors shall be used when it has been determined by the Chairman that,
 - a) Such service is necessary or convenient to the performance of the Land Bank's mission,
 - b) Such service is not available from the Land Bank employees,

- c) The performance of such service requires it be undertaken by someone independent of the Land Bank, or that use of the Land Bank employees or Board members for such service would not be cost effective or completed in a timely manner.
2. "Professional Services" shall mean any services performed for a fee, commission or other compensation by persons or organizations that are not providing such services as Corporation employees or officers. Professional Services include, but are not limited to, legal, accounting, management consulting, investment banking, statistical, research, public relations, architectural, engineering, surveying, construction, computer information technology or other services of a consulting, technical or professional nature.
3. Professional Service contracts awarded with State or federal funds must follow the bidding requirements imposed by State, federal or other applicable statutes and guidelines.

VI. SELECTION OF PROFESSIONAL SERVICES CONTRACTORS

1. Procedure for Procuring Professional Services. The selection of Professional Services shall be made only on a competitive basis except as otherwise provided in this Policy.
 - a) *Professional Services Under \$1,500.* For Professional Services estimated to be under \$1,500, the Executive Director, in his in her discretion, may enter into a contract on behalf of the Land Bank without formal competitive bid.
 - b) *Professional Services More than \$1,500 and Less Than \$20,000.* For Professional Services more than \$1,500 and less than \$20,000, at least three written quotations (fax, catalog or other advertised bids, quotes or proposals) must be obtained unless the vendor has been qualified under a Request for Qualification ("RFQ"), or the purchase qualifies as a sole source, single source or an emergency exception.
 - c) *Professional Services More than \$20,000.* For Professional Services more than \$20,000, the Land Bank will obtain written quotations pursuant to a Request for Proposal ("RFP") process.
2. Competitive Procurement Methods.
 - a) *Request for Qualifications (RFQ).* The Land Bank will utilize an RFQ process to pre-qualify potential vendors thereby establishing a list of vendors pre-approved for awarding certain services. RFQ is a type of bid document which can be used when a formal bid opening is not required (single source, discretionary, or emergency purchases), The RFQ process requests qualification data from specified vendors, including prior experience, capabilities, pricing, references and other factors. This evaluation will be in writing and be signed by the Executive Director. This process will be conducted no less than every three (3) years for each list of pre-qualified vendors.

- b) *Requests for Proposals (RFP)*. RFP is a type of bid document used for procurement where factors in addition to cost are considered and weighted in awarding the contract. A formal evaluation of the characteristics, quality, and costs is used to award contracts via the RFP method. Responses to a request for proposals (RFP) should exhibit an understanding of the financial, organizational, and logistical requirements, and technical problems specified in the RFP. In addition RFP responses should detail elements of performance including techniques and procedures, together with prices. In the case of a solicitation of qualifying potential procurement contractors pursuant to an RFP, such responders may further negotiate their proposals, including prices for contract award, during the formal evaluation process.

3. Non-Competitive Procurement Methods.

- a) *Single Source*. Single source procurement is one in which two or more vendors can supply and/or perform the services required by the Land Bank, but one is selected over the others for reasons such as expertise or previous experience with similar contracts. The Executive Director must document reasons for single source procurement in writing, and file copies with the Board of Directors and the Secretary of the Land Bank.
- b) *Discretionary*. As specifically authorized by this Policy, the Executive Director is authorized to enter into contracts with pre-approved and qualified vendors identified via the RFQ process. While it is desirable to secure quotes from pre-qualified vendors for specific scopes of work, in time-is-of-the-essence situations, the Executive Director may need to negotiate pricing and scope of work and document reasons for procuring services in this manner.
- c) *Emergency Exemption*. In the case of a public emergency arising out of an accident or other unforeseen occurrence or condition, whereby circumstances are adversely affecting the Land Bank property or life, health or safety, and require immediate action which cannot avail competitive procedures, the Chairman or his/her designee may award a contract without competitive procedures. A record setting forth the circumstances under which such contract was let shall be maintained for a period of at least ninety days following the date of approval of the next annual report of Professional Service Contracts.

4. Other Considerations.

- a) Awards for Professional Services may be based on factors other than pricing (low bid). Factors considered ought to include the nature and scope of work; the vendor's understanding of the work to be performed; relevant experience of the vendor in both performing the work; vendor's capacity and human infrastructure for performing the work; timeliness, among other things.

- b) The Executive Director shall recommend making awards for all Professional Services to the Chairman *in writing* by addressing the following selection factors:
 - i. Identify the selection method utilized
 - ii. Summarize the work to be performed
 - iii. Identify the project being undertaken and/or basis for commencing the procurement action
 - iv. Summarize the reason the award is being made to the vendor/awardee
 - v. Pricing — a brief summary of any negotiations that occurred, and final negotiated prices

VII. CONTRACT PROVISIONS

1. All Professional Services contracts in excess of \$5,000 shall be in writing, and must be approved and executed by the Chairman or the Chairman's designee, as provided in the Land Bank By-Laws or an applicable the Land Bank Board resolution.
2. Contract form approval — The Land Bank's Counsel shall approve the form used for contracts before such contracts may be executed.
3. W-9 Form must be completed for all individuals providing Professional Services to the Land Bank.
4. Contracts shall detail:
 - i) The provided goods or scope of services to be performed,
 - ii) The cost of the goods or the compensation for the services,
 - iii) The timing or scheduling of project phases and completion dates,
 - iv) The timing of payment,
 - v) The preconditions for receiving payment from the Land Bank,
 - vi) Procedures for termination of the contract, and,
 - vii) Any other provisions the Board deems necessary or appropriate for each particular contract.
5. In addition, if performance of a particular procurement contract will require the use of subcontractors, the contract shall require the contractor to act affirmatively to secure such participation by Minority Business Enterprises and to report such efforts to the Land Bank pursuant to Article 15-A of Executive Law.

VIII. PROMOTION OF MINORITY AND WOMEN BUSINESS ENTERPRISES

It is the goal of the Land Bank to award a fair share of procurement contracts to Minority Business Enterprises. The Land Bank also seeks to award contracts to those vendors who have evidenced compliance with the laws of the State of New York prohibiting discrimination in employment. The Land Bank recognizes that awarding contracts to those firms who have demonstrated that they do not discriminate in employment may achieve this goal.

1. For all procurement contracts the cost of which is expected to exceed \$25,000, the following shall apply:

- i) Bidders shall submit to the Land Bank data regarding the race and sex of their partners, members, and employees by job category.
 - ii) All bidders with fifty or more employees shall submit to the Land Bank a copy of their affirmative action plan. The Affirmative Action Officer or other designated officer or employee shall review such plan. If the Land Bank deems a bidder's plan unacceptable, The Land Bank shall reject the bidder's bid regardless of bid placement.
 - iii) Bidders with less than fifty employees shall submit a statement of commitment to equal employment opportunity and affirmative action executed by the bidder.
 - iv) Bidders shall be encouraged to include with their bids proposals to demonstrate that their selection will achieve the goals of this paragraph, such as proposals for joint ventures with Minority Business Enterprises.
2. The affirmative action office (or a designated officer or employee of the Land Bank) shall prepare and maintain a list of Minority Business Enterprises by area of expertise. When soliciting bids and proposals, qualified firms on the list shall be included in the pool of firms receiving the bid solicitation. When the Affirmative Action Officer is unable to identify a minority business enterprise in the area of expertise, he shall advise the individual soliciting bids and proposals in writing.
3. In selecting a bidder where a Minority Business Enterprises has been identified, due consideration shall be given to the goals of the Land Bank in selecting the bidder.
4. In selecting a bid with no Minority Business Enterprises bidders, after determining that bidders are fully qualified and that goods or services are fairly and reasonably priced, the individual awarding the contract shall consider the materials submitted in section (a.) above, with preference given to the bidder who best complies with the Land Bank goals for minority participation and nondiscrimination.

IX. REPORTS

Bi-annually, the Executive Director shall prepare and deliver to the Board a report on the status of the Land Bank's Procurement Contracts including the name of the contracting party, the amount of compensation, a description of the goods and services, and the percent of such goods or services delivered and paid.