

Understanding the Procurement Process for Durham County Government

Purchasing Division of the Finance Department

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Durham County departments and agencies purchase goods and services valued in the millions of dollars every year.

Goal:

To provide all businesses an opportunity to bid on goods and services that the County needs to operate efficiently and cost effectively.

How Does the County's Procurement Process Work?

The County operates mostly in a decentralized
Purchasing environment.

What Does this Mean to Businesses and Why is it Important?

- Not all purchases or solicitations are handled by the Purchasing Division
- Determine who in the organization purchases your products or services

It is Important to Know:

- County departments and agencies utilize Procurement Cards for small purchases less than \$1,000.
- Some agencies, such as the Dept of Social Services may issue and manage their own Request for Proposal (RFP) process.

It is Important to Know (continued):

- County departments may solicit quotes directly from businesses for goods and services that do not exceed \$30,000
- Informal and Formal Bidding (when applicable) is handled by the Purchasing Division for construction, goods, and services that exceed \$30,000

Note: The Purchasing Division provides oversight to ensure that all procurement activity is conducted in compliance with applicable laws and approved policies and procedures.

Two Types of Bidding

Formal Bidding for:

- Goods valued \$90,000 or more
- Services valued \$40,000 or more
- Construction valued \$500,000 or more

Informal Bidding for:

- Goods valued between \$30,000 and \$90,000
- Services valued between \$30,000 and \$40,000
- Construction valued between \$30,000 and \$500,000

Two Types of Bidding (continued)

Formal Bidding usually:

- Requires published notice
 - Legal ads in The Durham Herald Sun and The Carolina Times
 - Post electronically on DC website under Bid Opportunities (www.co.durham.nc.us)
 - Dept of Social Services post RFPs on their dept webpage

Informal Bidding usually:

- Not required to advertise
 - If choose to advertise will still publish in newspaper and post electronically on DC website

Two Types of Bidding (continued)

Formal Bidding usually:

- Requires *sealed* competitive bids
- Requires public bid openings

Informal Bidding usually:

- Bids may be obtained by telephone, fax or email
- Not subject to public inspection until after award of bid

Exceptions to Bidding

- Purchases from other governmental units
- State Contract Purchases (contracts established by NC Dept of Administration)
- GSA Purchases (contracts established by the federal government)
- Purchase of used goods
- Group Purchasing Programs (formally organized programs that have already gone thru a competitive process to select vendors)

Exceptions to Bidding (continued)

- Piggyback Contracts (previously bid contracts awarded within the past 12 months by any local, state, or federal government agency located anywhere in the US)
- Sole Source Purchases (when there is no performance or price competition *or* need for compatibility/standardization

Promotes Minority and Women-Owned Businesses (MWBEs)

- Promotes inclusive bidding through our MWBE Program
- Encourage MWBEs to become certified through the NC Dept of Administration HUB Office
www.doa.nc.gov/hub
- Durham County's MWBE Program Administrator can be reached by email at
purchasinggroup@durhamcountync.gov

Summary Tips for Small Businesses

- Determine who in the organization purchases your products or services
- Make sure your business meets the basic requirements for doing business such as accepting electronic funds transfer or credit cards

Summary Tips for Small Businesses (continued)

- Prepare your business for audits by making sure everything is in order, records are accurate, in compliance with all regulations, etc.
- Become certified with the NC HUB Office
www.doa.nc.gov/hub
- Subcontract or partner with another company to help get your foot thru the door

Summary Tips for Small Businesses (continued)

- Familiarize yourself with the statutory laws that governs Public Contracts in NC
 - General Statute Chapter 143 Article 8
 - G.S. 143-129 (Bidding Procedures)
 - G.S. 143-128 (Building Contracts)
- <http://www.ncga.state.nc.us/homePage.pl>
- When responding to bid requests, read carefully and respond effectively

Summary Tips for Small Businesses (continued)

- Learn how to become a supplier partner with various Cooperative Purchasing Programs
 - US Communities (www.uscommunities.org)
 - National IPA (www.nationalipa.org)
 - TCPN (www.tcpn.org)
 - NJPA (www.njpacoop.org)
- Lastly, government processes can be long and slow so be prepared

Thank You!!!!

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