

# Procurement: *Approved Vendor List Process*

**CBDB**

## Definitions—

- A “vendor” is a person who seeks to enter into a contract with the District to provide a procurement item and includes a bidder, an offeror, an approved vendor, and a design professional.
- An “approved vendor” is a vendor who has been approved through the process set forth in this Policy.
- An “approved vendor list” is a list of approved vendors established through the process set forth in this Policy.
- A “closed-ended approved vendor list” is an approved vendor list which has a short period of time, specified by the District, during which vendors may be added to the list and a specified time when the list will expire.
- An “open-ended approved vendor list” is an approved vendor list with an indeterminate period of time during which vendors may be added to the list, the addition of vendors throughout the effective term of the list, and a specified time after which a vendor on the list must submit qualifications in order to be renewed as an approved vendor on the list.

*Utah Code § 63G-6a-103(2),(3), (96), (2017)*

*Utah Code § 63G-6a-507(1) (2017)*

## Purposes of an Approved Vendor List—

The District may use an approved vendor list established under this policy in conjunction with bidding, request for proposals, the small purchase process, or the design professional procurement process. Using the list and one of these processes, the District may award a contract to an approved vendor for any procurement item or type of procurement item specified in the request for statement of qualifications used to establish the list. The District may also use an approved vendor list to limit participation in any of these procurement processes to approved vendors. In addition, the District may award a contract to an approved vendor at a price based on established terms as provided for in Policy CBA and below in this policy.

*Utah Code § 63G-6a-507(6) (2017)*

*Utah Admin. Rules R33-5-201 (August 22, 2016)*

The District may establish an approved vendor list either for (1) a specific, fully defined procurement item or (2) a future procurement item that is not fully and specifically defined, if the related request for statement of qualifications generally describes the procurement item and the type of vendor that the District seeks to provide the item. The District may not award a contract to an approved vendor for an item that is outside the scope of the general description of the procurement item in the related request for statement of qualifications. A vendor who is **not** an approved

vendor is ineligible for a contract for a procurement item under the procurement identified in the related request for statement of qualifications.

*Utah Code § 63G-6a-507(3) (2017)*

*Utah Code § 63G-6a-410(5)(d) (2017)*

### **Use of Quotes with an Approved Vendor List—**

Within the approved threshold limits, the District may use the quote process to obtain procurement items using an approved vendor list. This is an informal purchasing process, which solicits pricing from several sources. A “quotation” is a statement of price, terms of sale, and description of services offered by a vendor to the District. An electronic quotation is a quotation provided by a vendor through electronic means such as the Internet, online sources, email, an interactive web-based market center, or other technology. A quotation is not binding and does not obligate the District to purchase (or the vendor to sell) the item.

To use the quote process, the District must obtain quotations, which are for the same procurement item (including the same terms of sale, description, and quantity of goods or services). The District must disclose to the vendor that the quotation is for a government entity and inquire whether the vendor is willing to provide a discount to a government entity. The District must also maintain a public record, which includes the name of each vendor supplying a quotation and the amount of each vendor’s quotation.

[Utah Admin. Rules R33-4-110 \(August 22, 2016\)](#)

### **General Requirements for Approved Vendor List—**

In order to establish an approved vendor list, the District must first complete the statement of qualifications process under Policy CBDA. If that process results in only one vendor qualifying, an approved vendor list cannot be established under that request for statement of qualifications. However, although no approved vendor list is established, if the requirements set forth in Policy CBA for making an award based on a single response to a solicitation are met, the Board may make an award based on a single statement of qualifications.)

*Utah Code § 63G-6a-507(2) (2017)*

*Utah Code § 63G-6a-410(1)(b), (5), (12) (2017)*

*Utah Admin. Rules R33-4-109 (August 22, 2016)*

After an approved vendor list has been established, the list must be published by the District before it can be used.

*Utah Code § 63G-6a-507(7) (2017)*

### **Establishing and Maintaining an Approved Vendor List—**

After receiving the statements of qualifications and evaluation scores submitted by the evaluation committee under Policy CBDA, the Board of Education or its designee shall include on an approved vendor list those vendors meeting the minimum mandatory requirements, evaluation criteria, and applicable score thresholds. Any

vendor who does not meet those requirements, criteria, or thresholds shall be rejected as ineligible and not included on the approved vendor list.

*Utah Code § 63G-6a-507(4) (2017)*

Each approved vendor list established and maintained by the District shall be either a closed-ended list or open-ended list, according to the specifications and notice given in the associated request for statement of qualifications.

*Utah Code § 63G-6a-507(5)(a) (2017)*

*Utah Code § 63G-6a-410(5)(f)(i) (2017)*

The District may establish a performance rating system to evaluate the performance of vendors on an approved vendor list if that system is described in the request for statement of qualifications used to establish the list. A rating system must include the minimum performance-rating threshold that approved vendors must achieve to remain on the list and a statement that vendors who do not meet that threshold may be disqualified and removed from the list. If the District uses a performance rating system for evaluating the performance of vendors on the approved vendor list, then vendors shall be disqualified and removed from the list according to the standards and procedures identified in the associated request for statement of qualifications. If the District disqualifies a vendor on this basis, the District shall make a written finding that describes the performance rating system, identified the minimum performance rating threshold, and explains the performance rating achieved by the disqualified vendor. A copy of this written finding shall be provided to the disqualified vendor.

[Utah Code § 63G-6a-410\(5\)\(e\) \(2017\)](#)

[Utah Admin. Rules R33-5-203 \(August 22, 2016\)](#)

#### *Closed-ended approved vendor list*

A closed-ended approved vendor list shall expire at the time specified by the District in the related request for statement of qualifications but no later than 18 months after the District publishes the list.

*Utah Code § 63G-6a-410(5)(f)(ii)(A) (2017)*

*Utah Code § 63G-6a-507(5)(b)(i) (2017)*

#### *Open-ended approved vendor list*

Once an open-ended approved vendor list is established and a vendor is added to that list, in order to remain on the list a vendor must submit an updated statement of qualifications no later than 18 months after the vendor was added to the list. If the vendor fails to timely submit the updated statement of qualifications or if the updated statement of qualifications demonstrates that the vendor no longer meets the minimum mandatory requirements, evaluation criteria, or applicable score thresholds of the request for statement of qualifications, the vendor shall be removed from the list.

*Utah Code § 63G-6a-507(5)(b)(ii) (2017)*

After an open-ended approved vendor list is initially established, other vendors who wish to be added to that list must submit statements of qualifications according to the schedule stated in the request for statement of qualifications. Such statements will be evaluated as provided for in Policy CBDA and vendors meeting the minimum mandatory requirements, evaluation criteria, and applicable score thresholds of the

original request (and whose statement is not rejected according to Policy CBDA) will be added to the list.

*Utah Code § 63G-6a-410(5)(f)(ii)(B) (2017)*

*Utah Code § 63G-6a-507(8)(a) (2017)*

The District shall keep the request for statement of qualifications which is associated with an open-ended approved vendor list posted and available on its website throughout the time period that the list is effective.

*Utah Code § 63G-6a-112(6) (2017)*

*Utah Code § 63G-6a-507(8)(c) (2017)*

#### Award Based on Established Terms—

The District may award a contract to a vendor on an approved vendor list at an established price based on a price list, rate schedule, or pricing catalog which is submitted by a vendor and accepted by the District or which is mandated by the District or by a federal agency which is mandated by a federal regulation for a health and human services program.

When awarding a contract to an approved vendor based on a price list, rate schedule, or pricing catalog submitted by the vendor, the District shall, as applicable, follow one of the two methods. The District may assign work to or purchase from the approved vendor with the lowest price, rate or catalog price. (In case of a tie for the lowest price, the District shall follow the process described in Policy CBB.) If the lowest-cost approved vendor cannot provide the procurement item or quantity needed, then work shall be assigned or the purchase made from the next lowest-cost vendor, and so on, until the District's needs are met. The other method is that the District establishes a cost threshold based on a cost analysis as set forth in Utah Admin. Rules R33-12-603 and 604, and assigns work or purchases from an approved vendor meeting the cost threshold using one of the following methods: (A) a rotation system, organized alphabetically, numerically, or randomly; (B) assignment of vendors to a specified geographic area; (C) assignment of vendors based on each vendor's particular expertise or field; or (D) Another method approved by the Procurement Officer or the Board of Education. Under either of these methods, an approved vendor may lower its price, rate, or catalog price at any time during the time a contract is in effect in order to be assigned work or receive purchases.

When awarding a contract to an approved vendor based on a price list, rate schedule, or pricing catalog mandated by the District or a federal agency, the District shall use one of the following methods to assign work or purchase from a vendor on an approved vendor list: (A) a rotation system, organized alphabetically, numerically, or randomly; (B) assignment of vendors to a specified geographic area; (C) assignment of vendors based on each vendor's particular expertise or field; or (D) another method approved by the Procurement Officer or the Board of Education.

When awarding a contract to an approved vendor based on a price list, rate schedule, or pricing catalog based on a federal regulation for a health and human services program, the District unit shall follow the requirements set forth in the applicable federal regulation to assign work or make a purchase.

[Utah Admin. Rules R33-5-202 \(August 22, 2016\)](#)

### **Procedures for Fair Use of Approved Vendor Lists—**

Subject to any regulations which may be established by the Utah Procurement Policy Board, the District shall establish and implement procedures to ensure that all vendors on an approved vendor list have a fair and equitable opportunity to compete for a contract for a procurement item. Depending on the type of procurement item, such procedures might include a rotation system, organized alphabetically, numerically, or randomly, or other appropriate procedure.

*Utah Code § 63G-6a-507(9)(a) (2017)*

### **Vendors with Exclusive Authorization to Bid—**

When the procurement item in question is one for which the potential vendors are within an exclusive dealership, franchise, distributorship, or other arrangement with a manufacturer, which relates to the State of Utah or a region within the State of Utah, the following procedures apply to the establishment and use of an approved vendor list. (The Procurement Officer or Board of Education may authorize an exception to these requirements.)

No vendor within the exclusive arrangement may be excluded from the vendor list unless the District determines that the vendor is not qualified, responsive, or responsible.

The request for statements of qualifications shall state that all vendors on the prequalified vendor list will be invited to submit bids or quotes.

After the prequalified vendor list has been established, the District may award a contract by obtaining bids or quotes from all vendors on the list and taking into consideration a best value analysis that includes, as applicable:

- cost;
- compatibility with existing equipment, technology, software, accessories, replacement parts, or service;
- training, knowledge and experience of employees of the District and of the vendors;
- past performance of vendors pertaining to the procurement item being purchased;
- the costs associated with transitioning from an existing procurement item to a new procurement item; or
- other factors determined in writing by the Procurement Officer or the Board of Education.

The District must follow either the quote process described above in this policy or the bidding process described in Policy CBB in obtaining quotes or bids.

[Utah Admin. Rules R33-4-101b \(August 22, 2016\)](#)

