



## **Visit Anaheim Procurement Policy**

### **1. Introduction and Purpose.**

In keeping with its commitment to maintain the highest standards of conduct and ethics, Visit Anaheim has adopted this Procurement Policy (“Policy”) to ensure that goods and services purchased by Visit Anaheim are obtained in a cost-effective manner and in compliance with applicable federal and state laws.

The acquisition processes described in this Policy apply to all purchases made by (1) Visit Anaheim’s Purchasing Department, and (2) Visit Anaheim programs independent of the Purchasing Department by employees, directors, officers, or agents (together, “Visit Anaheim Purchasers”). Purchases may also be subject to prior funding source approval and additional requirements imposed by grants or contracts. Program Directors are responsible for reviewing any such additional requirements, bringing them to the attention of the Purchasing Department, and ensuring that contractors and vendors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

### **2. Code of Conduct.**

- A. Visit Anaheim Purchasers shall not participate in the selection, award, or administration of a contract if they have a real or apparent conflict of interest. Such a conflict arises when:
  - i. The Visit Anaheim Purchaser; any immediate family member (spouse, child, parent, parent- in-law, sibling, or sibling-in-law); partner; or an organization that employs, or is about to employ, any of the above has a direct or indirect financial or other interest in or will receive a tangible personal benefit from a firm or individual considered for the contract award.
  - ii. An “organizational conflict of interest” is created because of a relationship Visit Anaheim has with a parent, affiliate, or subsidiary organization that is involved in the transaction such that Visit Anaheim is or appears to be unable to be impartial in conducting a procurement action involving the related organization.
- B. Visit Anaheim Purchasers shall not solicit or accept gifts, money, gratuities, favors, or anything of monetary value, except unsolicited items or services of nominal value from vendors, prospective vendors, parties to subcontracts, or any other person or entity that receives, or may receive, compensation for providing goods or performing services for Visit Anaheim.
- C. All Visit Anaheim Purchasers shall review and comply with the Visit Anaheim’s procedures for disclosing, reviewing, and addressing actual and potential conflicts of interest.

### **3. Procurement Requirements and Considerations.**

- A. Competition. All procurements shall be conducted in a manner that provides, to the maximum extent practical, full, and open competition. Procurements shall:



- i. Avoid noncompetitive practices that may restrict or eliminate competition, including but not limited to:
    - a. Unreasonable qualification requirements.
    - b. Unnecessary experience and excessive bonding requirements.
    - c. Noncompetitive pricing practices between firms or affiliated companies.
    - d. Noncompetitive contracts to consultants on retainer contracts.
    - e. Organizational conflicts of interest.
    - f. Specifying “brand name” only instead of allowing “an equal to” product.
    - g. Arbitrary actions.
  - ii. Not intentionally split a single purchase into two or more separate purchases to avoid dollar thresholds that require more formal procurement methods.
  - iii. Exclude contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for a proposal from competing for such procurement.
  - iv. Include in any prequalified list an adequate number of current, qualified vendors, firms, or products.
  - v. Not preclude potential bidders from qualifying during the solicitation period.
  - vi. Not use any geographic preferences (state, local or tribal) in the evaluation of bids or proposals, except where expressly mandated or encouraged by applicable Federal statutes.
- B. Profit. For sole source procurements or when cost analysis is used, profit must be negotiated as a separate element of the procurement price.
- i. To establish a fair and reasonable profit, consider: complexity of work performed, risk borne by contractor, contractor’s investment, amount of subcontracting, quality of contractor’s record and past performance, and industry profit rates in surrounding geographical area for similar work.
  - ii. Visit Anaheim may not use either the cost plus a percentage of cost, or percentage of construction cost methods of contracting.
- C. Minority Owned, Women Owned, and Small Business Vendors. Visit Anaheim is committed to taking all necessary affirmative steps to assure that minority business, women’s business enterprises and labor surplus area firms (“MWSB Vendors”) are used whenever possible. Such steps include:
- i. Placing qualified MWSB Vendors on solicitation lists.
  - ii. Soliciting MWSB Vendors whenever they are potential sources.
  - iii. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by MWSB Vendors.



- iv. Establishing delivery schedules, where requirement permits, which encourage participation by MWSB Vendors.
  - v. Using services and assistance, as appropriate, of such organizations as Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
  - vi. Requiring the prime contractor, if subcontracts used, to take affirmative steps listed in paragraphs (i) through (v) of this section.
- D. Solicitations. All solicitations shall incorporate a clear and accurate description of the technical requirements for products or services to be procured. Descriptions:
- i. Must not contain features which unduly restrict competition.
  - ii. May include a statement of the qualitative nature of the material, product, or service to be procured.
  - iii. When necessary, must set forth minimum essential characteristics and standards necessary to satisfy its intended use.
  - iv. Must avoid detailed product specifications if at all possible.
  - v. May use a "brand name or equivalent" description to define performance or other salient requirements when impractical or uneconomical to make a clear and accurate description of technical requirements. Specific named brand features required to be met must be clearly stated.
  - vi. Must identify all requirements which offerors must fulfill and all other factors to be used in evaluating bids and proposals.
- E. Considerations. Visit Anaheim Purchasers should consider taking the following actions when procuring goods and services:
- i. Conduct a lease vs. purchase analysis, when appropriate, including for property and large equipment.
  - ii. Consolidate or break out procurements to obtain a more economical purchase, if possible.
  - iii. Use state and local intergovernmental or inter-entity agreements, or common or shared goods and services, where appropriate.
  - iv. Use federal excess and surplus property in lieu of purchasing new equipment and property, if feasible and reduces project costs.
  - v. Use value engineering clauses to offer reasonable opportunities for cost reductions in construction contracts for projects of sufficient size.
  - vi. Use time and materials contracts only if no other contract is suitable and the contract



includes a ceiling price that the contractor exceeds at their own risk. If such contract is negotiated and awarded, Visit Anaheim must assert a high degree of oversight to obtain reasonable assurance that contractor using efficient methods and effective cost controls.

#### **4. Procurement Methods.**

- A. All procurements. All procurements made under this policy shall:
  - i. Be necessary, at a reasonable cost, documented, not prohibited by law or the applicable funding source, and made in accordance with this Policy.
  - ii. Avoid acquiring unnecessary or duplicative items.
  - iii. Engage responsible vendors who possess the ability to perform successfully under the terms and conditions of a proposed procurement. Visit Anaheim Purchasers shall consider vendor integrity, public policy compliance, past performance record and financial and technical resources.
- B. Standard Methods. For transactions meeting the specifications set forth in Appendix 1, Visit Anaheim Purchasers shall follow the applicable procurement method set forth therein.
- C. Exceptions to Standard Methods.
  - i. *Sole Source*. Procurement by solicitation of a proposal from a single source may only be used if one of the following apply and are documented:
    - a. Item is only available from a single source.
    - b. Public exigency or emergency will not permit any delay.
    - c. **Federal awarding agency or pass-through expressly authorizes in response to a Visit Anaheim request**; or
    - d. After soliciting a number of sources, competition is determined inadequate.

**5. Procurement Procedures.** See Appendix 2 for Visit Anaheim Procurement Procedures.

**6. Contract Provisions.** All Visit Anaheim procurement contracts shall contain the applicable contract provisions contained in Appendix II to 2 CFR Part 200 – Contract Provisions for Non-Federal Entity Contracts Under Federal Awards.

#### **7. Documentation.**

- A. Debarment. Visit Anaheim shall either:
  - i. Confirm and document that the vendor is not excluded from doing business with the federal government (see [www.sam.gov/SAM/](http://www.sam.gov/SAM/)) before entering into a contract; or
  - ii. Obtain a signed Debarment Certificate substantially in the form of Appendix 3.
- B. Lobbying Certificate. Visit Anaheim shall obtain signed Lobbying Certificates substantially in the form of Appendix 4 for procurements > \$100,000.



- C. Records. Visit Anaheim shall maintain records sufficient to detail history of each procurement transaction. These records must include, but are not limited to:
- i. A description and supporting documentation showing rationale for procurement method (e.g., cost estimates).
  - ii. Selection of contract type.
  - iii. Written price or rate quotations (such as catalog price, online price, email or written quote), if applicable.
  - iv. Copies of advertisements, requests for proposals, bid sheets or bid proposal packets.
  - v. Reasons for vendor selection or rejection, including Finance Committee and Board minutes, rejection letters and award letters; and
  - vi. The basis for the contract price.

8. ***Compliance with this Policy.*** Program Directors and, where applicable, the Purchasing Department, shall maintain oversight to ensure that contractors and vendors perform in accordance with the terms, conditions, and specifications of contracts or purchase orders. Violations of this policy may result in disciplinary action, up to and including termination.

Reviewed by Legal Counsel: [DATE]

Reviewed and Adopted by Visit Anaheim Board of Directors: [DATE]



**Appendix 1**  
**Standard Methods of Procurement**

| Type                  | Threshold               | Method                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|-----------------------|-------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Micro-purchase</i> | ≤ \$10,000              | <ul style="list-style-type: none"> <li>- Price must be reasonable based on research, experience, purchase history or other information and documents the Recipient or Subrecipient’s files accordingly</li> <li>- Periodically distribute purchases equitably among qualified vendors</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <i>Small Purchase</i> | \$10,000.01 ≤ \$250,000 | <ul style="list-style-type: none"> <li>- Obtain written price or rate quotations from at least three qualified vendors</li> <li>- Example documentation: catalog price, online price, email, or written quote</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <i>Sealed Bids</i>    | > \$250,000             | <p><b>Pre-Solicitation</b></p> <ul style="list-style-type: none"> <li>- Conduct cost or price analysis</li> </ul> <p><b>Solicitation</b></p> <ul style="list-style-type: none"> <li>- Publicly advertise invitation for bids</li> <li>- Include specifications or information sufficient for bidders to respond</li> <li>- Provide adequate time to respond</li> <li>- Solicit a sufficient number of bids</li> </ul> <p><b>Bid Review/Selection</b></p> <ul style="list-style-type: none"> <li>- Open bids publicly at time and place set forth in invite</li> <li>- Award to lowest responsive and responsible bidder</li> <li>- May reject bids for sound, documented reason</li> <li>- Award written, fixed price contract</li> </ul> |



Competitive  
Proposals

> \$250,000

**Pre-Solicitation**

- Conduct cost or price analysis

**Solicitation**

- Publicly advertise request for proposals
- Identifies all evaluation factors and their relative importance
- Solicit bids from at least two vendors

**Proposal Review/Selection**

- Consider all proposals to maximum extent practical
  - Use written method to conduct technical evaluations of the proposals
  - Award contract to bidder with most advantageous proposal, considering price and other factors
  - Award fixed price or cost-reimbursement contract
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**Appendix 2**  
**Visit Anaheim**  
**Procurement Procedures**

- A. [Frequency of Procurement]
1. A Procurement Period is the period of time after the initial procurement procedure, i.e., a quote or request for proposals, and before Visit Anaheim must conduct a new procurement process.
  2. Unless otherwise stated, Procurement Periods can vary in length.
    - a. Factors to consider when setting a Procurement Period: length of funding source contract, complexity of funding source requirements, type of service to be provided, customization needed.
  3. Generally, Visit Anaheim should conduct a procurement for most goods and services every three to five years. However, the frequency at which Visit Anaheim conducts procurement processes should be reasonable and should take into account funding source requirements as well as the nature of the goods and services procured. Unless otherwise specified, the default is for Visit Anaheim to conduct a procurement every five years.
- B. [New Contract/Purchase Order]
1. Visit Anaheim Purchaser determines the applicable and appropriate procurement method.
    - a. If micro-purchase or small purchase methods are appropriate, conduct procurement as outlined in this Policy and retain appropriate documentation of quotes and vendor selection, etc. If prior approval is required for the purchase, refer to step 2.
    - b. If sealed or competitive bid methods are required, complete steps 2 through 5.
  2. If funding source approval is required, work with [Designated Staff] to obtain. Depending on the procurement method used, Visit Anaheim Purchaser completes Bid Form and submits to [Designated Staff] as part of the approval process.
  3. [Designated Staff, e.g., Visit Anaheim Purchaser, in consultation with Purchasing Department] formalizes the bid packet and submits it to [specify method of public distribution, i.e., local newspaper, websites, etc.]
  4. Depending on thresholds set for Board of Director's approval, [Designated Staff] either makes the procurement decision or presents all bid responses to the Finance Committee of the Board of Directors.
  5. If the Finance Committee is involved, it makes a recommendation on awarding the bid to the Board of Directors. Bid award is reviewed and voted on by the Board of Directors and noted in Board minutes.
- C. [Extension/Renewal of Existing Contract/Purchase Order]
1. For procurements > \$250,000, if the Procurement Period has not expired, Visit Anaheim Purchaser may amend or renew an existing contract/purchase order to extend its term for the remainder of the Procurement Period if any adjustment in price is deemed reasonable pursuant to a cost analysis, and all other terms remain the same.
    - a. Example, if the competitive procurement covered a 5-year period and the initial contract/purchase order was for two years, Visit Anaheim Purchaser may extend the term of the initial contract/purchase order for up to three years so long as the price is





deemed reasonable pursuant to a cost analysis and all other terms remain the same.

2. For procurements  $\leq$  \$250,000, if the Procurement Period has not expired, Visit Anaheim Purchaser may amend or renew an existing contract/purchase order to extend its term for the remainder of the Procurement Period if any adjustment in price is deemed reasonable and all other terms remainder the same.



**Appendix 3**  
**Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion**  
**Lower Tier Covered Transactions**

***Instructions for Certification***

1. By signing and submitting this contract or proposal, the prospective lower tier participant is providing the certification set out below.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.
4. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meaning set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. The term "principals" includes, but is not limited to, officers, directors, owners, partners, and principal investigators. You may contact the person to which this proposal or contract is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by signing and submitting this contract or proposal that should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from covered transactions, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Nonprocurement Programs.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the



ordinary course of business dealings.

9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

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**Certification Regarding Debarment, Suspension, Ineligibility a Voluntary Exclusion  
Lower Tier Covered Transactions**

(1) The prospective lower tier participant certifies, by signing and/or submission of this proposal or contract, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

(2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Name of Vendor, Contractor, or Subgrantee: \_\_\_\_\_

Signature: \_\_\_\_\_

Name of Authorized Signatory: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



**Appendix 4**  
**Certification Regarding Lobbying**

**Certification for Contracts, Grants, Loans, and Cooperative Agreements**

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Organization



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