

SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION

CORPORATE POLICY 4.03

CONTRACTING POLICY

Chapter: 4.0 – Purchasing & Contracting Policies

Section: 4.03 – Contracting Policy

Effective Date: April 1, 2011

1.0 PURPOSE

1.1 To establish a policy governing the contracting of professional services for the CORPORATION and the CORPORATION on behalf of the AGENCY.

2.0 EFFECTIVE DATE AND AMENDMENTS

2.1 This Policy shall be effective upon the approval by the BOARD and AGENCY BOARD.

This Policy may only be amended by the approval of the BOARD and AGENCY BOARD.

3.0 PROCEDURES

3.1 The President or his/her designee is authorized to establish and disseminate administrative procedures to implement this BOARD POLICY, as applicable.

4.0 POLICY

4.1 The PRESIDENT or Chief Financial Officer shall be responsible for following all policies required by (1) the current best practices, including competitive bidding requirements under the California Public Contract Code, (2) the OPERATING AGREEMENT and BYLAWS, (3) APPROVED CORPORATION and PROJECT BUDGETS, and (4) other applicable California State and Redevelopment laws when purchasing contracting services.

4.2 The PRESIDENT or Chief Financial Officer shall oversee the day-to-day implementation of the contracting policy, supervise and provide guidance to the CORPORATION's department leaders and staff with respect to the contracting policy by developing a contracting procedure.

4.3 The BOARD shall review annually the contracting policy to determine whether legal or other requirements warrant any amendments thereto. The contracting procedure will be available for review at the BOARD's request.

4.4 The following policy will govern the consideration of contracting services' requirements:

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- 4.4.1 CORPORATION shall obtain a certification from the Office of the City Comptroller that the necessary funds are currently available and unrestricted before entering into any AGENCY Contracts for the expenditure of Project funds.
- 4.4.2 The PRESIDENT is authorized to enter into contracts and amendments to contracts with a service provider for professional services on behalf of the CORPORATION, or the CORPORATION acting on behalf of the AGENCY, for a cumulative annual amount up to and including twenty-five thousand dollars (\$25,000). The PRESIDENT shall report at each BOARD meeting any contracts into which the CORPORATION has entered since the last BOARD meeting, regardless of the amount.
- 4.4.3 Execution of purchase orders or series of purchases to the same service provider by the CORPORATION, or the CORPORATION acting on behalf of the AGENCY, that exceed a cumulative amount of twenty-five thousand dollars (\$25,000), but are less than two hundred fifty thousand dollars (\$250,000), in any given fiscal year will require approval by the BOARD prior to execution.
- 4.4.4 All purchase orders or series of purchases that exceed two hundred fifty thousand dollars (\$250,000) in any given fiscal year will require approval by the AGENCY prior to execution by the CORPORATION acting on behalf of the AGENCY.
- 4.4.5 The CORPORATION shall provide appropriate and timely public disclosure on its website of all executed Contracts that exceed two hundred fifty thousand dollars (\$250,000)
- 4.4.6 All purchase orders shall be for professional services in amounts consistent with the approved annual CORPORATE BUDGET for the CORPORATION's administrative expenses, or PROJECT BUDGET for the CORPORATION acting on behalf of the AGENCY.
- 4.4.7 Contracts will be considered based on the contractors willingness to adhere to the CORPORATION'S Equal Opportunity Contracting Program (EOCP) requirements.

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4.5 SOLE SOURCE - In an effort to enter into contracts for the CORPORATION, situations may arise, that require "Sole Source" procurement, where additional bids, although required by CORPORATION policy and state or local law, cannot be obtained. In an effort to reduce costs, adhere to audit requirements, and comply with state or local law, all Sole Source contracting shall be in accordance with this Board Policy. Final determination as to what may be classified as "Sole Source" shall be in the discretion of the PRESIDENT. The selection of a professional service provider can be deemed "Sole Source" for any of the following reasons:

- 4.5.1 Timing
- 4.5.2 Budget
- 4.5.3 Uniqueness
- 4.5.4 Resource constraints