

2.101 Source Selection Methods

Effective Date: 08/23/24

Prior Dates Amended: 02/02/17; 04/10/18; 07/01/18; 03/14/19

I. PURPOSE

To describe the various procurement methods when using public funds.

II. RESPONSIBILITIES

A. Principal Investigator:

1. Ensure each procurement is made to encourage open and free competition whenever feasible and in accordance with applicable policies and procedures.

B. Fiscal Administrator:

1. Work with Principal Investigator and project staff to ensure that each procurement is made in accordance with the policies referenced below.

III. POLICY

A. Selection Methods:

1. Unless exempt by administrative procedure, all purchases utilizing public funds, irrespective of their source, shall be made in accordance with one of the following source selection methods:
 - i. **Request for Quotation (RFQ)** - A means of procurement where multiple quotes are obtained from various vendors and the responsible/responsive vendor providing the lowest quote is selected. Refer to [Policy 2.103 Request for Quotation](#).
 - ii. **Request for Proposal (RFP)** - A means of source selection where the selection of a vendor is made based on the best suited proposal (best value) rather than price alone. Usually reserved for highly technical or complex services. Refer to [Policy 2.104 Request for Proposal](#).
 - iii. **Invitation for BID (IFB)** - A procurement method used to obtain construction services. Otherwise known as competitive bidding, an IFB is awarded to the lowest responsible/responsive bidder. Refer to [Policy](#)

[2.105 Invitation for Bid \(For the Procurement of Construction\)](#),
and [Policy 2.209 Construction Contracts](#).

- iv. **Sole Source Purchase** - A procurement method used when only one (1) product or service has unique features, characteristics, or capabilities that can meet the project's specific need, and the product/service is only available from a single source. Refer to [Policy 2.106 Sole Source Purchase](#).
- v. **Emergency Purchase** - A procurement method used when a compelling urgency or need exists to procure a good or service quickly and efficiently. Refer to [Policy 2.108 Emergency Purchase](#).

Refer to the appropriate section above to determine the best method of procurement given the circumstances. For a list of purchases that have been deemed exempt from the source selection methods described above, please refer to [Policy 2.107 Exempt Purchase](#).

For IFBs (solicitation of construction services) and RFPs, RCUH policies must be followed including the use of all RCUH template documents (e.g., RCUH template RFP, IFB, and contract terms and conditions).

Purchases must be made from responsive and responsible vendors possessing the ability to successfully perform services or deliver goods under the terms and conditions governing the purchase. Consideration should be given to vendor integrity, compliance with public policy, record of past performance, and financial and technical resources.

Contractors that assist in developing or drafting specifications, requirements, or statements of work for a solicitation must be excluded from competing in the solicitation.

Projects are encouraged to use federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.

B. Open and Free Competition

1. Unreasonable restriction shall not be placed on competition. Some of the situations considered to be restrictive of competition include but are not limited to:
 - i. Placing unreasonable requirements on firms in order for them to qualify to do business;
 - ii. Requiring unnecessary experience and excessive bonding;
 - iii. Noncompetitive pricing practices between firms or between affiliated companies;
 - iv. Noncompetitive contracts to consultants that are on retainer contracts;
 - v. Organizational conflicts of interest;

- vi. Specifying only “brand name” product instead of allowing “an equal” product to be offered and describing the performance or other relevant requirements of the procurement; and
- vii. Any arbitrary action in the procurement process.

C. Small/Minority/Women's Businesses/Labor Surplus Area Firms

1. In accordance with [2 C.F.R. § 200.321](#), it is highly encouraged that small and minority businesses, women's business enterprises, and labor surplus area firms, as defined, shall be contracted with whenever possible. Steps such as placing these qualified businesses and enterprises on solicitation lists and proactively soliciting such firms are highly encouraged. In addition, dividing total requirements, when economically feasible, into smaller tasks or quantities, and establishing delivery schedules, to permit maximum participation by these businesses and enterprises, is encouraged when reasonably feasible.

IV. CONTACT INFORMATION

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V. REFERENCES

- A. [Policy 2.103 Request for Quotation](#)
- B. [Policy 2.104 Request for Proposal](#)
- C. [Policy 2.105 Invitation for Bid \(For the Procurement of Construction\)](#)
- D. [Policy 2.106 Sole Source Purchase](#)
- E. [Policy 2.107 Exempt Purchase](#)
- F. [Policy 2.108 Emergency Purchase](#)
- G. [Policy 2.209 Construction Contracts](#)