

**SAMPLE
POLICY
DOCUMENT:**



COMPETITIVE SOLICITATIONS



Vendor Centric

Policy Name

Competitive Solicitations Policy

Business Line / Department

Corporate Procurement and Vendor Risk Management

Policy Owner

SVP, Corporate Procurement

Approvers

Enterprise Risk Committee
Board

Effective Date

January 1, 2021

This Sample Competitive Solicitations Policy is provided as an example of Vendor Centric work product, and is for illustrative purposes only. We configure all of our policy and procedure documents to the needs of each and every client, reflecting their size, scope and regulatory requirements.

Overview and Purpose

The purpose of this Competitive Solicitations Policy (the “Policy”) is to provide for a standardized and systematic method of soliciting quality goods and services in a cost-effective manner, leveraging company-wide buying power, with favorable terms and conditions, and meeting business requirements while minimizing risk.

Applicability and Scope

This Policy applies to all Business Units that purchase goods and/or services on behalf of the company, except as noted below.

Out of Scope Purchase Types

The following types of purchases are out of scope for this Policy:

- Board of Directors’ travel
- Hotel and catering contracts below \$XX,XXX
- Metered postage
- Payment to Government entities
- Professional licensing organizations e.g., Bar Association, CPA licensing, etc (including the educational vendors that support the continuing education of the licensees)
- Real Estate Leases
- Sponsorships, grants, and donations
- Travel and Entertainment expenses for company employees. Please reference the company’s Travel Expense policy
- Utilities

Additional Exclusions

The CEO, in his/her sole discretion, may exclude an engagement with a particular vendor from the requirements of the Policy because of the confidential, privileged, private or otherwise sensitive nature. Such an exclusion must be approved by the Executive Committee of the Board of Directors, and documentation of the approval must be provided to the SVP, Corporate Procurement.

Policy Compliance

Corporate Procurement will work with the Senior Leadership Team to ensure compliance to this Policy, including, 1) procurement engagement and ethical conduct, 2) use of outlined purchasing approaches, 3) management of exceptions, 4) compliance with regulatory requirements, and 5) adherence to delegation of authority.

Competitive Solicitations Policy

Competitive Solicitations shall be utilized and are mandatory for purchases exceeding \$XXX,XXX. Procurement, in partnership with the Business Owners, obtain and evaluate multiple bids, and ensures that all activities are properly documented. Procurement, in partnership with third-party risk, will also conduct risk-based due diligence on vendors being considered.

Business Owners must use the matrix below to determine the requirements for each solicitation. The thresholds in the matrix apply per vendor on an annual basis. Business Owners must not split requisitions to purposefully fall under a specific threshold.

Estimated Contract Value	Procurement Involvement	Bid Approach	Bid Action	Diversity Requirement
Less than \$XX,XXX for Goods	Not Required, but Encouraged	N/A	A written quote or proposal detailing pricing is required from the vendor	Business Owner is encouraged to consider diverse vendors
\$X - \$XXX,XXX for Services	Required	Comparative Pricing	A minimum of two vendors must provide quotes or proposals	Opportunity posted externally, and one or more vendor(s) must be a small, minority-owned or woman-owned business
\$XX,XXX-\$XXX,XXX for Goods				
\$XXX,XXX+	Required	Competitive Solicitation	A minimum of three vendors must provide proposals	

Refer to the company's Vendor Diversity Program Standards and Processes for more information on guidelines, exclusions, and resources available.

Exceptions and Deviations

Request for Exceptions to the Policy

Business Owner must complete a Policy Exception Form to request a waiver from Comparative Pricing or Competitive Solicitations. The business justification must be approved by the Business Owner's SVP, and submitted to the SVP, Corporate Procurement for review and approval.

Deviation from the Policy

In the event a Business Owner has deviated or failed to follow the steps required by this Policy, a member of the Corporate Procurement team will notify the Business Owner, obtain details and report the deviation to the SVP, Corporate Procurement. Depending on the materiality of the deviation, the SVP may escalate the issue further based on the facts and circumstances.