

CITY OF SOUTH BEND

Inclusive Procurement Program

Annual Diversity Purchasing Report

OFFICE OF DIVERSITY AND INCLUSION

FY 2017





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EXECUTIVE SUMMARY

BACKGROUND

In accordance with Ordinance No. 10081-11, adopted April 23, 2011, this 2017 Annual Inclusive Procurement Program report is filed January 15, 2018 with the City of South Bend Common Council, and copies submitted to Mayor Pete Buttigieg, the City Controller, and the MBE/WBE Utilization Board.

The Diversity Development Program in its seventh year of operation has continued to work towards building strong and sustainable procurement program that continually provides equal opportunities and inclusion to local, regional and national minority and woman-owned business enterprises. The Diversity Utilization Board along with the Diversity and Inclusion and Compliance Officer, Director of Purchasing, Legal Department, and the Board of Public Works are the groups primarily accountable for the operation and management of the program.

RESULTS

The City of South Bend spent \$101,702,744.20 on 5,715 purchase orders for fiscal year 2017. Of the total amount spent, \$773,120 or .76% was awarded to MBE firms, and \$1,122,451 or 1.10% of the total spend amount was awarded to WBE firms. Combined, the total MBE/WBE spend amount of \$1,895,571 accounts for 1.86% of the total procurement spend, marking a .06% improvement from fiscal year 2016.

The City of South Bend had a total of 1,349 vendors. A total of four certified MBE's, and one uncertified MBE were awarded contracts across four quarters, with only one firm, DLZ, posting spend amounts in the "greater than" \$75,000 spend matrix band in two of the four quarters, but represented in all four quarters for spend amounts above \$2,500. Four of the five MBE firms were located in Indiana, with one MBE firm certified through the federal Small Business Administration (SBA) was located nationally (California).

The City of South Bend awarded twenty WBE firms across four quarters with the majority posting spend amounts in the "less than" \$2,500 spend matrix band. However, WBE firms had representation in all spend matrix bands, including "greater than" \$75,000 in quarter three, and two firms represented in the "greater than" \$75,000 in quarter four. Premium Concrete and Ritschard Bros. posted the largest spend amounts across four quarters in the "greater than" \$75,000 spend matrix band. While 80% of the MBE firms were located in Indiana, 20% came from both regional and national locations.

According to IDOA, the number of offered MBE commodities by South Bend firms decreased slightly, losing five Hispanic (six in 2016 to one in 2017) and five African American commodities (seventeen in 2016 to twelve in 2017), while increasing the number of WBE commodities for Caucasians by five (ninety-nine in 2016 to one hundred four in 2017). Additionally, there may be a number of MBE/WBE firms that are currently not certified through IDOA, but doing business with the City of South Bend. Upon review and analysis of FY '17 data, we found one such minority owned firm—Sanco Distributing. Based on our data analysis, roughly 55% of all vendors are located within Indiana, but 45% of all awarded vendors are regional or national vendors. As such, we may have an opportunity to identify



MBE/WBE's that are registered through other certifying agencies like Mid-States Minority Supplier Development Council, SBA 8(a), SBA-WBE, SBA-MBE, SBA HUBzone, SBA-VBE, National LGBT Chamber of Commerce, WBENC, City of Indianapolis, and other regional and national certifying agencies that have vetted and approved those firms to do business at the local, state or national level.

The Future

Internally, the City of South Bend Purchasing Department is finalizing an organizational redesign to centralize bulk purchases for better pricing and process efficiency; reducing the number of city "buyers" across departments and units from over 150 individuals to fewer than 25. The City of South Bend has also hired a Director of Purchasing, who will partner with the Diversity, Inclusion and Compliance Officer to support the goals and vision of the Ordinance, Mayoral Executive Order, and Diversity Utilization Board recommendations.

South Bend will continue to partner with IDOA to co-host the North Central Indiana Business Conference for Minority and Woman-Owned Small Businesses which provides local and regional business owners exposure to best practices, networking with procurement leadership from major organizations, and financial resources for business stabilization and scaling. We will continue to partner with Latin American Chamber of Commerce and expand outreach through SCORE to support local business development for emerging underrepresented and severely underrepresented populations in our procurement processes.

South Bend will explore opportunities to identify other certifying agencies whose vetting requirements meet or exceed IDOA requirements and thus expand our list of viable MBE/WBE firms for local, regional and national invitations to bid, quote or otherwise contract for procurement opportunities with the City of South Bend.



DEFINITIONS

"Award" means contracts approved by the Board of Public Works for award to a particular vendor in accordance with City of South Bend purchasing policy.

"Bidder" means any person, partnership, corporation, limited liability company, association or Joint Venture seeking to be awarded a City contract.

"City" means the City of South Bend, Indiana.

"City's Marketplace" means the location of the City's current contractors, including the metropolitan statistical areas of South Bend/Mishawaka, Elkhart/Goshen, Indianapolis, and Chicago.

"Contractor" means any person, partnership, corporation, limited liability company, association or Joint Venture that has been awarded a City Contract.

"Emergency contract" shall mean a contract that is awarded on an emergency basis due to a threat of harm to person or property or threat of disruption of governmental services.

"Minority-Owned Business Enterprise (MBE)" means a sole proprietorship, partnership, corporation, limited liability company, Joint Venture or any other business or professional entity:

- a) Which is at least 51% owned by one or more Minority Individuals, or in the case of a publicly owned business, at least 51% of all classes of the stock of which is owned by one or more Minority Individuals; and
- b) Whose management, policies, major decisions and daily business operations are independently managed and controlled by one or more such more Minority Individuals;

"Minority Individual" means a person who is a member of one of the following groups:

- a) "Black Americans," which includes persons having origins in any of the Black racial groups of Africa;
- b) "Hispanic Americans," which includes persons of Mexican, Puerto Rican, Cuban, Dominican, Central or South American, or other Spanish or Portuguese culture or origin, regardless of race;
- c) "Native Americans," which includes persons who are enrolled members of a federally or State recognized Indian tribe, Alaska Natives, or Native Hawaiians;
- d) "Asian-Pacific Americans," which includes persons whose origins are from Japan, China, Taiwan, Korea, Burma (Myanmar), Vietnam, Laos, Cambodia (Kampuchea), Thailand,



Malaysia, Indonesia, the Philippines, Brunei, Samoa, Guam, the U.S. Trust Territories of the Pacific Islands (Republic of Palau), Republic of the Northern Marianas Islands, Samoa, Macao, Fiji, Tonga, Kiribati, Tuvalu, Nauru, Federated States of Micronesia, or Hong Kong;
or

- e) "Subcontinent Asian Americans," which includes persons whose origins are from India, Pakistan, Bangladesh, Bhutan, the Maldives Islands, Nepal or Sri Lanka.

"MWBE" means a business that has been certified as both a minority business enterprise and as a women business enterprise through a certifying agency recognized by the City of South Bend.

"Ordinance" means City of South Bend Ordinance Number 10081-11.

"Spend" means total dollars paid to certified MBEs and WBEs, or to all City vendors, less Exclusions.

"Subcontractor" means any person entering into a Contract with a Contractor to directly furnish services or supplies toward the Contract.

"Woman" means a person of the female gender.

"Woman-Owned Business Enterprise (WBE)" means a Local Small Business Enterprise, including a sole proprietorship, partnership, corporation, limited liability company, Joint Venture or any other business or professional entity:

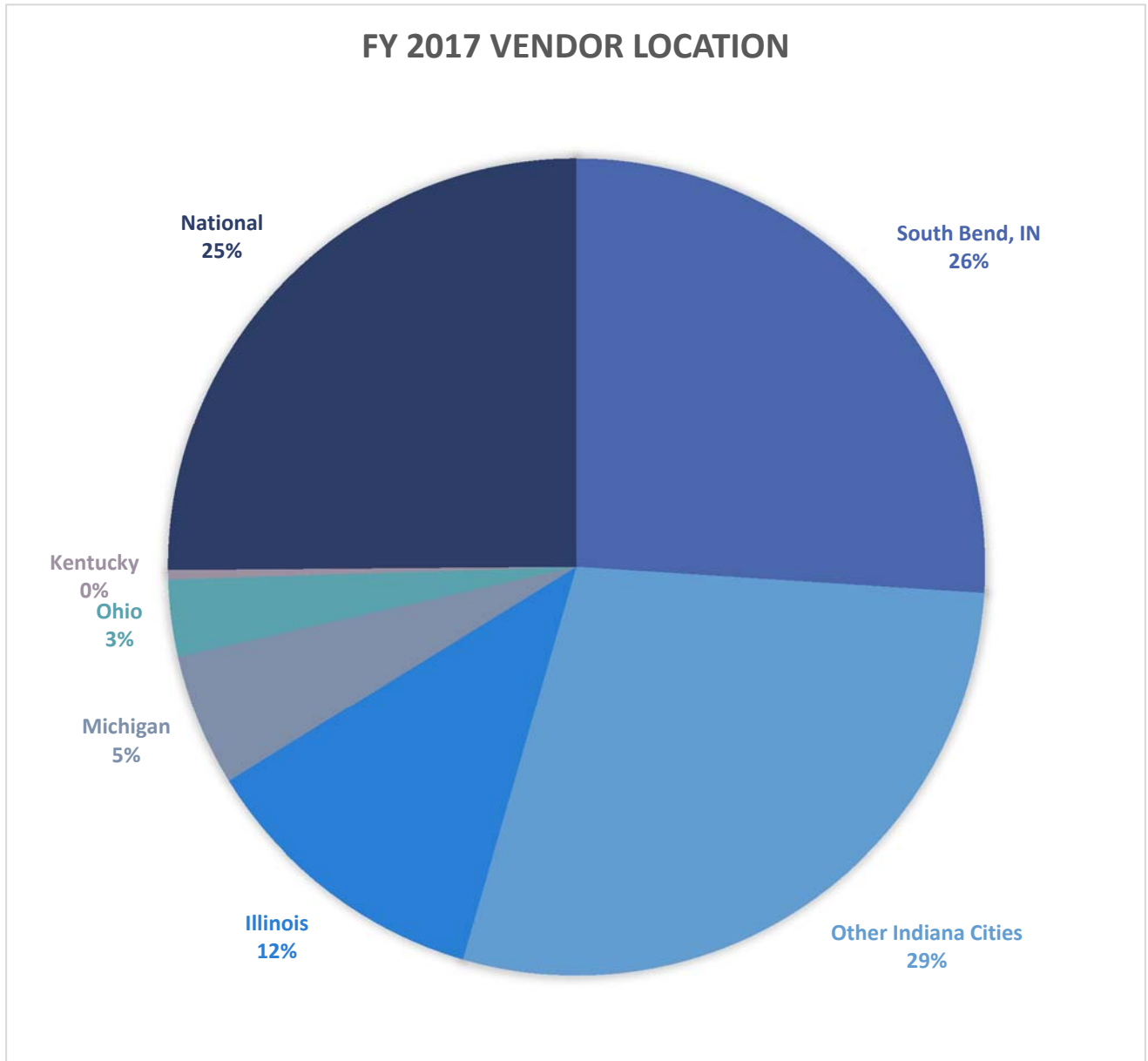
- a) Which is at least 51% owned by one or more Women, or in the case of a publicly owned business, at least 51% of all classes of the stock of which is owned by one or more Women; and
- b) Whose management, policies, major decisions and daily business operations are independently managed and controlled by one or more such Women.

"Utilization" means the best use of available certified MBE/WBE within the city's marketplace.



CITY OF SOUTH BEND VENDORS

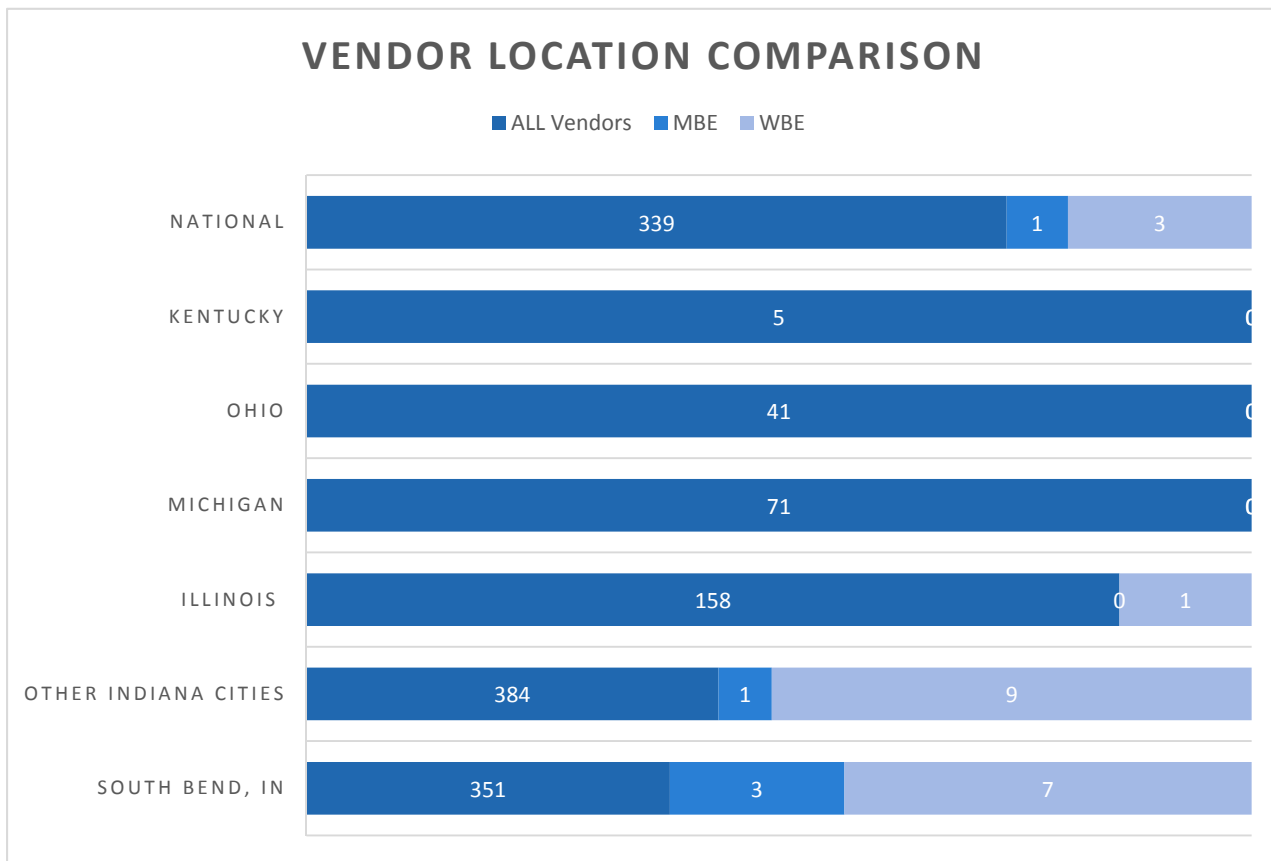
The City of South Bend utilized a total of 1,349 vendors in fiscal year 2017. The majority of the vendors, 55%, are located within Indiana state limits. Regional vendors from Illinois, Michigan, Ohio, and Kentucky make up 20%, with the remaining 25% coming from a nationwide pool of vendors stretching from California to Alabama to Texas to New York.



Source: Naviline Purchasing Report, January 2018.



This report compares the location of all vendors from FY '17 to the vendor location of MBE and WBE firms. Three MBE firms are located in South Bend, one is located in another Indiana city (Indianapolis) and one firm was located nationally. Seven WBE firms were located within South Bend city limits, with nine located in other Indiana cities, one regional firm and three national firms.



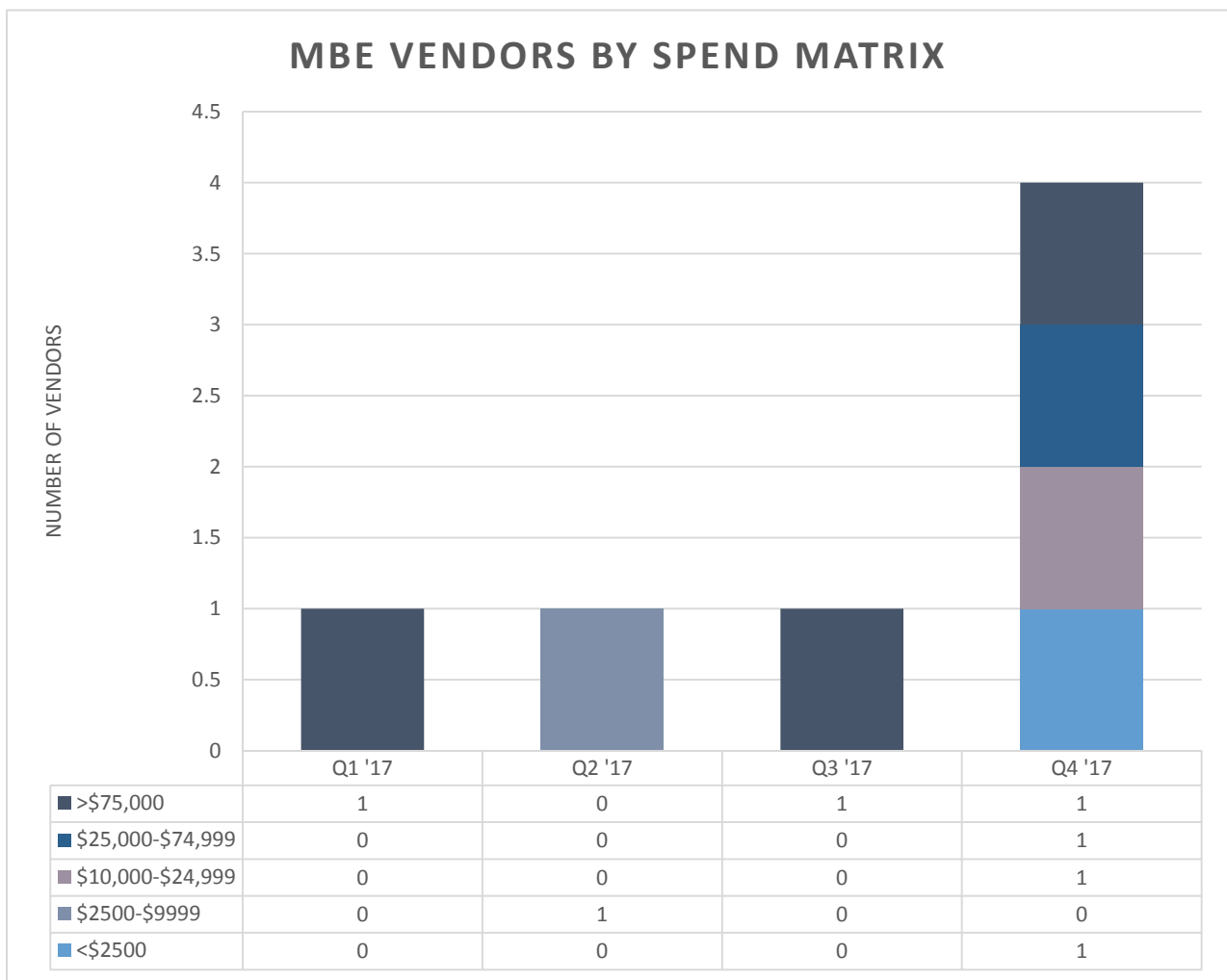
Source: Naviline Purchasing Report, January 2018.



MBE UTILIZATION

The City of South Bend utilized a total of 4 certified MBE firms during the 2017 FY. However, based on a review of the 1349 total vendors, there may be additional minority-owned firms that do business with the City of South Bend, but currently are not certified through IDOA. This report includes one such firm, Sanco Distributing, as an example in the MBE utilization by quarter spreadsheet below.

During quarter one of this year, COSB utilized one MBE firm in the “greater than \$75,000” spend matrix band, with no firms represented in the “less than” \$2,500, \$2,500 to \$9,999, \$10,000 to \$24,999, or \$25,000 to \$74,999 spend matrix bands. Quarter two also only had one MBE firm represented which fell in the \$2,500 to \$9,999 spend matrix band, with all other categories having no MBE firm representation. Quarter three also posted only one MBE firm in the “greater than” \$75,000 band, with no representation in any other spend matrix band. However, quarter four saw an increase of MBE firm representation in multiple bands for a total of four MBE firms represented in all bands except \$2,500 to \$9,999. One MBE firm, DLZ is represented in all four quarters.



Source: Naviline Purchasing Report, January 2018.



This report list the four certified MBE firms that were awarded contracts this fiscal year, and one example of a non-certified firm that is minority-owned with which the city contracted in 2017. However, the contract with Hoosier Security was cancelled, posting \$0 PO/contract amount.

2017 QUARTER 1

MBE VENDOR	MBE CITY	MBE STATE	PO/CONTRACT AMOUNT	GENDER/RACE
Neat Brands LLC.	Canoga Park	CA		MBE-HIS
Hoosier Security	Indianapolis	IN		MBE-HIS
Emnet LLC	South Bend	IN		MBE-HIS
DLZ Indiana	South Bend	IN	\$ 219,450.00	MBE-AIN
Sanco Distributing	South Bend	IN		MBE-AFA
Q1 '17 spend total			\$ 219,450.00	

2017 QUARTER 2

MBE VENDOR	MBE CITY	MBE STATE	PO/CONTRACT AMOUNT	GENDER/RACE
Neat Brands LLC.	Canoga Park	CA		MBE-HIS
Hoosier Security	Indianapolis	IN		MBE-HIS
Emnet LLC	South Bend	IN		MBE-HIS
DLZ Indiana	South Bend	IN	\$ 6,950.00	MBE-AIN
Sanco Distributing	South Bend	IN		MBE-AFA
Q2 '17 spend total			\$ 6,950.00	

2017 QUARTER 3

MBE VENDOR	MBE CITY	MBE STATE	PO/CONTRACT AMOUNT	GENDER/RACE
Neat Brands LLC.	Canoga Park	CA		MBE-HIS
Hoosier Security	Indianapolis	IN		MBE-HIS
Emnet LLC	South Bend	IN		MBE-HIS
DLZ Indiana	South Bend	IN	\$ 182,120.00	MBE-AIN
Sanco Distributing	South Bend	IN		MBE-AFA
Q3 '17 spend total			\$ 182,120.00	

2017 QUARTER 4

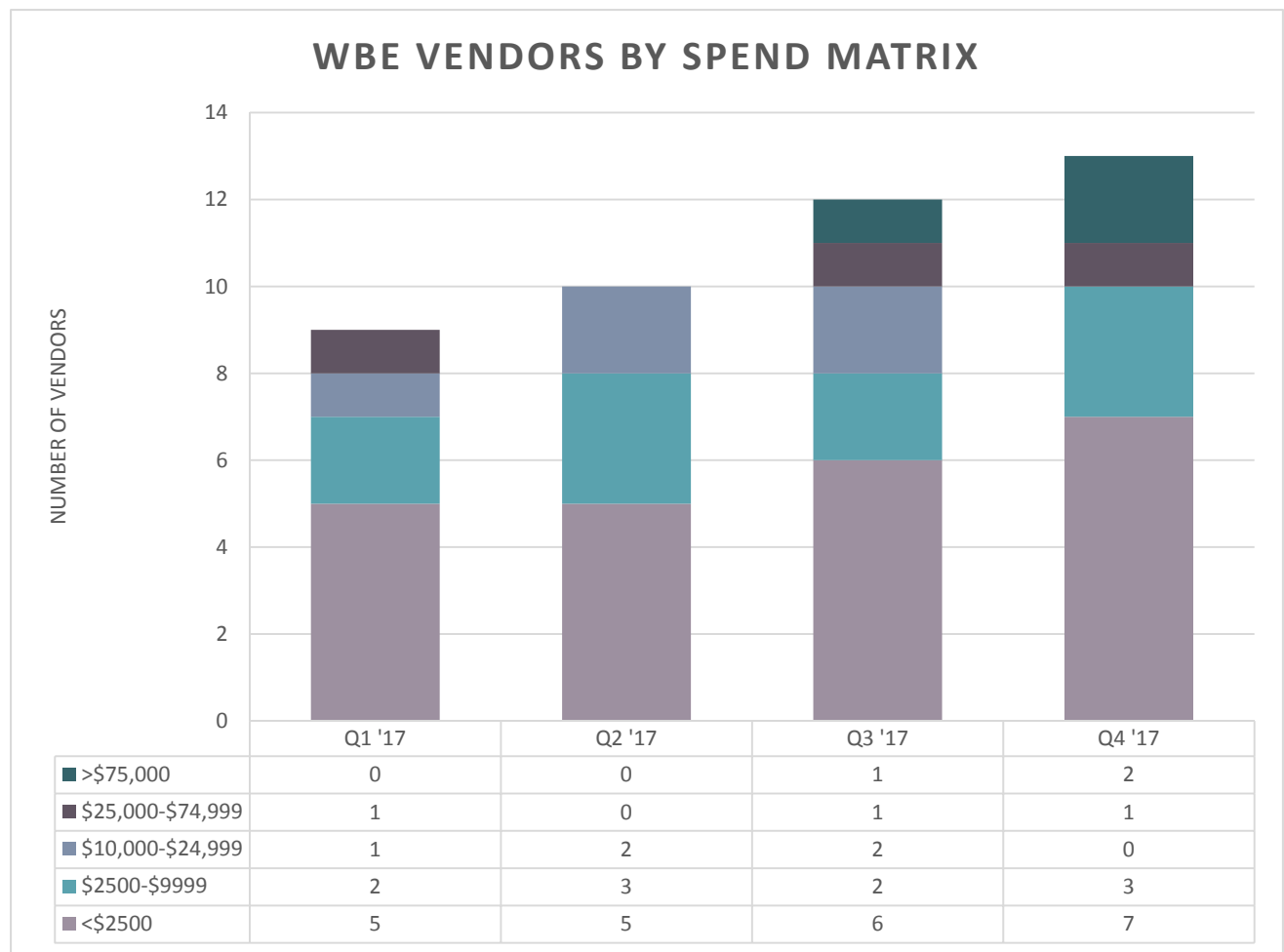
MBE VENDOR	MBE CITY	MBE STATE	PO/CONTRACT AMOUNT	GENDER/RACE
Neat Brands LLC.	Canoga Park	CA	\$ 19,811.26	MBE-HIS
Hoosier Security	Indianapolis	IN		MBE-HIS
Emnet LLC	South Bend	IN	\$ 280,581.60	MBE-HIS
DLZ Indiana	South Bend	IN	\$ 63,500.00	MBE-AIN
Sanco Distributing	South Bend	IN	\$ 707.88	MBE-AFA
Q4 '17 spend total			\$ 364,600.74	

TOTAL MBE '17 SPEND \$ 773,120.74



WBE UTILIZATION

The City of South Bend utilized a total of 20 certified WBE firms during the 2017 FY. However, based on a review of the 1,349 total vendors, there may be additional woman-owned firms that do business with the City of South Bend, but currently are not certified through IDOA. During quarter one of this year, COSB utilized zero WBE firm in the “greater than \$75,000” spend matrix band, but had five firms represented in the “less than” \$2,500, two firms represented in \$2,500 to \$9,999, one firm in \$10,000 to \$24,999, and one firm in \$25,000 to \$74,999 spend matrix bands. Quarter two posted five firms represented in “less than” \$2,500, three firms in \$2,500 to \$9,999, two firms in \$10,000 to \$24,999, and zero firms above \$25,000 spend. However, quarter four posted 7 firms represented in “less than” \$2,500, three firms in \$2,500 to \$9,999, one firm in \$25,000 to \$74,999 and two firms represented in “greater than” \$75,000. Premium Concrete and Ritschard Bros. posted the largest WBE spend amounts during the 2017 fiscal year.



Source: Naviline Purchasing Report, January 2018.



2017 QUARTER 1

WBE VENDOR	MBE CITY	MBE STATE	PO/CONTRACT AMOUNT	GENDER/RACE
Sada Systems	North Hollywood	CA		WBE-CAU
Summit Supply	Durango	CO	\$ 299.40	WBE-CAU
Starboard Consulting LLC	Longwood	FL	\$0	WBE-CAU
Nutoys Leisure Products	LaGrange	IL		WBE-CAU
AFC International	Demotte	IN	\$ 1,962.20	WBE-CAU
Bolt Document Management	Elkhart	IN		WBE-CAU
Premium Concrete Services	Elkhart	IN		WBE-CAU
Clark Safety	Greenwood	IN		WBE-CAU
Hoosier Company	Indianapolis	IN		WBE-CAU
Keramida Environmental	Indianapolis	IN	\$ 4,650.00	WBE-CAU
Flosource	Martinsville	IN	\$ 2,367.00	WBE-CAU
Charles S. Hayes Inc.	South Bend	IN		WBE-CAU
Dudeck Roofing and Sheet Metal	South Bend	IN	\$ 2,475.00	WBE-CAU
McCormick Engineering	South Bend	IN		WBE-CAU
Ritschard Bros.	South Bend	IN	\$ 49,400.00	WBE-CAU
SC Supply Company	South Bend	IN	\$ 6,555.14	WBE-CAU
Stanz Food Services	South Bend	IN		WBE-CAU
State Barricading	South Bend	IN		WBE-CAU
Gripp Inc.	Westfield	IN	\$ 16,640.00	WBE-CAU
American Safety	Oceola	IN		WBE-CAU
		Q1 '17 spend total	\$ 84,348.74	

2017 QUARTER 2

WBE VENDOR	MBE CITY	WBE STATE	PO/CONTRACT AMOUNT	GENDER/RACE
Sada Systems	North Hollywood	CA		WBE-CAU
Summit Supply	Durango	CO	\$ 420.75	WBE-CAU
Starboard Consulting LLC	Longwood	FL		WBE-CAU
Nutoys Leisure Products	LaGrange	IL	\$ 1,222.00	WBE-CAU
AFC International	Demotte	IN	\$ 3,040.36	WBE-CAU
Bolt Document Management	Elkhart	IN	\$ 8,141.99	WBE-CAU
Premium Concrete Services	Elkhart	IN		WBE-CAU
Clark Safety	Greenwood	IN		WBE-CAU
Hoosier Company	Indianapolis	IN		WBE-CAU
Keramida Environmental	Indianapolis	IN		WBE-CAU
Flosource	Martinsville	IN	\$ 2,120.65	WBE-CAU
Charles S. Hayes Inc.	South Bend	IN	\$ 5,856.17	WBE-CAU
Dudeck Roofing and Sheet Metal	South Bend	IN	\$ 900.14	WBE-CAU
McCormick Engineering	South Bend	IN	\$ 810.00	WBE-CAU
Ritschard Bros.	South Bend	IN		WBE-CAU
SC Supply Company	South Bend	IN	\$ 20,053.68	WBE-CAU
Stanz Food Services	South Bend	IN		WBE-CAU
State Barricading	South Bend	IN		WBE-CAU
Gripp Inc.	Westfield	IN	\$ 16,640.00	WBE-CAU



American Safety

Oceola

IN

WBE-CAU

**Q2 '17 spend
total** \$ **59,205.74**

2017 QUARTER 3

WBE VENDOR	MBE CITY	MBE STATE	PO/CONTRACT AMOUNT	GENDER/RACE
Sada Systems	North Hollywood	CA		WBE-CAU
Summit Supply	Durango	CO	\$ 3,824.48	WBE-CAU
Starboard Consulting LLC	Longwood	FL		WBE-CAU
Nutoys Leisure Products	LaGrange	IL		WBE-CAU
AFC International	Demotte	IN	\$ 1,947.62	WBE-CAU
Bolt Document Management	Elkhart	IN	\$ 14,330.00	WBE-CAU
Premium Concrete Services	Elkhart	IN		WBE-CAU
Clark Safety	Greenwood	IN	\$ 710.70	WBE-CAU
Hoosier Company	Indianapolis	IN	\$ -	WBE-CAU
Keramida Environmental	Indianapolis	IN		WBE-CAU
Flosource	Martinsville	IN		WBE-CAU
Charles S. Hayes Inc.	South Bend	IN		WBE-CAU
Dudeck Roofing and Sheet Metal	South Bend	IN	\$ 1,504.25	WBE-CAU
McCormick Engineering	South Bend	IN	\$ 39,370.00	WBE-CAU
Ritschard Bros.	South Bend	IN	\$ 139,812.90	WBE-CAU
SC Supply Company	South Bend	IN	\$ 2,987.99	WBE-CAU
Stanz Food Services	South Bend	IN	\$ 31.55	WBE-CAU
State Barricading	South Bend	IN	\$ 2,138.00	WBE-CAU
Gripp Inc.	Westfield	IN	\$ 16,278.44	WBE-CAU
American Safety	Oceola	IN		

**Q3 '17 spend
total** \$ **222,935.93**

2017 QUARTER 4

WBE VENDOR	MBE CITY	MBE STATE	PO/CONTRACT AMOUNT	GENDER/RACE
Sada Systems	North Hollywood	CA	\$ 25,000.00	WBE-CAU
Summit Supply	Durango	CO	\$ 420.75	WBE-CAU
Starboard Consulting LLC	Longwood	FL		WBE-CAU
Nutoys Leisure Products	LaGrange	IL	\$ 1,328.00	WBE-CAU
AFC International	Demotte	IN	\$ 810.00	WBE-CAU
Bolt Document Management	Elkhart	IN	\$ 5,784.00	WBE-CAU
Premium Concrete Services	Elkhart	IN	\$ 224,110.00	WBE-CAU
Clark Safety	Greenwood	IN	\$ 264.00	WBE-CAU
Hoosier Company	Indianapolis	IN		WBE-CAU
Keramida Environmental	Indianapolis	IN		WBE-CAU
Flosource	Martinsville	IN		WBE-CAU
Charles S. Hayes Inc.	South Bend	IN		WBE-CAU
Dudeck Roofing and Sheet Metal	South Bend	IN	\$ 8,525.00	WBE-CAU
McCormick Engineering	South Bend	IN		WBE-CAU



Ritschard Bros.	South Bend	IN	\$ 484,251.00	WBE-CAU
SC Supply Company	South Bend	IN	\$ 58.02	WBE-CAU
Stanz Food Services	South Bend	IN	\$ 384.80	WBE-CAU
State Barricading	South Bend	IN		WBE-CAU
Gripp Inc.	Westfield	IN	\$ 4,760.00	WBE-CAU
American Safety	Oceola	IN	\$ 265.48	WBE-CAU
		Q4 '17 spend total	\$ 755,961.05	

TOTAL WBE '17 SPEND \$ 1,122,451.46



MBE AND WBE BUSINESS DEVELOPMENT, OUTREACH AND ENGAGEMENT

For fiscal year 2017, the city of South Bend co-sponsored the North Central Indiana Business Conference at Saint Mary's College in collaboration with Indiana Department of Administration. The conference brought together local business lenders, procurement directors from major organizations in the South Bend metro area, women and minority business owners, SPARK, and more to share best practices and learn how to do business with local organizations, financial support programs available to small business owners, and opportunities for small business mentorship for organizations that are interested and ready to scale up business.

South Bend also re-established partnerships with Mid-States Minority Supplier Business Development Council, Small Business Association-WBE, MBE, 8a Small Business Development, HUBzone certification, Veteran, WBENC, City of Indianapolis, and ThomasNET expanding our available list of certified MBE and WBE to over 35,000 new firms regionally and nationwide.

Our partnership with Latin American Chamber of Commerce hosted four cohorts of local aspiring and existing MBE/WBE's where organizations like Reliable Roofing have scaled their business—adding jobs, hiring local residents and increasing their revenue while supporting our local economy. For residents that prefer to engage online, the city of South Bend has partnered with Government Procurement Innovators for Small Business Development. GPI offers three separate tracks for ambitious aspiring, established, and advanced business owners the opportunity to learn the ropes of federal contracting, while stabilizing their business financially and preparing for expansion.

The city of South Bend also established a Small Local Business MWBE Newsletter for outreach that keeps local small minority and women-owned businesses connected by sharing best practices, legal updates to procurement, and other pertinent industry news.

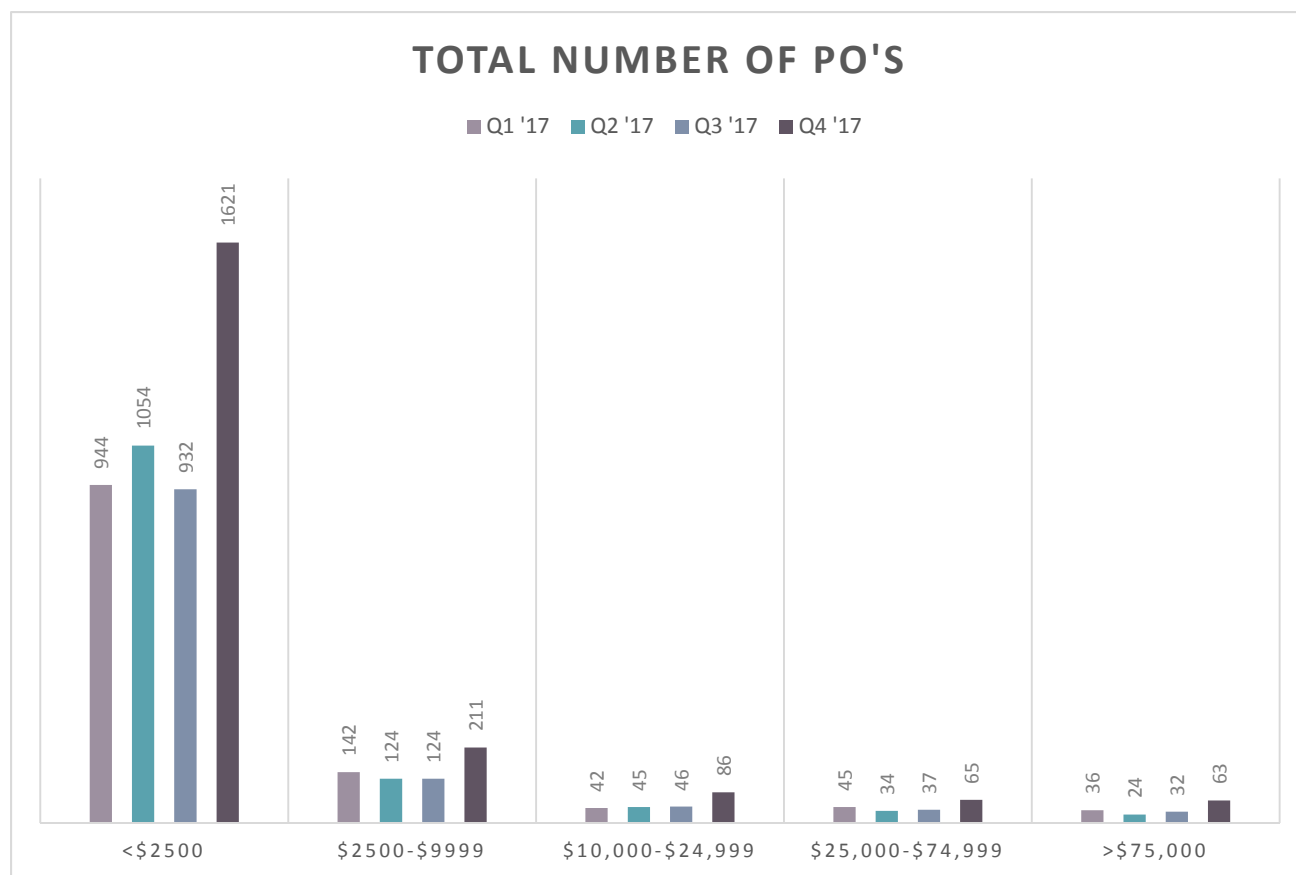
South Bend looks forward to expanding our list of minority and women-owned certifying agencies to include the National LGBT Chamber of Commerce certification for LGBTE firms, as well as Disabled Veteran's certification. South Bend also looks to expand its minority and women business development programs by partnering with SCORE to provide a business incubator program for targeted populations with special needs.



CITY OF SOUTH BEND SPEND

The city of South Bend spent \$101,702,744.20 on a total of 5,715 purchase orders for FY 2017. Overall, the largest amount of purchase orders (4,551) are posted in the “less than” \$2,500, with the average amount of those purchase orders between \$615 and \$645 for a total of \$2,860,459 or 2.8% of the total procurement spend for FY 2017. However, the “greater than” \$75,000 spend matrix band accounts for only 155 purchase orders, but the average purchase order amount is between \$332,838 and \$819,935 for a total of \$84,250,546 or 82.8% of the total procurement spend for FY 2017.

The total amount of MBE spend for fiscal year 2017 was \$773,120 or .76% of the total spend amount of \$101,702,744. The total WBE spend for fiscal year 2017 was \$1,122,451 or 1.10% of the total spend amount of \$101,702,744. Combined, the total MBE/WBE spend amount of \$1,895,571 accounts for 1.86% of the total procurement spend, marking a .06% improvement from fiscal year 2016.

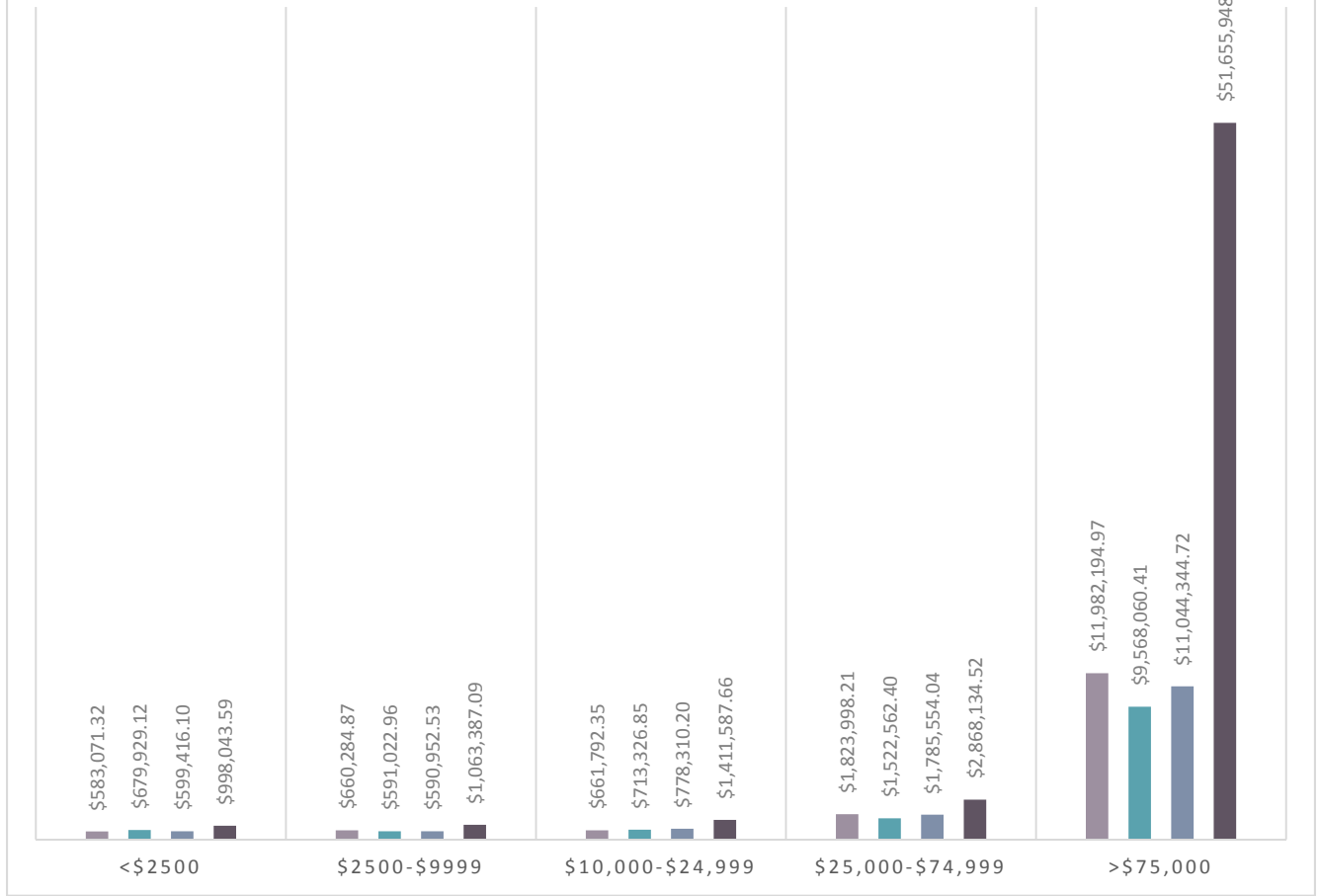


Source: Naviline Purchasing Report, January 2018.



TOTAL SPEND AMOUNTS

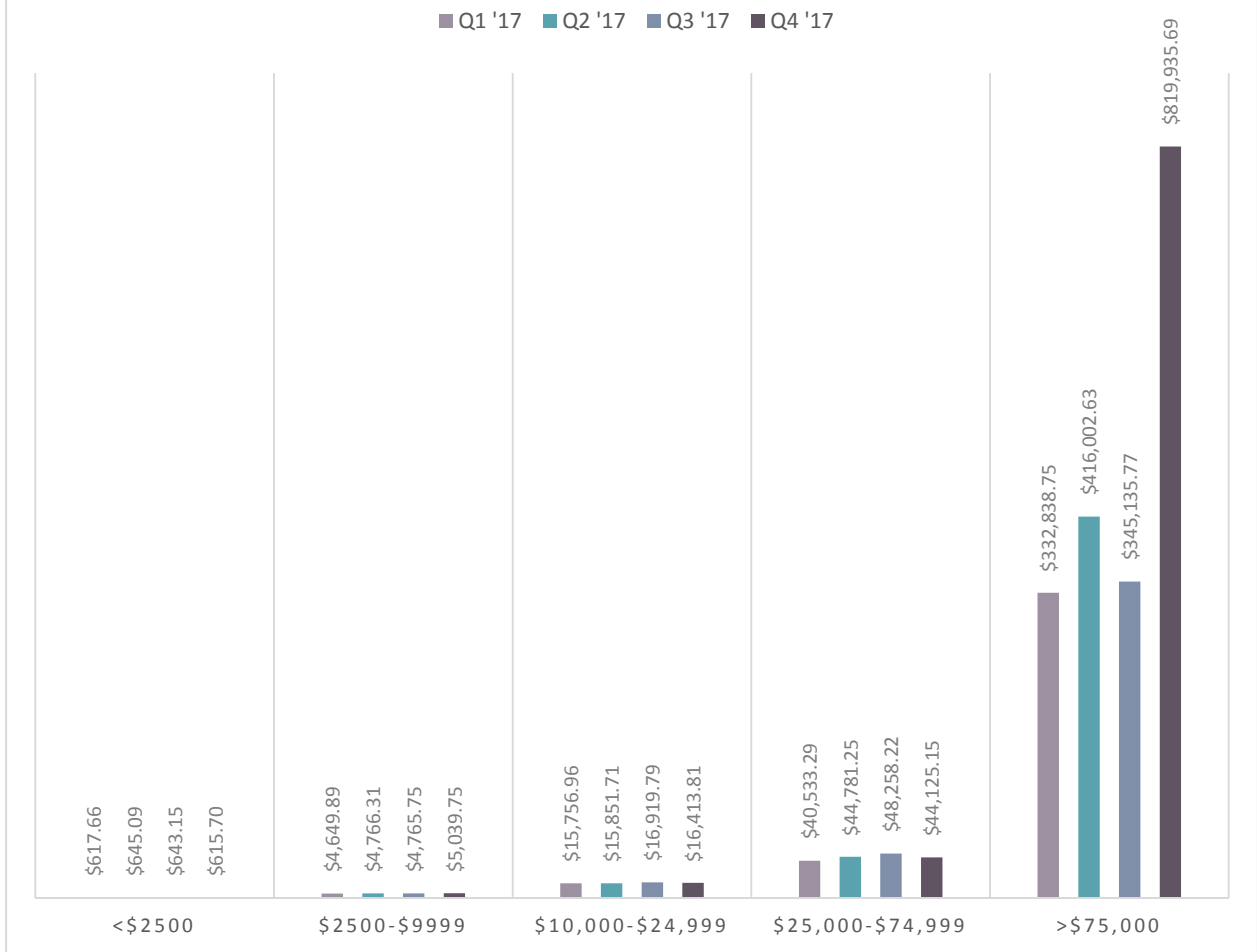
■ Q1 '17 ■ Q2 '17 ■ Q3 '17 ■ Q4 '17



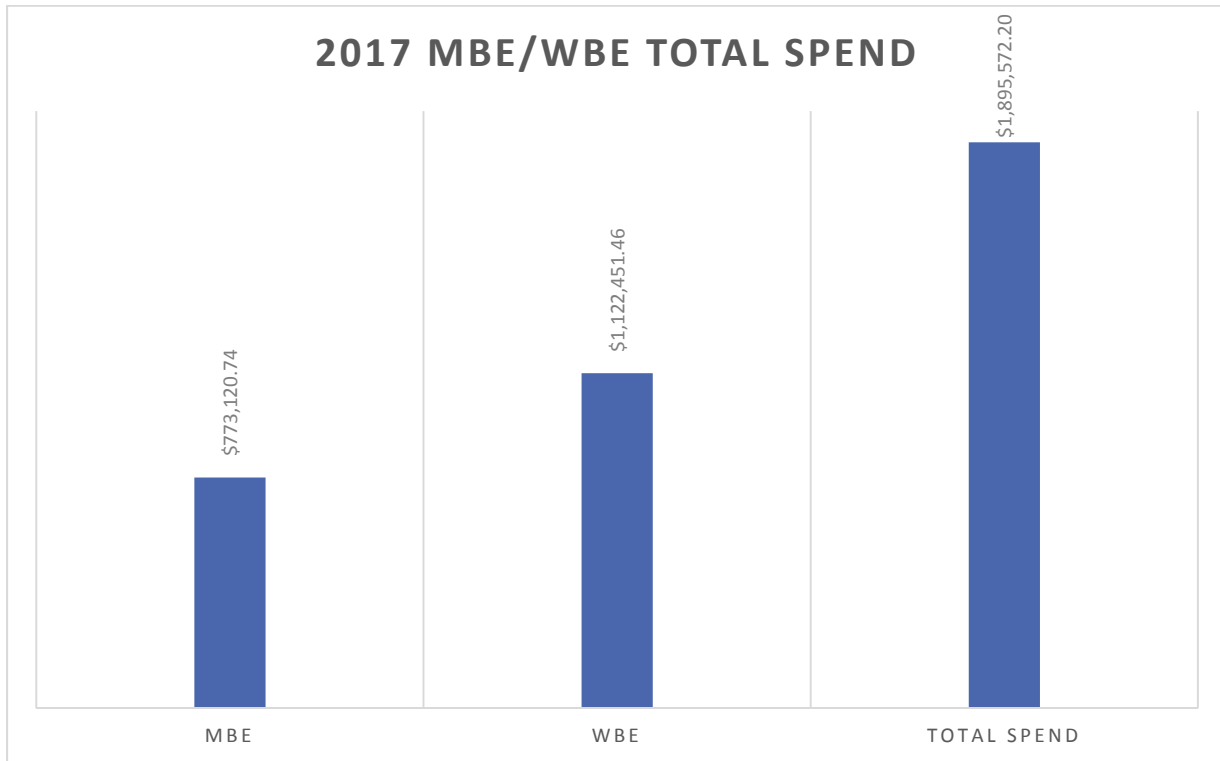
Source: Naviline Purchasing Report, January 2018.



AVERAGE PO SPEND AMOUNT



Source: Naviline Purchasing Report, January 2018.



Source: Naviline Purchasing Report, January 2018.



TWO AND THREE YEAR COMPARISONS

In order to assess the City of South Bend's progress towards a more inclusive procurement process, this report reviews the two and three year comparisons of the number of available IDOA certified MBE and WBE firms within St. Joseph County, the total number of purchase orders issued in a fiscal year, the total spend amount in a fiscal year, and the total spend versus the MBE/WBE spend comparison.

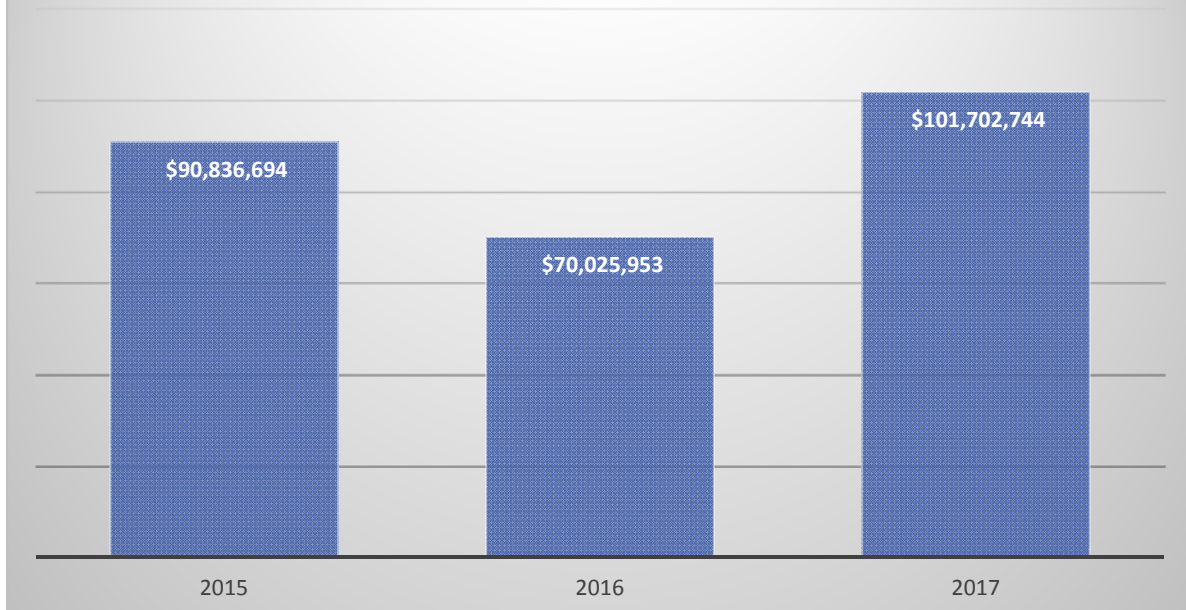
St. Joseph County saw a decrease in the number of MBE business services, goods or consulting services certified through IDOA, with five fewer Hispanic MBE/WBE commodities in 2017, and a dip in African American MBE/WBE commodities from 17 in 2016 to 12 in 2017. However, according to IDOA, the number of Caucasian WBE commodities offered rose from 99 in 2016 to 104 in 2017 in St. Joseph County.



Source: Naviline Purchasing Report, January 2018.



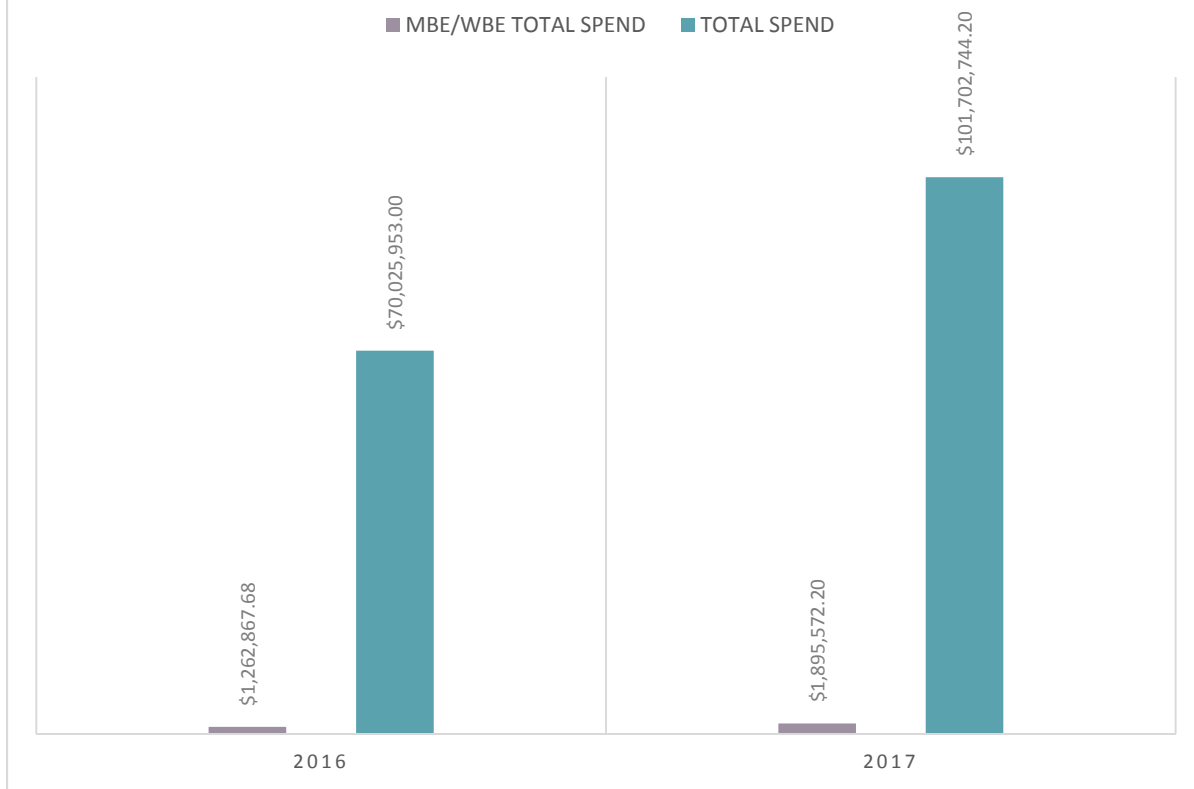
Total Annual Purchase Order Spend



Source: Naviline Purchasing Report, January 2018.



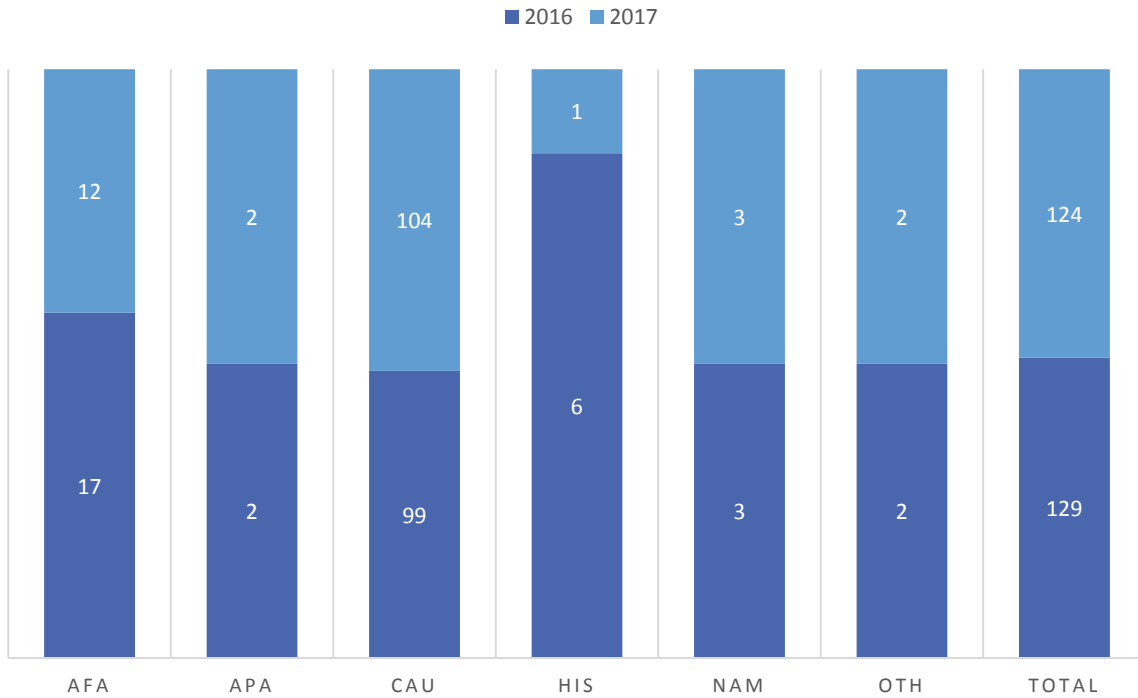
MBE/WBE TOTAL SPEND COMPARISON



Source: Naviline Purchasing Report, January 2018.



TWO YEAR IDOA COMMODITIES AVAILABLE COMPARISON



Source: IDOA MBE AND WBE CERTIFIED FIRMS, DECEMBER 2017. The count includes separate commodity codes for each firm.



SECTION 3 WORKFORCE DOCUMENTS

*NOTE: At the time of this report, the attachment of Section 3 Workforce Documents had not been submitted to or approved by H.U.D. This report is submitted by the Department of Community Investments in March of every calendar year. An amended Annual Inclusive Procurement Report will be submitted documenting those changes accordingly.

Department of Community Investment

James Mueller, Executive Director

Pam Meyer, Director Community Development

Alkeyna Aldridge, Director of Community Engagement

Lory Timmer, Analyst II



SUMMARY OF PROCUREMENT PROCESS

- I. Summary of Purchasing Process
- II. Purchasing Matrix Guidelines
- III. City of South Bend Purchasing Policy
- IV. Invitation to Quote (Boilerplate)
- V. Invitation to Bid (Boilerplate)



CITY OF SOUTH BEND PURCHASING PROCESS SUMMARY

The procurement of supplies, equipment and services is governed by the City of South Bend Purchasing Policy (attached). Pricing for supplies, equipment and services is obtained according to a matrix (Bid Matrix) of the total cost. The Bid Matrix (attached) dictates the quote or bid process to be followed and the approval levels required for purchasing approval. Exceptions are made for Special Purchases as defined by Indiana Statutes. An emergency purchase is an example of a Special Purchase situation.

1. Obtaining Quotes
 - a. For purchases under \$74,999, quotes are obtained from vendors specified by the City of South Bend Departments requiring the respective supplies, equipment or services. The following requirements apply;
 - i. Purchases between \$25,000 and \$74,999 require a formal quote process which includes the completion of the Quote Package (attached)
 - ii. Purchases under \$25,000 requires a simple quote process as defined in the Bid Matrix. These written quotes can be obtained thru phone requests, email request of written requests.
2. Evaluating Quotes
 - a. Simple quotes are first evaluated for content to assure that they represent the items or services required at the correct terms and conditions specified by the department. Simple quotes are sorted by price and awarded to lowest price.
 - b. The Formal Quotes are opened at a public Meeting by the Board governing the Department. Formal Quotes are evaluated by the City of South Bend Legal Department to assure the required forms are completed correctly. If the appropriate forms were not correct or were omitted, and/or quoting instructions were not followed, the quote is considered non- responsive. Responsible, responsive quotes are tabulated with the award given to the lowest cost.
3. Obtaining Bids
 - a. Purchases of \$75,000 or more require a formal bid process that includes public advertising of the items or project. A sample bid package is attached.
4. Evaluating Bids
 - a. The bids are opened at a public meeting by the Board governing the Department. Bids are evaluated by the City of South Bend Legal Department to assure the required forms are completed correctly. If the appropriate forms were not correct or were omitted, and or bidding instructions were not followed, the bid is considered non-responsive. Responsible, responsive bids are tabulated with the award given to the lowest cost.



CITY OF SOUTH BEND PURCHASING MATRIX

Purchase Order Dollar Value	Approvals Required	Method	Mode	Comments/ Additional Requirements
Less than \$2500	Department Approval Purchasing Approval	Preferred Vendor or Open Market	Phone, Fax, Mail	Uses Central Services/Contract Vendor/State QPA/Purchasing Cooperative/Open Market – No Competitive Quote
\$2500 to \$9999	Department Approval Purchasing Approval	Preferred Vendor or Informal Quote on Open Market	Phone, Fax, Mail	Uses Central Services/Contract Vendor/State QPA/Purchasing Cooperative/Open Market – w 2 Informal Quotes
\$10,000 to \$24,000	Department Approval Purchasing Approval	Preferred Vendor or Informal Quote on Open Market	Phone, Fax, Mail	Uses Central Services/Contract Vendor/State QPA/Purchasing Cooperative/Open Market – w/ 3 Informal Quotes
\$25,000 to \$74,999	Department Approval Purchasing Approval Approving Board	Preferred Vendor or Formal Quote (Written) Quote Process	Mailed at least Seven Days prior to Opening	Requires Minimum of Three Written Responses. Opened, Read at Public Meeting. Award by Approving Board
Special Purchase Over \$49,000	Department Approval Purchasing Approval Approving Board			Special Purchase of \$50,000 or more requires Legal Review and Board Approval
\$75,000 or More	Department Approval Purchasing Approval Approving Board	Formal Bid Process w/ Legal Review and Formal Advertising	Submitted to Clerk of Board of Public Works	Formal Bid Process Board opens Responses and Makes Final Award or Rejection...

NOTE: Purchases may not be artificially divided to avoid policy thresholds. Additional Reviews required for Capital and IT items. All purchases are limited by budget and appropriations. Approving Boards: Board of Public Works, Board of Parks Commissioners, Redevelopment Commission.



PURCHASING POLICY



IDOA CERTIFIED MBE/WBE FIRMS