

Policy Name	Procurement of Professional Services		Policy Number	76-30.02
Section Title	Contracts and Procurement	Section Number	76-30	Former Policy No.
Approval Authority	Agency Director		Effective Date	6/3/2021
Responsible Executive	Chief Operating Officer		Revised Date	7/18/2022
Responsible Office	Finance Office		Last Reviewed	7/18/2022
Responsible Reviewer	Ribeiro-Quimpo, Valeria			

Purpose:

To ensure that procurement procedures meet the agency's mission, fully conform to Professional Services as defined in § 2.2-4301 of the VPPA meaning the work performed by an independent contractor within the scope of the practice of accounting, actuarial services, optometry, pharmacy, professional engineering, and the services of an economist procured by the State Corporation Commission.

Policy:

It is the policy of the Agency to obtain high quality goods and services at a reasonable cost, by conducting procurement in a fair and impartial manner with avoidance of any impropriety or appearance of impropriety; that competition is sought to the maximum feasible degree to ensure a reasonable cost and conform to *The Virginia Public Procurement Act (VPPA)*, *Agency Procurement and Surplus Property Manual (APSPM)*, *Vendors Manual*, *Construction and Professional Services Manual (CPSM)* issued by DGS/Division of Engineering and Buildings and the *Virginia Information Technology Agency (VITA) Buy IT Manual* regardless of the source of funds by which the contract is to be paid or which may or may not result in monetary consideration for either party.

Authority:

Code of Virginia, §2.2-4300 thru 2.2-4377

Definitions:

Professional services shall mean work performed by an independent contractor within the scope of the practice of accounting, actuarial services, architecture, land surveying, landscape architecture, dentistry, law, medicine, optometry, pharmacy, or professional engineering. "Professional Services" shall also include services of an economist procured by the State Corporation Commission (Code of Virginia, § 2.2-4301).

Procedures:

The small purchase threshold for the procurement of professional services is up to and including \$80,000. The agency may establish single or term contracts for the purpose of accounting, actuarial services, law, dentistry, medicine, optometry, and pharmacy services, following the procedures outlined below, provided the aggregated or the sum of all phases is not expected to exceed \$80,000.

1. Purchase up to and including \$10,000 – When the estimated cost of the professional services is not expected to exceed \$10,000, the purchase may be made upon receipt of a minimum of one (1) written quote from a DSBSD-certified micro business, if available. Additional DSBSD-certified micro business may be solicited. If more than one quote is received, the award shall be made to the lowest responsive and responsible DSBSD-certified micro business bidder. If there is no micro business available or if prices do not appear to be fair and reasonable, the procurement file must be documented to that effect, including stating the basis for the determination, and then obtain an additional written quote from a DSBSD-certified small business, if available. If there is no small business available, or if the bid price received is not fair and reasonable, an award may be made to the lowest priced responsive and responsible bidder of any size. The procurement file must be documented accordingly. When determining price reasonableness, the bid price shall not exceed five (5) percent of the lowest responsive and responsible bidder. The written quote (s) and all file documentation must be attached to the eVA Purchase Requisition.
2. Purchase over \$10,000 up to and including \$80,000 – When the estimated cost of the professional service is expected to be over \$10,000 up to and including \$80,000, the purchase may be made upon issuance of a written Scope of Work (SOW) and receipt of one (1) written quote from a DSBSD-certified small business (including micro businesses), if such small business is available and their price is fair and reasonable. Additional DSBSD-certified small businesses may be solicited. If more than one written quote is received, the award shall be made to the lowest responsive and responsible DSBSD-certified small business bidder. If there is no DSBSD-certified small business available or if there is no reasonably priced DSBSD-certified small business that is a responsive and responsible bidder, the agency may issue the written SOW to a non-certified bidder of any size. An award may be made to the non-certified bidder, providing the bidder is a responsive and responsible bidder and their price is fair and reasonable. The price reasonableness determination must be documented in the procurement file. When determining price reasonableness, the price from a DSBSD-certified small business shall not exceed the price of a non-certified bidder by more than five (5) percent. If there was no DSBSD-small business available, the procurement file must be documented to that effect and include the steps that were taken to make that determination. All procurement file documentation, including written SOW and bidder's written quote (s) must be attached to the eVA Purchase Requisition. If a term contract is issued, the documentation must also be included in the contract file.

Procurements over \$80,000 must be procured using Competitive Negotiation in accordance with *Code of Virginia*, § 2.2-4302

Legal Services and Expert Witness. Information on the use of legal services and expert witness may be obtained from the Attorney General's Office.

Competitive Negotiation. Competitive negotiation shall be used for the procurement of professional services as provided for in the Code of Virginia. Annex 7-C of the Agency Procurement and Surplus Property Manual (APSPM) provides guidelines for negotiated procurements. Note that solicitations for professional services shall not request that offerors furnish estimates of man-hours or cost for services (*Code of Virginia*, § 2.2-4302.2).

Evaluation and Award Procedures. The evaluation and award procedure for the procurement of professional services by competitive negotiation is not under the authority of the Division of Purchases and Supply. Evaluation and award of professional services is addressed in the *Code of Virginia* §2.2-4302.2.

Contractor Performance. During the period of the contract, the contractor's performance is to be monitored in accordance with the standards set forth in the contract.

Administration of professional service contracts is covered in the *APSPM* Chapter 10.

Related Policies:

The Virginia Public Procurement Act (VPPA)

https://dgs.virginia.gov/globalassets/business-units/dps/documents/vppa/vppa-unofficial_2021.pdf

Agency Procurement and Surplus Property Manual (APSPM)

<https://dgs.virginia.gov/procurement/policy-consulting--review/policy/>

Construction and Professional Services Manual (CPSM)

<https://dgs.virginia.gov/engineering-and-buildings/statewide-constructionproject-management/about-the-cpms/>

Virginia Information Technology Agency (VITA) BUY IT Manual