

HOW TO DO BUSINESS
WITH THE
ARIZONA DEPARTMENT OF TRANSPORTATION



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The Arizona Department of Transportation Procurement Group is honored recipient of the National Purchasing Institute's prestigious Twelfth Annual 2007 Achievement of Excellence in Procurement. This award is designed to measure innovation, productivity, professionalism, and leadership in the purchasing profession.

ADOT Procurement received renewal of its Outstanding Agency Accreditation from the National Institute of Governmental Purchasing. Of the 1,200 agencies across the nation, ADOT Procurement is one of only 88 to have achieved this award and one of only four of the 50 Transportation Departments.



INTRODUCTION

This handbook provides a brief introduction to acquaint you with the business procedures of the Arizona Department of Transportation (ADOT). Familiarity with these procedures will aid you in conducting business with the agency.

For additional information, you may contact ADOT Procurement at (602) 712-7211, visit us at 1739 W. Jackson Street, Suite A, Phoenix, Arizona or review the information on our web site at: [http://www.azdot.gov/Inside ADOT/Procurement/Index.asp](http://www.azdot.gov/Inside_ADOT/Procurement/Index.asp).

Bertha A. Whitby, CPPB
Chief Procurement Officer
ADOT Procurement

ADOT PROCUREMENT MISSION

To provide value added public procurements in accordance with the Arizona Procurement Code to support our customers' needs.

USER/PROCUREMENT/SUPPLIER RELATIONSHIP

ADOT Procurement's function is to provide the user with the right materials and services for the job, at the right place and time and at a price that is fair and reasonable. ADOT Procurement also has a responsibility to provide suppliers with a consistent, equitable, and legal procurement process. The three groups of interested people who work together to make up the total procurement function are Users, Procurement Officers, and Suppliers. Their individual business conduct in the matter of ethics and responsibilities is critical.

CODE OF ETHICS

It is the policy of ADOT Procurement to promote ADOT's reputation for courtesy, professionalism, service, efficiency, economy, accountability, and integrity. The responsibility for accomplishing this purpose rests with each individual who participates in the procurement process.

Acceptance of gifts, advertising novelties, and entertainment from Suppliers or their representatives in any form by employees is prohibited. In addition, no ADOT employee involved in the purchase may have any financial interest in any potential purchase order or contract issued by ADOT.

SUPPLIERS CALLING ON USERS

All sales contacts between Suppliers and Users should be coordinated through ADOT Procurement except in cases of emergency purchases after normal working hours or P-Card purchases. This action is necessary to protect the interests of both the Supplier and ADOT by assuring adherence to ethical practices and prevention of unauthorized procurements for which state employees can be held personally responsible and suppliers may not receive compensation.

ADOT PROCUREMENT POLICIES

ADOT Procurement conducts its procurement procedures in accordance with the statutes, A.R.S. § 41-2501 et seq., and the administrative rules and regulations, A.A.C. R2-7-1-1 et seq., that constitute the Arizona Procurement Code ("Code").

PURPOSE

Laws 1984, Ch. 251, 1 and 40 provide:

Section 1. Purpose

1. Simplify, clarify and modernize the law governing procurement by the state.
2. Permit the continued development of procurement policies and practices.
3. Make as consistent as possible the procurement laws among various state agencies.
4. Provide for increased public confidence in the procedures followed in public procurement.
5. Ensure the fair and equitable treatment of all persons who deal with the procurement system of this state.
6. Provide increased economy in state procurement activities and maximize to the fullest extent practicable in purchasing value of public monies of this state.
7. Foster effective broad-based competition within the free enterprise system.
8. Provide safeguards for the maintenance of a procurement system of quality and integrity.

WHO PURCHASES FOR ADOT

There are basically two types of procurements conducted by ADOT personnel: 1) procurements subject to the Arizona Procurement Code (Code) and 2) procurements “Exempt” from the Code.

CODE PROCUREMENTS (SUBJECT TO THE APC)

1. Non-construction Procurements
Purchase (including rental) of materials and services (professional and non-professional) in support of ADOT operations and management. *Procurement Authority: ADOT Chief Procurement Officer*
2. Construction/Reconstruction of State Facilities
Must be requested through Facilities Management and Support Group. Construction includes any permanent changes to the structure/facility, such as new walls, outside stairs, entryways, additions, and remodeling. *Procurement Authority: ADOT Chief Procurement Officer (APC)*

“EXEMPT” PROCUREMENTS

There are four areas of ADOT procurements that are exempt from the Code.

1. Transportation Facility Construction/Reconstruction and Design, including engineering services of highways and transportation facilities (i.e., highways, bridges, rest areas, airport facilities, etc.), and purchase/rental of real property. (*A.R.S. § 28-108.A.14 and Federal Guidelines*).

For information on exempt procurements for Highway Construction, contact:

Engineering Consultants Section
205 S. 17th Avenue, MD 616E
Phoenix, Arizona 85007-3212

(602) 712-7525 <http://www.azdot.gov/Highways/ecs/staffdir.asp>

2. Contracts for sole source creative works and the promotion, publication, distribution, and sale of the Arizona Highways Magazine (*A.R.S. § 28-108.A14 and 28-1883, A & B*).
3. Expert Witness Agreements requested by the Attorney General (*A.R.S. § 41-2501 M & O*).

4. Motor Vehicle Division third party authorizations when certain conditions exist (*A.R.S. § 41-2501 AA & BB*).

HOW THE BUYING PROCESS WORKS

The information provided in this guide describes, in simplified form, the purchasing process used for purchases subject to the Arizona Procurement Code by ADOT. The process begins with the development of a requisition by the using department within ADOT and is completed once a purchase order is issued, goods and/or services are received, and payment is made.

TYPES OF PROCUREMENTS

Purchases that can be processed directly by the ADOT User without going through the purchase requisition process are:

Small Dollar Purchases (Under \$5,000)

Units in ADOT may make small dollar purchases for non-contract items by utilizing a decentralized purchase order.

Contract Purchases

Units in ADOT may issue a contract release order (purchase order) for the purchase of goods and services that are currently under contract with a vendor.

Purchases that must be processed through ADOT Procurement are:

Purchases Over \$5,000

All purchases \$5,000.00 and more and not currently on contract, must be processed through Procurement. The end user submits a purchase requisition to Procurement to begin the solicitation process.

SOLICITATION PROCESS

A critically important step in the procurement process is the solicitation of competition. Solicitations are broken into two basic categories – **Informal** and **Formal**.

INFORMAL SOLICITATIONS (UNDER \$50,000)

Purchases Under \$5,000

For purchases of less than \$5,000, authorized ADOT Users shall utilize procedures outlined under “Small Dollar Purchases” providing for adequate and reasonable competition and making records to facilitate an audit trail.

Purchases \$5,000 - \$49,999.99

The User submits a requisition to Procurement. A Procurement Officer determines the most appropriate method to obtain the goods or services and comply with the Small Business Rule. The Procurement Officer makes the award.

FORMAL SOLICITATIONS (OVER \$50,000)

Formal solicitations are required for non-contract procurements that are expected to exceed \$50,000. All formal solicitations are conducted by a Procurement Officer. Following are commonly used Formal Solicitation methods:

Invitation for Bids (IFB)

The formal solicitation process of sealed bids is used for the procurement of goods and services that are clearly specified. Notice of IFB's are sent to all vendors registered on the ProcureAZ website prospective bidders list for the appropriate commodity or service. Bids are evaluated by Procurement and the user. Procurement makes award to the lowest responsive and responsible bidder and executes the contract.

Request for Proposals (RFP)

The formal solicitation process of sealed proposals is used for the procurement of professional/consultant services and for goods/ equipment which are not specifically defined and require evaluation of different proposals to determine which one is the most advantageous to the State, price notwithstanding. Notices of RFP's are sent to all suppliers registered on the ProcureAZ website prospective bidders list for the appropriate commodity or service. The RFP will contain evaluation criteria to be used in the evaluation process. The evaluation process may include formal presentations, discussions and submittal of a Best and Final offer. A selection committee, under the direction of the Procurement Officer, evaluates and submits a written award recommendation and evaluation summary to Procurement. Procurement reviews the recommendation, makes the award and executes the contract.

Strategic Contract Center (SCC) Contracts

An SCC Contract is one generated by one state agency for use by all state agencies. ADOT Procurement utilizes ProcureAZ for these contracts and offer submission is completed electronically on the ProcureAZ system.

PRE-BID/OFFER CONFERENCES

For some solicitations, a pre-bid/offer conference may be included as part of the process. Bidders/offerors may attend to learn more about the solicitation, ask questions, or get clarification.

SUPPLIER'S ROLE IN THE SOLICITATION PROCESS

As a supplier who would like to do business with the Arizona Department of Transportation, there are steps you may take to assist you in this endeavor.

REGISTER YOUR BUSINESS

ADOT Procurement utilizes the State vendor registration system to obtain lists of bidders/offerors. This online vendor registration is available at: <https://procure.az.gov/bso/> and select "Register" on the menu. Once you are registered, you will receive notification of solicitations for the commodities or services your

business provides. There is no cost to the vendor to register. You will be able to use your own computer or computers at any Public Library.

OPEN SOLICITATIONS

Information about solicitations that are currently available for bid or offer are available on ProcureAZ: <https://procure.az.gov/bsa/>, select “Contract & Bid Search” on the menu. Bids/offers must be submitted online.

SUBMITTING A BID/OFFER

To submit a bid/offer, you must register on ProcureAZ: <https://procure.az.gov/bsa/> Read the entire solicitation carefully and complete it in its entirety. **Absolutely** NO bids/offers are accepted after the deadline.

CONTRACT ADMINISTRATION FOR THE SUPPLIER

NON-PERFORMANCE

Should an individual or firm fail to meet any requirements of a contract specification or purchase order, they could be cited for non-performance. Each non-performance will be evaluated based upon the circumstances surrounding each violation. ADOT may terminate the contract for default if it is in the best interest of the state.

CONTRACT RENEWALS

Generally, term contracts are established for one year with an option to renew annually for up to 48 months. The supplier will receive an amendment from the Procurement Officer requesting an extension of the contract. Once the supplier has signed and returned the amendment, the renewal extends the contract for an additional 12 months.

INSURANCE

When a solicitation specifies insurance requirements, it is the responsibility of the supplier to provide a certificate of insurance specifying that their company is in compliance. This documentation must remain current throughout the life of the contract.

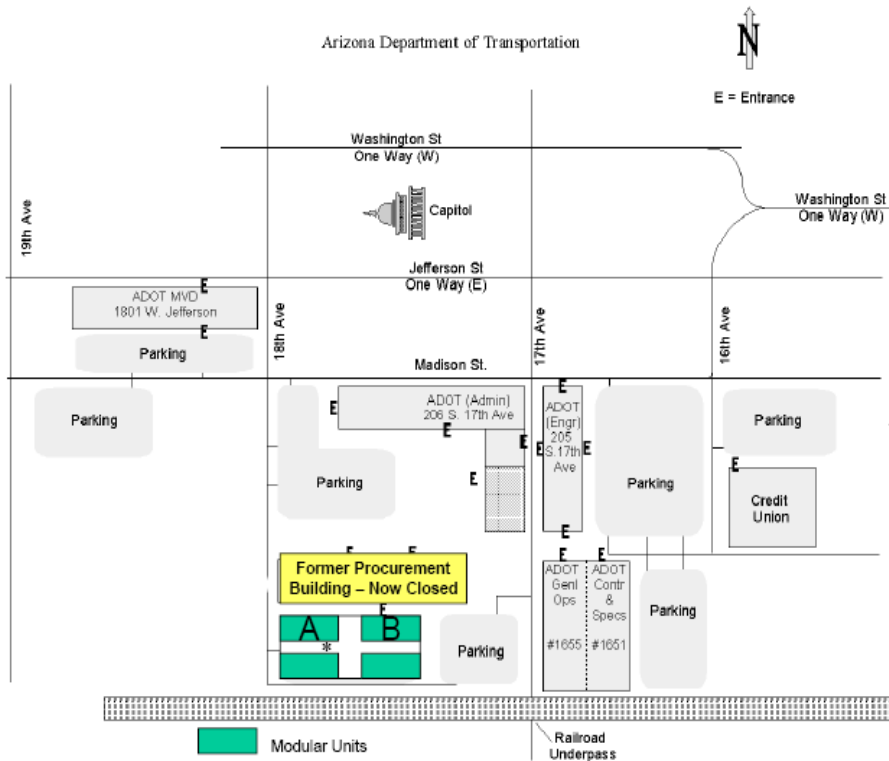
PAYMENT

The Arizona Department of Transportation requires a 3-way match of a purchase order, vendor invoice, and receipt of the goods/services purchased. Purchases must be shipped to the ship to address listed on the purchase order and invoices must be mailed to the bill to address listed on the purchase order (unless there are special directions in the body of the purchase order). Every purchase order contains ADOT Procurement’s address in the header. Purchases and invoices sent to the Procurement address are delayed until the actual purchaser can be located.

HOURS OF BUSINESS

ADOT Procurement office is open for business from 8:00 a.m. to 5:00 p.m., Monday through Friday with the exception of holidays.

Map for ADOT Procurement



*ADOT Procurement reception area is located at the south entrance of Suite A.