



Department of Property & Procurement

Government of the United States Virgin Islands

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HTTP://DPP.VI.GOV



Division of Procurement Policy No. 012016

To: All Government Agencies - Agency Heads, Directors, Managers and Supervisors

From: Randolph N. Bennett  Approved on September 21, 2015
Commissioner, Property & Procurement

Prepared By: Division of Procurement

Effective Date: October 1, 2015

The PURPOSE of this policy is to provide guidance, promote awareness and ensure consistency throughout the Government of the Virgin Islands with processes and procedures that are consistent with the Virgin Islands Code and the Department of Property and Procurement guidelines.

A. Advertisements

Please submit to the Department of Property and Procurement a signed justification letter from Agency Head, with a point of contact for the user agency, addressed to Commissioner of Property and Procurement, requesting formal advertisement of a specific project.

For Construction Projects

- Specifications and drawings approved by the Department of Public Works (if applicable)
- An In-house cost-estimate, i.e. scope of work/bid sheet, stamped by the Department of Public Works Division of Engineering along with a blank bid sheet
- A Purchase Order that is at least equal to the engineers estimate of the project or a letter from Public Finance Authority stating the specific project name and funding amount available for the project
- The total completion time of project

For Professional Services and Supply Service Projects

- A scope of work
- Proposed source selection evaluation criteria (if applicable)

B. Requisitions

For purchases under \$5,000, user agency must attach at least one (1) quotation for the vendor of choice.

In accordance with §239(a)(3) Supplies, materials and equipment may be purchased and contractual services negotiated for, in the open market provided that "the aggregate amount involved is not more than \$50,000; provided however, that no more than one such purchase of the same supplies, materials,

or equipment or contract for the same professional service shall be made by any agency or semiautonomous agency of the Government from any person, firm, partnership, or corporation in any 30 day period; and provided, further, that only the head of the department or agency or semiautonomous agency or the certifying officer is authorized to certify expenditures between \$5,000 and \$50,000 for open market purchases and negotiated contracts for services, made pursuant to this paragraph and provided further that at least three quotations be sought from several vendors and the purchase be made from the best value."

- "Best value" means the expected outcome of an acquisition that, in the Government's estimation, provides the greatest overall benefit in response to the requirement.

The quotes must include "substantially equivalent line items" in order to be considered comparable. A certifying officer and/or an authorized representative from your agency must print name, sign and approve the quotation that is being accepted by your department. It is not necessary to have vendors sign quotations.

- A "substantially equivalent line item" is defined as a unit of information shown on a quotation as a separate line of its own that can be considered in the same manner, for example:
 1. HP - 15.6" Laptop - AMD A6-Series - 4GB Memory - 500GB Hard Drive
 2. Lenovo - G50 15.6" Laptop - Intel Core i3 - 4GB Memory - 1TB Hard Drive - Black
 3. Dell - Inspiron 15.6" Touch-Screen Laptop - AMD A6-Series - 4GB Memory - 500GB Hard Drive

In addition to the three quotes for purchases and services between \$5,000 and \$50,000, the Department of Property and Procurement requires a justification letter, signed by the agency head, attached to the requisition. The justification letter must describe the need for the purchase, describe why the Agency determined that the product or service chosen provides the greatest benefit to the Government and it must also show that competitive prices were obtained from other suppliers.

User Agencies may purchase or contract for supplies, materials, equipment and contractual services from an off island vendor provided that "all other factors which pertain to the purchase or contract, including quality and availability, are substantially equivalent," than that provided by a local vendor(s) and the local vendor has a price variance that is greater than 15%. Attach at least three (3) quotes.

All Professional Service Contracts must be sent to Property and Procurement for approval. If the total contract is under \$50,000 it is exempted from the competitive bidding process if at least three quotes are provided showing competition was attained. A signature line for the Commissioner of the Department of Property and Procurement must be included on all Professional Service Contracts.

For purchases of supplies, materials and equipment from a vendor other than Central Stores and Warehouse, a price quote from Central Stores affirming that the product is unavailable must be attached to the requisition.

If you are unable to provide three (3) quotes, a justification letter must be sent to the Commissioner of Property and Procurement for approval. If the intent of the justification letter is to seek approval for an exception to the Virgin Islands Procurement Code, then that relevant section of the law must be referenced in the justification letter. Include an approval/disapproval signature block on all justification letters.

Year-end encumbrances must be for the fulfillment of contracts or related to expenses incurred during that fiscal year.

Invoices must not be submitted as a requisition and should be sent for payment to the Department of Finance. ***An invoice submitted as a requisition in an attempt to receive a purchase order is a confirming order and will be rejected.*** Confirming orders must be ratified by the Legislature and approved before payment to the vendor can be effectuated.

In the ERP under Purchase Order Processing; Requisition Entry; Main

- Enter a General commodity code for all line items

In the ERP under Purchase Order Processing; Requisition Entry; Terms/Miscellaneous

- Review – State whether Vendor is Local (LOC), Off Island Vendor (OFIS), etc.

In the ERP under Purchase Order Processing; Requisition Entry; Line Detail

- Flag all fixed assets and attached a fixed asset tracking form which is available online at <http://www.usvifinance.info/html/DOF-Forms.html>. A **fixed asset** is items of property that are tangible in nature; have significant value (\$500 or above); have an economic useful life longer than 1 year; maintain their identities, either as separate entities or as identifiable components; are not repair parts or supply items; and are used in the conduct of the Government of the Virgin Islands activities.

****Note** Requisitions will not be held pending corrections.**

The Department of Property and Procurement will enforce Finance SOPP #105 – Requisitioning, which is available at <http://www.usvifinance.info/html/Financial-Policies.html>

C. Construction Contract Payments

Contracts payments must be submitted on the correct forms listed below

- Schedule of Amounts DPP-SOA-78-86 Revised 3-18-08
- Periodical Estimate for Partial Payments DPP-PE-76-86 Revised 3-18-08
- Contract Change Order DPP-77-86 Revised 3-18-08
- Release of Claims

****Note** These forms are available on our website at <http://dpp.vi.gov/forms-documents>**

Contract payments shall be submitted to Property and Procurement within 10 days after signature of the Commissioner of the user agency and no later than 30 days after the date stamped by DPW on the Periodical Estimate for Partial Payment.

Payments shall be accompanied with a cover letter from Commissioner of Department of Public Works to the user agency Commissioner approving such payment and an additional cover letter from the user agency to the Commissioner of Property and Procurement.

User agencies must submit five (5) signed copies of payment documents approved and signed by all respective parties (User Agency Commissioner and DPW Commissioner).

Contract payments will be approved once the work period falls within the terms of the contract. If the work period falls outside the terms of the contract, Property and Procurement will not process payments unless an executed contract change order has been processed prior to the completion date of the contract.

A request for a Change Order (CO) on a contract to extend it beyond the agreed completion date must be received by the Department of Property and Procurement at a minimum ten (10) days prior to the contract's existing effective completion date.

****PLEASE NOTE****

It is the responsibility of Departments/Agencies to use the User Agency Contract Checklist at <http://dpp.vi.gov/forms-documents> before submitting a contract to the Department.

During procurement process and/or during a protest, **do not** communicate with contractors/vendors who submitted proposals and/or bids. Please direct all concerns and questions to Property and Procurement, Division of Procurement Deputy Commissioner and/or Chief of Procurement and Contracts.

If you have any questions or concerns in regards to this policy and/or any of our forms, please feel free to contact Deputy Commissioner Latisha Blyden at (340)774-0828 ext. 230 or via email at latisha.blyden@dpp.vi.gov