City of Allentown
Procurement
Process Flow Narrative
2026

The Procurement Department is responsible for buying goods and services through a procurement process, including managing purchase orders, overseeing the procurement process preparation to ensure regulatory compliance. All purchases must comply with the annual budget established by Administration and approved by City Council.

I. Project Information Form (PIF) and Advertising Process for Commodities, Capital Projects and RFPs

1. A Department identifies a need for a commodity or service that will go through the bidding process.

2. The Department completes a Project Information Form (PIF) and forwards it to Procurement.
   a. A PIF is a digital document used to collect and summarize the core details of a project before it begins.
   b. The Department accesses the PIF from PowerApps.
      i. PowerApps is a Microsoft tool that lets you build custom business applications.
   c. The PIF must include:
      i. The scope of work,
      ii. Name and description of project or product,
      iii. Funding,
      iv. The Department's description of what they want to buy,
      v. The cost of the project, and
      vi. Signatures from the Contract Administrator and the Department Director.
   d. The PIF is forwarded to Procurement via email.

3. Procurement approves or rejects the PIF.
   a. The PIF is approved through PowerApps.
   b. Rejected: The PIF is rejected in PowerApps if there is any missing information.
      i. Procurement requests the missing information from the Department.
      ii. The Department resubmits the PIF to Procurement via email.

4. Procurement prepares the Solicitation Package.
   a. The Solicitation is ITB and RFP process.
   b. The Solicitation Package provides all information related to the ITB or RFP, including the terms and conditions, contract requirements, and other relevant details. It serves as the basis for subsequent procurement activities, including proposal evaluation, scoring, and contract development.
   c. For RFPs, Procurement provides the Department with three sample solicitation packages from similar previous projects. These samples serve as reference to help the Department understand the required content and properly prepare its solicitation request.

    d. Once the Department understands the requirements for the Solicitation Package, Procurement emails the Department requesting the information needed to complete the Solicitation Package, including the following:
        i. Scope of work: a detailed summary of project requirements to help Procurement understand the full scope of work needed,
        ii. For an RFP, the scoring criteria: the Department defines the evaluation criteria, including how technical proposals and cost proposals would be weighted and scored,
        iii. The contract terms: contract length and number of renewal options needed based on project requirements,
        iv. For ITBs, the proposal page,
        v. For ITBs, the pricing details: these clarify whether the project is in phases or bundled as a whole, and
        vi. Any other attachments to go with the bid or RFP.

5. Once Procurement receives all the information, Procurement drafts the ITB/RFP and works with the Department to finalize the Solicitation Package and prepare pre-bid meetings.
    a. A pre-bid meeting is an in-person meeting between the Department and prospective vendors to review the scope of work, answer questions, and provide guidance on navigating the PennBid system and the solicitation requirements.
    b. The Department determines if a pre-bid meeting is needed for the scope of work and formally asks Procurement to create the meeting and schedule the meeting If needed.
    c. Procurement schedules the meeting and classifies it as either:
        i. Mandatory: only Vendors who attend in person are eligible to submit a bid.
        ii. Non-mandatory: Open to all vendors. Missing the meeting does not create conflict of interest, as every vendor was given equal opportunity to attend.

6. Procurement uploads the completed Solicitation Package directly to PennBid.
    a. PennBid is an online procurement website.

7. Procurement prepares the solicitation advertisement, which will be distributed to prospective vendors.
    a. The advertisement includes key project information, such as important dates, a brief project description, and instructions for accessing the complete solicitation package.
    b. The pre-bid meeting dates are outlined on the Solicitation Package.

8. Procurement logs onto the Pennsylvania Department of General Services (PDGS) website and inputs keywords to generate a list of pre-approved, certified state vendors that match the solicitation criteria.
    a. This allows Procurement to utilize pre-qualified, state-vetted vendors, reducing procurement time and administrative effort while ensuring compliance requirements have been met.

9. Procurement emails the official advertisement details to the vendors who match the solicitation criteria.
    a. The advertisement details are typically emailed within one hour to two business days after it has been uploaded on PennBid.

   b. If there are issues accessing PennBid, Procurement will post the solicitation details directly on the City of Allentown website, ensuring that all vendors can access and submit bids through PennBid.

II. <u>Bidding for Commodities, Capital Projects and RFP's Process</u>

1. The total estimated cost on the PIF determines the required Procurement path and PennBid posting rules:
   a. Under $10,000:
      i. Advertising and bidding are not required but is still encouraged to ensure competitive pricing; otherwise, the Department finds quotes.
      ii. If finding quotes, the Department must find one (1) quote if goods or service costs $0.01-$3,999 and two (2) quotes if goods or service costs $4,000-$9,999.
      iii. Uploading to PennBid is optional and only required if bidding.
   b. $10,000 to $39,999:
      i. Advertising and bidding are not required but is still encouraged to ensure competitive pricing; otherwise, the Department finds quotes.
      ii. If finding quotes, the Department must find three (3) quotes.
      iii. Uploading to PennBid is optional and only required if bidding.
   c. Over $40,000:
      i. Advertising, bidding and written contracts are mandatory.
   d. Regardless of the total estimated cost, if the Department utilizes an approved Cooperative Contract or sole/single-source waiver, finding quotes or advertising/bidding process are not required.
      i. Cooperative Contracts: A "group buying" agreement that allows multiple governments or public organizations to skip the bidding process by Procurement goods or services through an already established, bulk-rate contract negotiated by another agency/state.
      ii. Single/Sole Source Waiver: A waiver to bypass the competitive bidding process because *only* one specific vendor can provide the required goods or service due to unique expertise, patents, or an emergency.

2. Procurement posts the Invitation to Bid (ITB) on PennBid.
   a. The ITB must remain open for a minimum of four (4) weeks on PennBid.
      i. If an emergency, the timeline may be reduced to three (3) weeks. Procurement must update the timeline on PennBid, which will automatically notify registered vendors of the revised deadline.
   b. Within the 4-week bidding window, a specific 2-week period is allocated for vendor Q&A.
   c. The pre-bid meetings are also hosted within these 4 weeks.
      i. Vendor inquiries must be formally posted on PennBid to receive a response. If the inquiry is sent directly to Procurement or the Department, Procurement cannot answer the vendors question and must inform the vendor that the inquiry must be posted on Penn Bid to be answered there.
      ii. If the required 2-week Q&A window is compromised, Procurement must:
         1. Stop the bidding process,
         2. Update and repost the ITB and,
         3. Issue an addendum so that all vendors are notified of:

    a. changes
    b. new bid request
    c. ITB specs, and
    d. any other bidding information.

3. Once the bid has closed, no changes to the ITB submissions are permitted.

4. Procurement schedules a bid opening immediately after the ITB closes, and they invite:
    a. Controller's Office - mandatory,
        i. To ensure independence, accuracy and avoiding pay-to-play, Procurement opens all proposals with a City Controller representative present.
        ii. If a City Controller representative cannot attend, the opening must be rescheduled.
    b. Department - optional, and
    c. Vendor - optional.

5. Procurement opens the bids in PennBid and ensures the following is included with the bid:
    a. The Vendor signature,
    b. A bid bond/check,
        i. Check must be a minimum of 10% of the total price, and
    c. The Proposal Page: a document the Vendors use that outlines what the Vendors are bidding on and their bid prices. The proposal page is submitted to help keep everything uniform and ensure everyone is bidding on the same items.
    d. If the information is missing, the Vendor bid is disqualified and the next lowest Vendor bid is chosen, or the bidding process must be restarted.

6. When evaluating bids, if the second lowest bidder is in Allentown and their price is within 5% of the lowest bid, then the award may be given to the Allentown vendor.
    a. This is for evaluation purposes only; the Vendor is paid their original bid price.

III. <u>RFP Scoring Process</u>

The RFP Scoring Process is intended for professional services such as consulting, engineering and similar work where the Department cannot precisely determine the final scope in advance. Typically, these procurements exceed $40,000 and require formal solicitation and a written contract.

1. Before awarding a contract, Procurement reviews the Technical and Cost proposals to ensure they are submitted separately and remain strictly independent.
    a. Technical Proposal: Must only describe the scope of work and execution plan. Any mention of cost will result in disqualification of the bid.
    b. Cost Proposal: Must only break down the pricing and performance obligation costs. Any mention of technical details will result in disqualification of the bid.
    c. Bids are immediately rejected if either of the proposals are missing, or if information is mixed between the two.

2. Procurement submits the **Technical Proposals** to the Voting Committee for review.
    a. Anyone can be on the Voting Committee. It is up to the Committee's Project Administrator whether the member is voting.

        i. The voting members are non-bargaining.
   b. Committee members have one week to thoroughly review the technical proposals.
   c. Participation is mandatory; every committee member must review the documents.

3. During the evaluation meeting, the voting committee discusses and scores the **Technical Proposals**.
   a. Committee members record their scores in Excel.
   b. The individual score sheets are then uploaded to the RFP's Teams channel, while Procurement collects and maintains the official "master copy" in the "master file".
      i. Microsoft Teams is a digital workspace that brings your team's communication and files together in one place.

4. Once the Technical Scoring is complete, Procurement submits the **Cost Proposals** to the voting committee for review.
   a. Anyone can be on the Voting Committee. It is up to the project administrator who is put on the committee and whether the member is voting or non-voting.
      i. The members are non-bargaining members.
   b. Committee members have one week to thoroughly review the technical proposals.
   c. Participation is mandatory; every committee member must review the documents.

5. During the evaluation meeting, the voting committee discusses and scores the **Cost Proposals**.
   a. Committee members record their scores in Excel.
   b. The individual score sheets are then uploaded to the RFP's Teams channel, while Procurement collects and maintains the official "master copy" in the "master file".

6. If a Voting Committee member leaves during the scoring process or there is conflict of interest, Procurement disqualifies the departing members' technical and cost scores.

7. Procurement identifies the top-scoring vendor, making sure the committee agrees on the choice and that every member followed the RFP scoring rules correctly.
   a. If the committee's membership decreases from the required minimum of three members to two due to a member's departure, the committee no longer meets the minimum membership requirement.
      i. Currently, Procurement does not have a defined process for this situation.
   b. If the committee cannot reach a consensus or needs further evaluation, they will require oral presentations from the Vendors.
      i. The Committee chooses the top three highest scoring vendors to initiate the oral presentation phase.
         1. The Committee drafts questions to ask the Vendors and sends them to the selected Vendors so they can prepare.
         2. Each oral presentation meeting is strictly timed as follows:
            a. 30 Minutes: Vendor presentation.
            b. 15 Minutes: Interactive Q&A session.
            c. 15 Minutes: Vendor exits the room, and the Committee deliberates and scores the presentation (worth up to an additional 15 points).
   c. If the Committee is still divided and has not reached a decision, Procurement schedules another evaluation.

d. The Vendor with the best technical, cost and oral presentation will be awarded the bid and contract.

IV. Awarding the Bid for Commodities and Capital Projects Process

1. Procurement collects all bidding documentation for the required goods or services and sends it to the Department for review.
2. Procurement requests an email confirmation from the Department identifying the selected vendor and confirming the Department's agreement with the recommendation based on the RFP evaluation results or the bid tabulation sheet review.
3. Procurement and the Department work together to determines the award structure. If a high volume of goods/services is required, the contract may be awarded to multiple vendors utilizing a pricing hierarchy by line item or group.
4. Procurement prepares the resolution for City Council's approval.
    a. A City Council contract resolution is an official statement or decision made by a City Council to express its approval or position regarding a specific contract.
5. Procurement conducts background checks to ensure the selected Vendor(s) qualify.
6. If City Council approves the resolution and Procurement receives the fully executed resolution, Procurement officially awards the solicitation and proceeds with the contract development process.
    a. If City Council approves the resolution and it is signed by the City Clerk, the resolution gets sent to the Project Manager letting them know they can enter into the contract.
    b. If City Council rejects the resolution, the draft agreement is halted, and the entire RFP scoring & bid process must be restarted.

V. Contract Writing Process for Commodities, Capital Projects and RFPs

1. The Department enters all necessary contract information into the MUNIS Contracts module.
    a. Once entries are completed, the Procurement Sourcing Specialist is notified through MUNIS of the data entry and starts the process of writing the draft agreement.
2. Procurement writes the draft agreement.
    a. A draft agreement is a preliminary, unsigned version of a contract used for review and negotiation.
    b. The draft agreement must explicitly warn the vendor not to purchase materials or begin work until they have a fully executed contract.
    c. Procurement attaches the vendors proposals, the solicitation, Corporation information, resolution, award letter, tab sheet for bids, and any addendum that may have been issued to the draft agreement.
    d. Incorporation information and tab sheets are not included in the final contract.
    e. Vendors must honor their bid pricing for 90 days to allow time for the contract to be fully executed.
        i. If the contract is not fully written and the Vendor agrees, Procurement can extend the 90-day window.

    ii. If the Vendor does not agree to the extension, the contract cannot be executed and the process restarts.

a. Once the draft agreement is completed, Procurement sends the draft agreement to Legal.
    a. Legal reviews the document to ensure accuracy and proper legal form.
    b. Legal approves the draft agreement; the agreement then moves through the following approval workflow:
        i. Requisitioner,
        ii. Department Supervisor,
        iii. Department Director, and
        iv. Procurement.
    c. Legal sends the draft agreement to the Vendor for review and signature.
    d. The Vendor signs the draft agreement and sends the draft agreement back to Legal, creating a semi-executed contract.
        i. A semi-executed contract is only signed by the Vendor.

3. The Semi-executed contract works through secondary approval workflow:
    a. Risk,
    b. Purchasing Agent,
    c. Revenue and Audit,
    d. Finance, and
    e. Legal: Legal collects the required bonds from the Vendor. To officially award the contract, Legal must verify the following three types of bonds were submitted:
        i. Performance bond:
            A. A financial guarantee issued by an insurance company or a bank (called a surety) to ensure that a contractor finishes a project exactly as agreed upon in their contract.
        ii. Labor and Materials bond:
            A. A financial guarantee that ensures a Contractor will pay all their subcontractors, laborers, and material suppliers on a project.
        iii. Maintenance bond:
            A. A Vendor's guarantee that, after a project is completed, the product, service, or work performed will remain functional and free from defects for a specified period.
        i. A Certificate of Insurance (COI):
            A. A COI is a formal, one-page document that serves as official proof that a business or Contractor has active insurance coverage.

5. Once approved, Legal forwards the paper contract to the Mayor and Finance Director for approval and signatures.

6. Procurement verifies the contract is fully approved and signed.
    a. If the contract is not fully approved, the contract writing process must restart.

VI. <u>Requisition Process</u>

This process applies to requisitions under $40,000 (excluding commodities, capital projects, and RFPs). However, certain exceptions may allow requisitions over $40,000 to follow this same path. Requisitions skip the contract writing and bidding process, going straight to a Purchase Order (PO).

1. The Department identifies goods or service that go through the requisition process and gets a quote depending on the spending threshold.
    a. Spending threshold $0.01-$3,999, 1 quote is required.
    b. Spending threshold is $4,000-$9,999 spending threshold, 2 quotes are required.
    c. Spending threshold is $10,000-$40,000, 3 quotes are required.
    d. Spending threshold is $40,000+, formal solicitation required.
    e. Regardless of dollar amount, if a Cooperative Contract, cooperative contract number must be on quote so Procurement can verify contract exists. If item is on cooperative, then quote sourcing and bidding is bypassed. If contract is not active or item is not listed on contract, then Procurement directly contacts vendor for clarification.
    f. Regardless of dollar amount, if a Single/sole source, Procurement requests from vendor their single/sole source letter from the manufacturer.

2. The Department enters all requisition information into MUNIS:
    a. Fiscal year,
    b. Requisition number,
    c. Created Date,
    d. Department,
    e. Description,
    f. Date Needed by,
    g. Buyer,
    h. Item(s),
    i. Item quantity,
    j. Unit Price,
    k. Budget account numbers for items, and
    l. Quotes as backup or proof of their pricing.

3. Once submitted in MUNIS, the requisition form is approved through a predetermined approval queue.
    a. If the requisition is under $40,000, the approval workflow is:
        i. Submitter,
        ii. Department Supervisor,
        iii. Department Director,
        iv. Finance Director (if $10,000+)
        v. Risk (depending on expense account).
    b. If the requisition is over $40,000, the approval workflow is:
        i. Submitter,
        ii. Department Supervisor,
        iii. Department Director,
        iv. Finance Director (if $10,000+)
        v. Risk (depending on expense account),
        vi. Legal,
            1. If the expense Account number is 50044 or 50046 (anything that deals with professional services), Legal does not review.

vii. City Council,
viii. Procurement Sourcing Specialist
    1. If the Procurement Sourcing Specialist rejects the requisition, they explain in MUNIS why it was rejected.
ix. Purchasing Agent.
    1. If the Purchasing Agent rejects the requisition, they consult with the Procurement Sourcing Specialist. If the rest of the Procurement department agrees with the Purchasing Agent, the requisition process must be restarted.

c. If the information is missing, the Submitter enters all the missing requisition information into MUNIS, and the requisition entries go through the employee workflow for approval.
d. If the requisition is $40,000+, Procurement will question why It is a requisition and why the cost is so high.

4. Once the requisition is fully approved, Procurement turns the requisition into a PO.

VII. <u>Emergency Purchase Process</u>

1. The Department contacts Procurement to report the need for the emergency purchase.
    a. An Emergency Purchase is defined as an expedited purchase required to address an immediate threat to the health, safety, or welfare of City of Allentown citizens. Because of the urgent need to mitigate public danger, emergency purchases bypass several standard bidding and approval protocols required for routine procurements.

2. The Department determines the target scope of the repair needed.

3. Once the scope of repair is identified, the Department immediately contacts a qualified vendor to perform the emergency work.
    a. If a primary contracted vendor is unavailable, the Department reaches out to a second vendor capable of performing the work.
    b. If no secondary contracted vendor is available, the vendor qualification is temporarily disregarded to ensure the immediate emergency is addressed.

4. The Vendor performs and completes the emergency work.
    a. There is no upfront cost control and no spending limit for the emergency purchase; the priority is addressing the immediate threat.
    b. If the Primary Vendor runs out of supplies, the department will reach out to the other contracted vendors to secure what is needed.

5. After the work is complete, Procurement receives the quote from the Vendor.
    a. Based on the quote, Procurement determines the total cost of the emergency purchase.
    b. If the final total has exceeded the $0.01-$3,999 spending threshold, the Department has five (5) days to fill out the formal emergency procurement waiver.
        i. The emergency procurement waiver is a form used to justify bypassing the bidding process and/or finding quotes. To be approved, the waiver must include the following information:
            1. Vendor name and phone number,

2. The date requested and date of incident,
3. The estimated cost,
4. Department who is responsible for emergency purchase,
5. Description of the product or service,
6. The account number,
7. Whether it is a grant or not,
8. Vendor number,
9. Email and address,
10. Whether it is an emergency procurement,
11. Reason for departure from the purchasing procedure,
12. Any supporting comments/documentation,
13. Signature from Department head, Purchasing Agent, and from the Mayor (if above $10,000)

c. If the Department misses the five (5) day window, the emergency purchase cannot be justified and approved.

6. Procurement creates the PO.

VIII. PCard Process

1. An employee gets approval from the Department Supervisor/Director to have a PCard.
2. After the employee or the Department receives approval, the Purchasing Agent contacts the bank for a new PCard.
3. The Purchasing Agent ensures the employee or Department fills out a P-Card application form and attends a mandatory training session.
4. Once the PCard is received, the Purchasing Agent enters the PCard details into MUNIS.
5. The PCard is delivered to the Department or employee.
    a. Newly issued P-Cards are automatically set to a standard spending threshold of $0.01 to $3,999 per transaction.
6. On a weekly basis, Procurement imports all PCard transactions from the bank e-system.
    a. E-system is a digital platform that handles transactions over the internet.
7. The PCard holder gets notification from MUNIS that they have transactions to update by entering the following information:
    a. Vendor number,
    b. Invoice number,
    c. Charge description,
    d. Account number (the budget line being billed) and,
    e. A copy of the physical receipt.
    f. The PCard holder needs to make all updates within three days of receiving the notification from MUNIS.
8. After all the information is updated in MUNIS, the transaction goes through the approval workflow.

    a. Submitter,
    b. Department Supervisor,
    c. Procurement Sourcing Specialist, and
        1. If any required information is missing in MUNIS, Procurement rejects the transaction and returns it to the Department for completion. The Department is responsible for providing the missing information before resubmitting the transaction.
        2. If all information is received, Procurement approves the transaction.
    d. AP.

9. If fraud is suspected, the Department or employee must promptly file a credit card dispute.
    a. The bank will investigate the disputed transaction to determine if fraud occurred.
    b. During the investigation, the bank may issue temporary credit, which will appear on the PCard statement.
    c. Once the investigation is complete and the fraud is officially verified, the credit becomes permanent, and the Department must record the refund in MUNIS Invoice Entry.