

# **THE PRESIDIO TRUST** **PROCUREMENT POLICY**

Superseded April 24, 2017

## **Section I – Overview**

**1.1 Purpose.** This Procurement Policy (“Procurement Policy” or “Policy”) establishes policy and guidance to provide an efficient and effective way to obtain needed goods and services for the fulfillment of the Presidio Trust’s (“Trust”) mission.

**1.2 Legal Authority.** This Policy is developed pursuant to the [Presidio Trust Act, 16 U.S.C. §460bb appendix](#) (“Act”). Section 104(b) of the Act directs the Trust to establish and promulgate procedures applicable to its procurement of goods and services including, but not limited to, the award of contracts on the basis of contractor qualifications, price, commercially reasonable buying practices, and reasonable competition. The Act provides that federal laws and regulations governing procurement by federal agencies shall not apply to the Trust, with the exception of laws and regulations related to federal government contracts governing working conditions and wage rates and any civil rights provisions otherwise applicable thereto. Although the Trust is exempt from most federal procurement laws and regulations, it has the discretion to adopt as part of its Procurement Policy the substance of those laws or regulations it deems appropriate. Unless stated specifically in (i) this Policy, (ii) procedures enacted pursuant to this Policy, (iii) the Act or (iv) legislation subsequently enacted, no procurement statute or regulation shall apply to the Trust’s procurements.

**1.3 Creation of Rights.** Nothing in this Policy creates or conveys any substantive rights.

**1.4 Applicability.** This Policy applies to all procurements by the Trust with the exception of the solicitation of tenants, purchase of utilities, and issuance of cooperative and interagency agreements. Waivers or deviations from this Policy may be approved by the Executive Director, provided such waivers or deviations are reported to the Presidio Trust Board of Directors in a timely manner.

**1.5 Key Principles.** This Policy embodies four key principles considered essential for achieving good procurement management. These are:

- ▶ Effectiveness – the timely and cost-effective procurement of products and services.
- ▶ Flexibility - the ability to make good decisions based on best practices for particular circumstances rather than rigid adherence to standard procedures.
- ▶ Efficiency - simple processes that achieve desired results without undue oversight or waste of resources.
- ▶ Public trust - achieved through fairness and open and honest communications with contractors, vendors and the public.

**1.6 Key Features.** The following are key features of this Policy:

- ▶ Establishes reasonable competition as the preferred method of source selection.
- ▶ Enables innovative and creative tailoring of procurement processes to meet individual requirements so that the right contractor is selected for each requirement.
- ▶ Selects contractors and vendors on the basis of the best overall value to the Trust when considering all its needs.

**Section II – Procurement Policy**

**21 Contracting Authority.** The Executive Director is designated the authority for carrying out all functions, powers and duties related to the procurement of goods and services for the Trust. Subject to the provisions of this Policy, the Executive Director, or his/her designee, has broad authority to enter into and perform such contracts, leases, cooperative agreements, or other transactions as may be necessary to carry out the functions of the Trust with any federal agency, or any instrumentality of the United States, any territory, or possession, or political subdivision thereof, any other governmental entity, or any person, firm, association, corporation or educational institution, on such terms and conditions as the Executive Director may consider appropriate.

The Executive Director may delegate to the Associate Director of Contracting broad authority to manage the Trust’s contracting functions. Contracts, agreements and other transactions may be approved on behalf of the Trust as follows:

Procurements up to \$500,000	Executive Director or Executive Director’s designee
Procurements between \$500,000 and \$1,000,000	Executive Director or Board Chairperson
Procurements of \$1,000,000 or greater	Board of Directors (budget approval constitutes procurement approval for all other expenses; Executive Director or Board Chairperson may execute transaction). Contracts for capital projects, including change orders over \$100,000, will be approved by the Finance Committee Chair prior to execution.

**22 Unauthorized Contractual Commitments.** Only those persons to whom authority has been specifically delegated by the Executive Director are authorized to commit the Trust to an expenditure of funds for materials/services. Trust’s employees, other than those who have received written delegation of authority, are not authorized to commit funds or enter into written or oral agreements with suppliers on behalf of the Trust.

**23 Conflict of Interest.** Any Trust employee or Board or other non-governmental member who has a real or apparent conflict of interest may be unable to render impartial, technically sound, and objective assistance, advice or decisions regarding procurement. Any employee or Board or other non-governmental member who has a real or apparent conflict of interest, must withdraw from participation in the procurement if law or regulation requires it.

**24 Contracts with Employees of the Trust or the U.S. Government.** Unless approved by the Executive Director, the Trust shall not knowingly award a contract to a Trust or a U.S. Government employee or to a business concern or other organization owned or substantially owned or controlled by one or more Trust or U.S. Government employees. This policy is intended to avoid any conflict of interest that might arise between the employee's interests and his/her government duties and to avoid the appearance of favoritism or preferential treatment by the Trust toward its employees.

**25 Disclosure of Information.** Except as may be required by law, the basis on which a procurement selection is made shall not be disclosed to or discussed with anyone other than Trust personnel and consultants on a need to know basis.

**26 Organizational Conflicts of Interest.** The Trust will avoid awarding contracts to contractors that have unacceptable organizational conflicts of interest. An organizational conflict of interest means that, because of activities or relationships with other persons, a proposed contractor is unable or potentially unable to render impartial assistance to the Trust, or the contractor's objectivity in performing the contract work is or might be impaired, or the contractor has an unfair competitive advantage. Persons with an actual or potential organizational conflict of interest should be instructed to contact the Trust at the earliest possible time to evaluate whether any conflicts of interest can be avoided or mitigated. The Trust will resolve organizational conflict of interest issues on a case-by-case basis. When necessary to further the interests of the Trust, an actual or potential conflict may be waived or mitigated at the Trust's discretion. As used herein, the term "person" includes any legal entity including a partnership, corporation or association.

**27 Ethics.** Trust employees are held to the highest standards of ethical conduct in the performance of their duties, and must conduct themselves so as to avoid even the appearance of any impropriety. All employees must employ the highest ethical business practices in source selection, negotiation, determination of awards and the administration of all purchasing activities.

**28 Guidance.** The following should be considered in planning for procurements.

- A. Best Value.** The Trust's policy is to procure products and services from sources that offer the best value to satisfy the Trust's mission needs. In selecting sources, the preferred method is to compete requirements for products and/or services among two or more sources.
- B. Preference for Commercial Items.** Preference should be given to using commercial items whenever possible. Development of a product, and its associated costs and risks, should be avoided unless commercial items capable of meeting the Trust's

needs are not available. If developmental items are required, the need should be documented in a specific procurement plan including quality assurance requirements.

- C. Single-Source Approval.** The Associate Director of Contracting shall determine whether the procurement may be conducted on a single source basis. The rationale for the single source procurement and its approval shall be documented in writing and shall become a part of the procurement file.