

# **PROCUREMENT MANAGEMENT**

## **STATEMENT OF WORK**

The purpose of the Project Procurement Management Plan (PPMP) is to establish and document the project specific procurement plan and activities deemed necessary to meet the goals and needs of the project.

The Conference Coordinator assigned to the project will be responsible for developing, writing, and distribution of the plan. The PPMP is to be reviewed by the Project Business Advisor and approved by the Project Manager (or his/her designee) and if required, the Client. PPMP should be completed, approved, and issued as early as feasible after project startup.

## **PROJECT PROCUREMENT MANAGEMENT PLAN**

### Procurement Process Activities

The Conference Coordinator is responsible for all purchasing activities, including receiving requisitions, establishing pricing through the competitive bidding process, bid tab analysis, preparing a priced requisition for Project Manager's (or designee) signature, purchase order (PO) placement (or email commitment/authorization of purchase), order processing, 3rd party rental (if designated by plan), expediting, and invoice assistance. Accounting will be responsible for PO closeout.

### Procurement Coordination

The Conference Coordinator is responsible for providing a copy of all PO/Contracts to all HSSE team members. Unpriced PO/Contracts will be provided to any external investors. The Conference coordinator will provide bi-weekly Procurement Reports to the Project Manager. The Project Manager will review and distribute final reports to key stakeholders.

Additionally, the Conference Coordinator shall maintain an electronic PO file and create a record keeping system designed to control, track, and retrieve any procurement related information procedurally required for reporting or auditing (PO log).

### Key Procurement Timetable

The following will be completed by the dates listed below:

- Venue PO Placed - by 09/02/22
- Caterer PO Placed – by 09/06/22
- Venue & Caterer Services for 4 days on or before 10

### Procurement Metrics

The Project Baseline Schedule, originated from MS Project, will be given to the Conference Coordinator from the Project Manager and used to evaluate which bidders meet the project needs. Upon award of PO/Contracts MS Project will be used to track the awarded vendor against the PO/Contract.

### Stakeholder Roles and Responsibilities

The Project Business Advisor will track and verify procurement activities ensuring project accuracy and quality completion. They will be engaged throughout the project to ensure appropriate processes are being followed to verify milestone progress and related billings. HSSE will also routinely audit the process and related controls to track and approve all procurement related change order costs and to validate Procurement Payment Milestones.

#### Authority and Constraints of the Project Team

The Conference Coordinator is assigned the responsibility and authority to commit company funds for materials, equipment, and services. The authorization to commit these funds is accomplished through a requisition/approval system.

#### Legal Jurisdiction and Payment Currency

HSSE requires all Third Parties to conduct business in compliance with all applicable laws, rules, and regulations applicable to the products, services and jurisdictions governing your business. Third Parties and their employees or agents must ensure that they understand how these standards and the law apply to their work on behalf of HSSE. No Third Party has the authority to require or request that their employees or anyone else violate these standards or any law or regulation. We reserve the right to assess and audit Third Parties in key performance areas through our own or a third-party assessment. Should a pattern of violation of these principles become known to HSSE and not be corrected the business relationship will be discontinued.

Payments to vendors will be made in USD. HSSE will be responsible for any Sales Tax related to procurement of procured material/equipment. The Project Price is inclusive of all sales tax associated with purchased equipment & materials that would not be applicable to HSSE's State of Texas nonprofit organizations exemption. HSSE has obtained a Texas nonprofit organization's exemption of tax certificate can be utilized to minimize the tax burden.

#### Evaluation Criteria

The Conference Coordinator is to purchase or provide material, venues, and services through qualified and approved sources offering the most economically evaluated cost, while taking into consideration quality, reliability, and services. Purchases should be accomplished through transactions with financially sound, reputable firms capable of satisfying the Customer's needs, and should be consistent with the efficient management and utilization of inventories where applicable.

#### Insurance

SELLER must maintain at all times with a reliable insurance carrier or carriers, at SELLER's sole expense, insurance policies providing sufficient coverage and limits to cover the liabilities assumed under this agreement. Insurance policies provided by SELLER shall include but are not limited to:

- (a) Workers' Compensation Insurance - statutory limits, and Employers' Liability Insurance - \$1,000,000 each accident, both coverages to apply to liability as applicable under any state or federal statute or through any common law process,
- (b) Business Automobile Liability Insurance including owned, non-owned and hired vehicle coverage - combined single limit for bodily injury and property damage of \$1,000,000 each accident,
- (c) Commercial General Liability Insurance - combined single limit for bodily injury, personal injury and property damage limit of \$2,000,000 per occurrence, and \$4,000,000 aggregate, including coverage for Products and Completed Operations and Contractual Liability;
- (d) Excess Liability (Umbrella) Insurance with a limit of \$5,000,000. Before commencing the Work, SELLER shall provide BUYER with certificates of insurance evidencing the policies and endorsements set forth herein and within ten (10) days of the renewal of such policies. HSSE and its Client shall be named as additional insureds on all SELLER's policies except Workers' Compensation to the extent of SELLER's liability.

## **SOURCE SELECTION CRITERIA**

### Approved Vendors List (AVL)

Project Specific Approved Vendors List (AVL) shall be used in selecting vendors to send Requests for Quotation and PO packages. Any deviation from the vendors shown on the Project AVL must be approved by the Business Advisor and Project Manager or his designee.

### Bid Evaluation

Conference Coordinator will then prepare a Commercial Bid Tabulation complete with the following information:

- Vendor Name
- Quotation Date
- Vendor Location or Material Shipping Point
- Lead Time
- State whether price(s) are Firm or Subject to Escalation
- Bid Validity Date
- Payment Terms
- Price for each item quoted
- Quoted or estimated freight to project site (if applicable)
- Advise if quotations meet project requirements
- Advise if there are any commercial exceptions
- Recommended Vendor

In most instances, the recommended vendor should be the “low bidder,” unless there are other extenuating circumstances that would make a higher bid more advantageous for project completion (i.e., a higher bid could meet a critical delivery requirement).

The Bid Tabulation will be signed by the Conference Coordinator and then be presented electronically to the Project Manager (or his designee) for approval signature.

#### Single/Sole Source Solicitations/Awards

- I. There may be instances when services, venues, and/or materials must be purchased as a single source or non-competitive award.
- II. A purchase may be deemed single source or non-competitive for various reasons including but not limited to any of the following:
  - No alternate vendor exists (single source)
  - Duplication of existing items
  - Revision to an existing PO
  - Rush-order to support critical schedule
  - Other special considerations

If less than two bidders are solicited for an award expected to exceed \$50,000, a Competitive Bid Waiver form is required to be signed by the Conference Coordinator, Business Advisor, and Project Manager and saved in PO file.