

# CITY OF LOS ANGELES

CALIFORNIA

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RICHARD J. RIORDAN  
MAYOR

**DATE:** December 26, 2000

**TO:** ALL WIA CONTRACTORS

**FROM:** Ann Giagni, Director  
Workforce Development Division  
Community Development Department

A handwritten signature in black ink, appearing to read "Ann Giagni".

**SUBJECT: DIRECTIVE 01- 34**  
**REVISED SMALL PURCHASE PROCEDURES IN PROCUREMENT:**  
**WIA YOUTH OPPORTUNITY PROGRAM AND ONE-STOP CONTRACTS AND**  
**SUBCONTRACTS**

This Directive is to inform all Workforce Development Division Contractors of a change by the State of California regarding small purchase procedures in procurement. Effective immediately, the upper dollar limit defining small purchases has been raised from \$25,000 to \$50,000. As this change in procurement procedures alters the terms of current WIA contracts, WDD Contractors may wish to attach this Directive to their contracts for future reference. **(Note: Welfare to Work small purchase limit remains at \$25,000.)**

The **dollar range of purchase** and the **contacts and method** of procurement have been revised as follows:

<u>Dollar Range of Purchase</u>	<u>Contacts and Method of Purchase</u>
\$0 to \$9,999	1 documented quote
A sales receipt is sufficient documentation of the quote. An approved vendor list is not required for "1 documented quote" purchases. Documentation can include product or service catalogs updated annually, current price lists, or telephone contact with the vendor to obtain a quote (i.e., a memorandum which reflects the oral quotation by source and is signed by a staff person of the contractor.)	
<u>Dollar Range of Purchase</u>	<u>Contacts and Method of Purchase</u>
\$10,000 to \$24,999	2 telephone bids
Unless sole source justification exists, at least two bids must be obtained. The documentation can include product or service catalogs updated annually, current price lists, or telephone contact with vendors to obtain quotes (i.e., a memorandum which reflects the oral quotations by source and is signed by the staff person of the contractor).	



**Dollar Range of Purchase**

\$25,000 to \$49,999

**Contacts and Method of Purchase**

3 telephone bids with proposers  
submitting a written bid with an original  
signature

Unless sole source justification exists, a minimum of three bids is required. In soliciting the bids, the specifications and requirements must either be provided in writing to the vendors or transmitted as uniformly as possible over the telephone. To be considered, the response must be signed and dated by the vendor.

**Dollar Range of Purchase**

\$50,000 and above

**Contacts and Methods of Purchase**

RFP/RFQ process only

Procurements for all contracts \$50,000 and above must be formally advertised through the Request For Proposal (RFP) and Request For Qualifications (RFQ) process.

Proposals shall normally be conducted with more than one source submitting an offer, and either a fixed-price or cost-reimbursement type contract is awarded. Contractors shall ensure that they use a documented methodology for technical evaluations and shall award the contract to the responsible offeror, whose proposals are most advantageous to the program with price, technical, and other factors considered.

RFQs are usually reserved for the selection of engineers, architects, or other highly specialized professional providers.

If there are insufficient vendors to provide the quotes, a sole source justification should be written. All sole source contracts require prior City approval. All sole source procurements must be documented, and the Contractor must have demonstrated performance in supplying the goods or services. To be considered, the response must be signed and dated by the vendor.

Should you have any questions, please contact Cora Soriano or Kevin McNeely of the Workforce Development Division, Contracts Unit at (213) 485-8428.

Thank you.

cc: Jessica Heinz  
WDD Analysts

AG:KM:hs