

# State Procurement Manual

DOA-3449 N(R06/94) Formerly AD-P-12

		Number PRO-C-8
		Effective 11-5-13
Section THE PROCUREMENT PROCESS	Agencies Affected ALL	Replaces 11-14-11
Title SIMPLIFIED BIDDING		Page 1 of 4

AUTHORITY: [Wis. Stats.](#) 16.75(1)(b) & (c)  
16.75(2m)(c)  
Chapter 35  
[Wis. Adm.](#) Code Chapter Adm 8.01  
[Wis. Constitution](#), Article IV, Section 25

SCOPE: - to define simplified bidding  
- to define the circumstances when simplified bidding is used  
- to define authority for the execution of simplified bidding  
- to establish policy and procedures for simplified bidding processes

DEFINITION: "Simplified bidding" is a method of procurement used when the estimated cost of a transaction is \$50,000 or less.

CONTENT: > I. Simplified bidding takes place when three or more qualified suppliers are solicited to submit bids on a procurement. However, "three or more" is a minimum. The definition of "three or more" bidders is not to be used to restrict competition or to prevent qualified bidders from bidding on procurements.

II. Solicitations for simplified bids are conducted through notice to an appropriate list of potential bidders. Agencies may use the VendorNet bidders list for sources. Also, solicitations may be published in selected newspapers, including the classified column of the official state newspaper. These simplified bids may not appear in the legal notice column which is reserved for official sealed bid announcements. When a bidders list is limited to one known source, the bid may be advertised at least once in a publication determined to be most appropriate by the agency.

III. Procedure:

A. The agency first determines the estimated cost of the procurement. To establish whether the simplified bidding process or an official solicitation is necessary, the agency will use the estimated dollar amount applicable to the entire contract duration.

B. For all best judgment and simplified bidding procurements, the agency will make an effort to solicit small businesses, veteran-owned businesses, disabled veteran-owned businesses, minority businesses, and work centers. (Please refer to [PRO-K-1](#), Agency Initiation of a Contract, for work center information.)

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C. When the estimated cost is \$5,000 or less and the commodity or service is not on a mandatory statewide contract, the agency may award to the vendor judged best able to supply ("best judgment"). Best judgment does not apply to purchases of printing. In choosing a vendor, the following should be considered: location of delivery point, quality of articles to be supplied, price of articles, conformity with specifications, purpose for which articles are required, and date of delivery.

D. When the estimated cost is over \$5,000 through \$50,000, the agency compares, whenever possible, a minimum of three bids from qualified bidders from any of the current sources below:

1. Price lists,
2. Quotes on file,
3. Phone or verbal quotes, or
4. Written bids.

E-mail quotes from vendors are considered written documentation of a bid. Phone and verbal quotes should be confirmed in writing by the successful vendor. Receipt of an invoice may serve as confirmation. The agency must have a procedure to check the invoice against the purchase order to assure proper pricing. The agency is responsible for ensuring that purchases do not exceed \$50,000 or that serial contracting is not used.

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E. For special consideration prior to determining the lowest qualified bid, refer to [PRO-D-1](#), Minority Business Enterprise Policy, [PRO-D-35](#), Disabled Veteran-owned Business Policy, and [PRO-K-3](#), Fair Market Price.

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## IV. Recordkeeping:

### A. Documentation of all simplified bidding transactions is required.

1. When the estimated cost is \$5,000 or less, the agency determines recordkeeping requirements.
2. When the estimated cost is over \$5,000 through \$50,000, use form [DOA-3088](#), Simplified Bidding Record, or similar format with the same information. This form should be used to document bids and waivers of bidding. Phone and verbal quotes should be confirmed in writing from the successful vendor. Receipt of an invoice may serve as confirmation. The agency must have a procedure in place to check the accuracy of the invoice.
3. The agency must establish a process to complete reporting on awards made to disabled veteran-owned businesses and minority businesses. The agency must submit information to the State Bureau of Procurement using form [DOA-3240](#), Disabled Veteran-owned Business Procurement Activity Report, and the electronic template of form [DOA-3005](#), Minority Business Enterprise Procurement Activity Report.

## V. Reference material:

- A. [PRO-C-9](#), Waiver of Bidding Process
- B. [PRO-C-27](#), Serial Contracting
- C. [PRO-D-1](#), Minority Business Enterprise Policy
- D. [PRO-D-9](#), Small Business Policy
- E. [PRO-D-12](#), Veteran-owned Business Policy
- F. [PRO-D-35](#), Disabled Veteran-owned Business Policy
- G. [PRO-G-2](#), Minority Business Enterprise Procurement Activity Reporting

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- H. [PRO-G-3](#), Disabled Veteran-owned Business Procurement Activity Reporting
- I. [PRO-K-1](#), Agency Initiation of a Contract
- J. [PRO-K-2](#), Work Center Solicitation of a Contract
- K. [PRO-K-3](#), Fair Market Price
- L. Form [DOA-3005](#), Minority Business Enterprise Procurement Activity Report
- M. Form [DOA-3088](#), Simplified Bidding Record
- N. Form [DOA-3240](#), Disabled Veteran-owned Business Procurement Activity Report

Authorized:



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