
FURNITURE PROCUREMENT

Subject: Design and Construction
Approval: Executive Staff
Code Section/Reference:
Owner: Projects

Policy Number: PR-04
Originally Issued: May 2002
Revised: January 2004; August 2011;
December 2017

APPLIES TO

Multi-prime and general contracting in: CFAP, ENP, VFAP, ELPP,
VFAP-ELPP, and Accelerated Urban Program

Furniture is an important component of the educational environment. This policy provides guidance to the project team (the Architect, School District representative and the Commission's Project Manager) in developing an appropriate, project-specific procurement strategy for furniture and related equipment. For the purpose of this policy, furniture is defined as movable and not permanently attached to the structure. Any fixture that is permanently or semi-permanently attached to the structure should be bid as part of the construction packages. This policy does not apply to computer systems, telecommunications systems or similar equipment.

The School District and Commission, through their designated representatives, approve the furniture and equipment procurement plan. The plan should be reviewed and discussed in a project's Core Meeting, taking into consideration:

- The nature of the furniture or equipment. (Is it a relatively standard commodity or is it something that has integral functionality with the School District's educational program needs?);
- The School District's plan for evaluating the products of multiple manufacturers;
- The Architect's plan for evaluating the products of multiple manufacturers; and capability of evaluating comparable products of multiple manufacturers, and;
- Development of the bid packages.

The Commission recommends breaking out the furniture into a number of bid packages that are functionally related instead of awarding a large, all-encompassing furniture package. The packages should not be so small that they are not attractive to bidders given the overall bonding and contract requirements which are integral to our project delivery. Consider these broad categories of furniture when developing the bid packages:

- Classroom furniture (student desks and chairs);
- Administration office furniture;
- Music;
- Media center; and
- One or more miscellaneous packages for specialty items.

I. Procurement Options

To be co-funded, furniture and related equipment must be procured through a public and competitive bidding process, unless otherwise waived by the Commission. This assures the prudent use of the public funds and allows for open competition for the work. The publicly advertised bid packages similar to the construction bid package and Ohio Department of Administrative Services (DAS) bid state term contracts satisfy this goal.

If a School District wants to use other means of procurement and wants the purchase to be co-funded, the Architect must send a request to the OFCC Project Manager indicating the proposed procurement method, what furniture and/or equipment is proposed for procurement via alternate means and a rationale for proposing procurement via alternate means. All such requests will be evaluated on their merits, on a case-by-case basis.

A. Publicly Advertised: Competitive Bid

1. Project teams generally use publicly advertised competitive bid packages similar to the construction bidding to procure furniture and equipment. The project team should make every effort to encourage competition. As a best practice, the product specifications should be developed to allow competition by three or more equal manufacturers' products and bids should be packaged to allow fair competition among multiple bidders. Avoid using custom furniture specifications that have the effect of locking out other manufacturers or dealers.
2. If a substitution (or proposed equal) is submitted to the architect for consideration in the pre-bid period, then the architect should provide the appropriate school district staff with the opportunity to observe a physical sample of the proposed furniture substitution and to obtain their input in evaluating the proposed substitution. If this would require an extension of the bid period, then the project team should consider the extension. The architect must issue an addendum to all potential bidders if the proposed substitution is accepted. If the architect does not accept the proposed substitution, then the architect must provide a written reply to the party requesting a substitution and include the rationale for the rejection.
 - i. In the event only a single bid is received, then:
 - The bid must be returned unopened to the sole bidder.
 - The architect must undertake a thorough review of the specifications and bid packaging strategy to identify options for revision which will foster competition.
 - ii. The specifics of the original bid package and the options identified by the architect should be reviewed by the project team, district legal counsel and Commission legal counsel. Based on this review, the project team (with the advice of legal counsel) may choose to:
 - Rebid with changes;
 - Repackage into another bid package: or
 - Use other procurement options to obtain the furniture and equipment contained in the bid package.

-
3. If the rebid results in a single bid, the bid may be opened after consultation with—and concurrence of—the project team, district legal counsel and Commission legal counsel. Factors to be considered in making a determination to open a single rebid response include but are not limited to: the quantity of furniture in the package, the dollar value of the package, the proximity of dealers who carry the specified items, mark up and additional cost or time that may be incurred by rebidding, repackaging into another bid package. Alternatively, the project team, district legal counsel and Commission legal counsel may elect to return the bid unopened and use other procurement options.

B. Cooperative Purchasing Program

1. The Cooperative Purchasing Program, administered through Ohio Department of Administrative Services (DAS) Office of Procurement Services, allows School Districts and other political subdivisions to purchase goods and services from various state contracts. Among these contracts are:
 - i. State Term Contracts: These contracts are awarded through competitive selection by DAS, using competitive bidding, requests for proposals (best value), or reverse auctions. State term contracts may be awarded to one or more vendors. However, state term contracts that are Multiple Award Contracts (MACs) are for multiple items, typically with a single vendor awarded for each unique item. Items of furniture which are under State Term Contract shall be procured by that means. Procurement by State Term Contract may be waived for good cause. Requests for waiver will be evaluated based on their merit, on a case by case basis
 - ii. State Term Schedules (STSs): STSs list the manufacturer, type of goods offered, and a discount off of manufacturers' list price. These contracts are negotiated rather than competitively selected by DAS. Because STSs often include multiple manufacturers or dealers for similar items, school districts are encouraged to compare offerings and prices among vendors.
2. To participate in the Cooperative Purchasing program, the School District must:
 - i. Pass a board resolution authorizing participation in the program;
 - ii. Complete an enrollment form;
 - iii. Pay an annual administrative fee;
 - iv. Provide DAS with quarterly reports on the district's use of the program.
3. Once in the program, School Districts order directly from the vendor and make payments to the vendor at the prices set forth in the state term schedules or state term contracts. School Districts should evaluate multiple state term schedule or bid contract options and the prices offered by manufacturers should be compared. If a high volume purchase is considered under STS, DAS may be requested to negotiate a volume price.
4. The following language should supplement the purchase order issued by the School District for a STS purchase:
 - i. "Supplemental terms and conditions provided in the Ohio Facilities Construction Commission Standard Conditions of the Contract for Construction (Standard Conditions)

shall apply to this Purchase Order for the performance of work and/or purchase of materials or equipment. The Standard Conditions are available through OFCC's website. In the event of conflict between the terms and conditions of the state term contract and the Standard Conditions, the provisions of the Standard Conditions shall prevail.”

- ii. Additional information about the cooperative purchasing program is available by calling the Office of Cooperative Purchasing at 614-644-8495 or by visiting the DAS website: <http://das.ohio.gov/Divisions/GeneralServices/ProcurementServices/CooperativePurchasing.aspx>

State Term Schedules are posted on the DAS website, <http://procure.ohio.gov>.

C. Direct Purchase

1. School Districts can also purchase furniture and equipment directly from dealers. In some cases, direct purchase is the only practical method of buying specialized furniture or equipment. To proceed with a direct purchase option, the Commission requires that a School District Board take appropriate action to authorize the purchase. School Districts should already have a policy that addresses the direct purchase process, as well as ethical and legal considerations involved. A standard policy might require that quotes be written down in a log noting the dealers called, the description of the furniture priced, and the price given.
2. Where possible, and in the spirit of a competitive process, the School District should obtain two or more quotes from different dealers. Once a dealer is chosen, the School District should receive written confirmation of the price quoted. A purchase order or sales contract should then be written.
3. Requirement for a Contract Bond
 - i. A School District may, as a condition precedent to issuing a purchase order or contract for material or equipment through state term schedules or direct purchase, require a Contract Bond to assure the performance of the work. A Contract Bond is recommended when the purchase involves a material labor commitment to install the furniture or equipment.