

**HOW TO DO BUSINESS**  
**WITH THE**  
**ARIZONA DEPARTMENT OF TRANSPORTATION**



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[http://www.azdot.gov/Inside ADOT/Procurement/Index.asp](http://www.azdot.gov/Inside_ADOT/Procurement/Index.asp)

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*The Arizona Department of Transportation Procurement Group is honored recipient of the National Purchasing Institute's prestigious Twelfth Annual 2007 Achievement of Excellence in Procurement. This award is designed to measure innovation, productivity, professionalism, and leadership in the purchasing profession.*

*ADOT Procurement received renewal of its Outstanding Agency Accreditation from the National Institute of Governmental Purchasing. Of the 1,200 agencies across the nation, ADOT Procurement is one of only 88 to have achieved this award and one of only four of the 50 Transportation Departments.*



## INTRODUCTION

This handbook provides a brief introduction to acquaint you with the business procedures of the Arizona Department of Transportation (ADOT). Familiarity with these procedures will aid you in conducting business with the agency.

For additional information, you may contact ADOT Procurement at (602) 712-7211, visit us at 1739 W. Jackson Street, Suite A, Phoenix, Arizona or review the information on our web site at: [http://www.azdot.gov/Inside ADOT/Procurement/Index.asp](http://www.azdot.gov/Inside_ADOT/Procurement/Index.asp).

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Chief Procurement Officer  
ADOT Procurement

## **ADOT PROCUREMENT MISSION**

To provide value added public procurements in accordance with the Arizona Procurement Code to support our customers' needs.

## **USER/PROCUREMENT/SUPPLIER RELATIONSHIP**

ADOT Procurement's function is to provide the user with the right materials and services for the job, at the right place and time and at a price that is fair and reasonable. ADOT Procurement also has a responsibility to provide suppliers with a consistent, equitable, and legal procurement process. The three groups of interested people who work together to make up the total procurement function are Users, Procurement Officers, and Suppliers. Their individual business conduct in the matter of ethics and responsibilities is critical.

### **CODE OF ETHICS**

It is the policy of ADOT Procurement to promote ADOT's reputation for courtesy, professionalism, service, efficiency, economy, accountability, and integrity. The responsibility for accomplishing this purpose rests with each individual who participates in the procurement process.

Acceptance of gifts, advertising novelties, and entertainment from Suppliers or their representatives in any form by employees is prohibited. In addition, no ADOT employee involved in the purchase may have any financial interest in any potential purchase order or contract issued by ADOT.

### **SUPPLIERS CALLING ON USERS**

All sales contacts between Suppliers and Users should be coordinated through ADOT Procurement except in cases of emergency purchases after normal working hours, Petty Cash purchases, Purchase Order Draft transactions, or P-Card purchases. This action is necessary to protect the interests of both the Supplier and ADOT by assuring adherence to ethical practices and prevention of unauthorized procurements for which state employees can be held personally responsible and suppliers may not receive compensation.

## **ADOT PROCUREMENT POLICIES**

ADOT Procurement conducts its procurement procedures in accordance with the statutes, A.R.S. § 41-2501 et seq., and the administrative rules and regulations, A.A.C. R2-7-1-1 et seq., that constitute the Arizona Procurement Code ("Code").

## PURPOSE

Laws 1984, Ch. 251, 1 and 40 provide:

### Section 1. Purpose

1. Simplify, clarify and modernize the law governing procurement by the state.
2. Permit the continued development of procurement policies and practices.
3. Make as consistent as possible the procurement laws among various state agencies.
4. Provide for increased public confidence in the procedures followed in public procurement.
5. Ensure the fair and equitable treatment of all persons who deal with the procurement system of this state.
6. Provide increased economy in state procurement activities and maximize to the fullest extent practicable in purchasing value of public monies of this state.
7. Foster effective broad-based competition within the free enterprise system.
8. Provide safeguards for the maintenance of a procurement system of quality and integrity.

## WHO PURCHASES FOR ADOT

There are basically two types of procurements conducted by ADOT personnel: 1) procurements subject to the Arizona Procurement Code (Code) and 2) procurements “Exempt” from the Code.

### CODE PROCUREMENTS (SUBJECT TO THE APC)

1. Non-construction Procurements  
Purchase (including rental) of materials and services (professional and non-professional) in support of ADOT operations and management. *Procurement Authority: ADOT Chief Procurement Officer*
2. Construction/Reconstruction of State Facilities  
Must be requested through Facilities Management and Support Group. Construction includes any permanent changes to the structure/facility, such as new walls, outside stairs, entryways, additions, and remodeling. *Procurement Authority: ADOT Chief Procurement Officer (APC)*

### “EXEMPT” PROCUREMENTS

There are four areas of ADOT procurements that are exempt from the Code.

1. Transportation Facility Construction/Reconstruction and Design, including engineering services of highways and transportation facilities (i.e., highways, bridges, rest areas, airport facilities, etc.), and purchase/rental of real property. (*A.R.S. § 28-108.A.14 and Federal Guidelines*).

For information on exempt procurements for Highway Construction, contact:

Engineering Consultants Section  
205 S. 17<sup>th</sup> Avenue, MD 616E  
Phoenix, Arizona 85007-3212

(602) 712-7525 <http://www.azdot.gov/Highways/ecs/staffdir.asp>

2. Contracts for sole source creative works and the promotion, publication, distribution, and sale of the Arizona Highways Magazine (*A.R.S. § 28-108.A14 and 28-1883, A & B*).

3. Expert Witness Agreements requested by the Attorney General (*A.R.S. § 41-2501 M & O*).
4. Motor Vehicle Division third party authorizations when certain conditions exist (*A.R.S. § 41-2501 AA & BB*).

## **HOW THE BUYING PROCESS WORKS**

The information provided in this guide describes, in simplified form, the purchasing process used for purchases subject to the Arizona Procurement Code by ADOT. The process begins with the development of a requisition by the using department within ADOT and is completed once a purchase order is issued, goods and/or services are received, and payment is made.

## **TYPES OF PROCUREMENTS**

Purchases that can be processed directly by the ADOT User without going through the purchase requisition process are:

### Small Dollar Purchase (Under \$5,000)

Units in ADOT may make small dollar purchases for non-contract items by utilizing petty cash (under \$50), Purchase Order Drafts (under \$500), or a decentralized purchase order (under \$5,000).

### Contract Purchases

Units in ADOT may issue a contract release order (purchase order) for the purchase of goods and services that are currently under contract with a vendor.

Purchases that must be processed through ADOT Procurement are:

### Purchases Over \$5,000

All purchases \$5,000.00 and more and not currently on contract, must be processed through Procurement. The end user submits a purchase requisition to Procurement to begin the solicitation process.

## **SOLICITATION PROCESS**

A critically important step in the procurement process is the solicitation of competition. Solicitations are broken into two basic categories – **Informal** and **Formal**.

### INFORMAL SOLICITATIONS (UNDER \$50,000)

#### *Purchases Under \$5,000*

For purchases of less than \$5,000, authorized ADOT Users shall utilize procedures outlined under “Small Dollar Purchases” providing for adequate and reasonable competition and making records to facilitate an

audit trail.

#### *Purchases \$5,000 - \$49,999.99*

The User submits a requisition to Procurement. A Procurement Officer determines the most appropriate method to obtain the goods or services and comply with the Small Business Rule and the Contracting With Small, Women- and Minority Owned Businesses Executive Order 2007-21. The Procurement Officer makes the award.

#### FORMAL SOLICITATIONS (OVER \$50,000)

Formal solicitations are required for non-contract procurements that are expected to exceed \$50,000. All formal solicitations are conducted by a Procurement Officer. Following are commonly used Formal Solicitation methods:

##### *Invitation for Bids (IFB)*

The formal solicitation process of sealed bids is used for the procurement of goods and services that are clearly specified. Notice of IFB's are sent to all vendors registered on the SPIRIT website prospective bidders list for the appropriate commodity or service. Bids are evaluated by Procurement and the user. Procurement makes award to the lowest responsive and responsible bidder and executes the contract.

##### *Request for Proposals (RFP)*

The formal solicitation process of sealed proposals is used for the procurement of professional/consultant services and for goods/ equipment which are not specifically defined and require evaluation of different proposals to determine which one is the most advantageous to the State, price notwithstanding. Notices of RFP's are sent to all suppliers registered on the SPIRIT website prospective bidders list for the appropriate commodity or service. The RFP will contain evaluation criteria to be used in the evaluation process. The evaluation process may include formal presentations, discussions and submittal of a Best and Final offer. A selection committee, under the direction of the Procurement Officer, evaluates and submits a written award recommendation and evaluation summary to Procurement. Procurement reviews the recommendation, makes the award and executes the contract.

##### *Strategic Contract Center (SCC) Contracts*

An SCC Contract is one generated by one state agency for use by all state agencies. ADOT Procurement utilizes SPIRIT for these contracts and offer submission is completed electronically on the SPIRIT system.

#### PRE-BID/OFFERS CONFERENCES AND PUBLIC SOLICITATION OPENINGS

For some solicitations, a pre-bid/proposal conference may be included as part of the process. Bidders/offerors may attend to learn more about the solicitation, ask questions, or get clarification. Formal solicitations **not** issued through SPIRIT (see paragraph above on SCC Contracts) are publicly opened and read aloud at the solicitation opening. Bidders/Offerors are welcome to attend.

### **SUPPLIER'S ROLE IN THE SOLICITATION PROCESS**

As a supplier who would like to do business with the Arizona Department of Transportation, there are steps you may take to assist you in this endeavor.

#### REGISTER YOUR BUSINESS

ADOT Procurement utilizes the State vendor registration system to obtain lists of bidders/offerors. This online vendor registration is available at: <https://www.spirit.az.gov/Applications/SPIRIT/SR.nsf>, select

“Suppliers” on the menu. Once you are registered, you will receive notification of solicitations for the commodities or services your business provides. There is no cost to the vendor to register. You will be able to use your own computer, computers at any Public Library, or a computer located in the ADOT Procurement offices.

### OPEN SOLICITATIONS

Information about solicitations that are currently available for bid or offer are listed on ADOT Procurement’s website at: [http://www.azdot.gov/Inside\\_ADOT/Procurement/Index.asp](http://www.azdot.gov/Inside_ADOT/Procurement/Index.asp), select “Open Solicitations” on the menu bar. You may also obtain information on open solicitations from the SPIRIT website at: <https://www.spirit.az.gov/Applications/SPIRIT/SR.nsf>, select “Solicitations” on the menu. Bids/offers for SPIRIT generated solicitations are submitted online.

### REQUEST A SOLICITATION

If you are interested in submitting a bid or offer for a solicitation, you may request the solicitation on ADOT Procurement’s website: [http://www.azdot.gov/Inside\\_ADOT/Procurement/Index.asp](http://www.azdot.gov/Inside_ADOT/Procurement/Index.asp), select “Open Solicitations” and complete the Solicitations Request form. It will be mailed to you with in 24 business hours. You may also call our hotline at (602) 712-7584 to make your request or stop by the address listed on the solicitation to pick it up.

### SUBMITTING A BID/OFFER

Read the entire solicitation carefully and complete it in its entirety. Assure your bid is sealed and submitted at the specified location and prior to the deadline listed on page one. **Absolutely** NO bids/offers are accepted after the deadline.

## **CONTRACT ADMINISTRATION FOR THE SUPPLIER**

### NON-PERFORMANCE

Should an individual or firm fail to meet any requirements of a contract specification or purchase order, they could be cited for non-performance. Each non-performance will be evaluated based upon the circumstances surrounding each violation. ADOT may terminate the contract for default if it is in the best interest of the state.

### CONTRACT RENEWALS

Generally, term contracts are established for one year with an option to renew annually for up to 48 months. The supplier will receive an amendment from the Procurement Officer requesting an extension of the contract. Once the supplier has signed and returned the amendment, the renewal extends the contract for an additional 12 months.

### INSURANCE

When a solicitation specifies insurance requirements, it is the responsibility of the supplier to provide a certificate of insurance specifying that their company is in compliance. This documentation must remain current throughout the life of the contract.

### PAYMENT

The Arizona Department of Transportation requires a 3-way match of a purchase order, vendor invoice, and receipt of the goods/services purchased. Purchases must be shipped to the ship to address listed on the

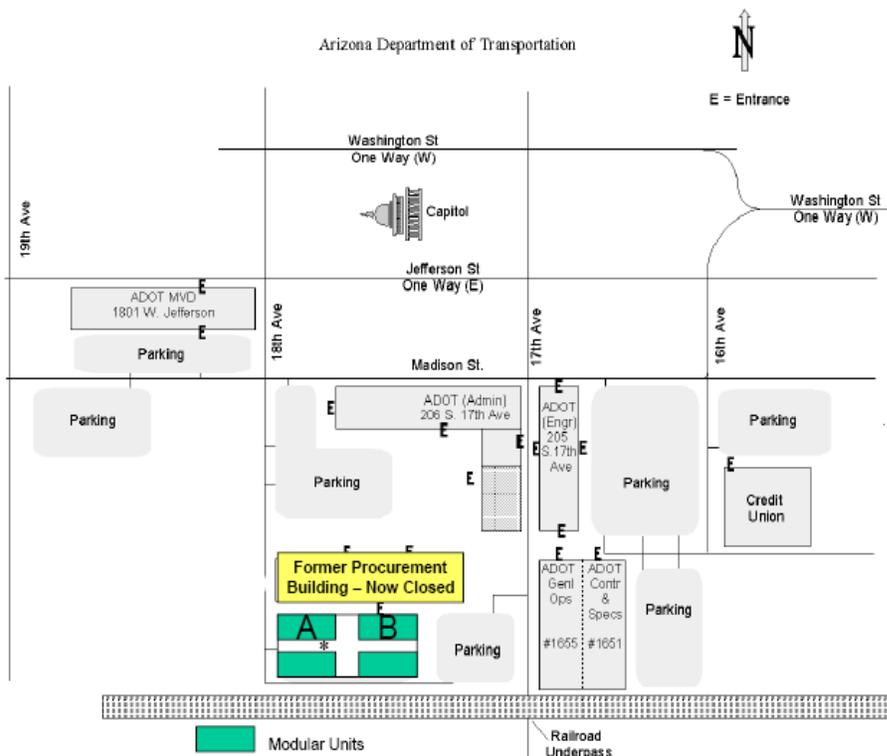
purchase order and invoices must be mailed to the bill to address listed on the purchase order (unless there are special directions in the body of the purchase order). Every purchase order contains ADOT Procurement's address in the header. Purchases and invoices sent to the Procurement address are delayed until the actual purchaser can be located.



## HOURS OF BUSINESS

ADOT Procurement office is open for business from 8:00 a.m. to 5:00 p.m., Monday through Friday with the exception of holidays.

Map for ADOT Procurement



\*ADOT  
Procurement  
reception area is  
located at the south  
entrance of Suite A.

## LOYALTY OATH

I, the undersigned, hereby execute this document in compliance with Sec. 38-231. Arizona Revised Statutes:

### **§38-231. Officers and employees required to take loyalty oath; form; classification; definition**

A. In order to ensure the statewide application of this section on a uniform basis, each board, commission, agency, and independent office of this state, and of any of its political subdivisions, and of any county, city, town, municipal corporation, school district, and public educational institution, shall completely reproduce this section so that the form of written oath or affirmation required in this section contains all of the provisions of this section for use by all officers and employees of all boards, commissions, agencies and independent offices.

B. Any officer or employee who fails to take and subscribe to the oath or affirmation provided by this section within the time limits prescribed by this section is not entitled to any compensation until the officer or employee does so take subscribe to the form of oath or affirmation prescribed by this section.

C. Any officer or employee having taken the form of oath or affirmation prescribed by this section, and knowingly at the time of subscribing to the oath or affirmation, or at any time thereafter during the officer's or employee's term of office or employment, does commit or aid in the commission of any act of overthrow by force, violence or terrorism as defined in Section 13-2301 of the government of this state or of any of its political subdivisions, is guilty of a class 4 felony and, on conviction under this section, the officer or employee is deemed discharged from the office or employment and is not entitled to any additional compensation or any other emoluments or benefits which may have been incident or appurtenant to the office or employment.

D. Any of the persons referred to in article XVIII, Section 10, Constitution of Arizona, as amended, relating to the employment of aliens, are exempted from any compliance with the section.

E. In addition to any other form of oath or affirmation specifically provided by law for an officer or employee, before any officer or employee enters upon the duties of the office or employment, the officer or employee shall take and subscribe the following oath or affirmation:

F. For the purposes of this section, "officer or employee" means any person elected, appointed, or employed either on a part-time or full-time basis, by this state, or any of its political subdivisions or any county, city, town, municipal corporation, school district, public educational institution, or any board, commission or agency of any county, city, town, municipal corporation, school district or public educational institution.

State of Arizona, County of \_\_\_\_\_ I, \_\_\_\_\_  
(Type or print name)

*do solemnly swear (or affirm) that I will support the Constitution of the United States and the Constitution and laws of the State of Arizona, that I will bear true faith and allegiance to the same, and defend them against all enemies, foreign and domestic, and that I will faithfully and impartially discharge the duties of the office of \_\_\_\_\_(name of office)\_\_\_\_\_ according to the best of my ability, so help me God (or so I do affirm).*

\_\_\_\_\_  
(Signature of officer or employee)