1.0 POLICY/PURPOSE

Santa Barbara Applied Research (SBAR), Inc. solicits bids only from firms that can provide quality products and services in a timely manner and at a competitive price. Additionally, SBAR will *not* conduct business with firms that have been debarred from Government contracts. The purpose of this WI is to establish guidelines for development of an *Approved Vendor List* to ensure solicited vendors demonstrate sound business practices, including, but not limited to: fair and reasonable pricing of products and/or services; timely and accurate billing; professional, qualified and experienced personnel; timely delivery of products and/or services, and a reasonable historical record of past performance.

2.0 SCOPE

This WI applies to the Santa Barbara Applied Research operating units.

3.0 REFERENCES AND DEFINITIONS

3.1 References

ISO 9001: Quality Management Systems-Requirements, Third Edition (2000-12-15)

ISO 9001 Elements 7.4.1 (Purchasing Process)

Federal Acquisition Regulations

Department of Defense Supplement

SBAR *Purchasing Procedure (CP-00-4000)*

3.2 Definitions

Refer to SBAR Purchasing Procedure (CP-00-4000, Para. 3.2)

4.0 RESPONSIBILITIES

4.1 SBAR Contract Administration Manager (Contract Manager)

The SBAR Contract Manager is responsible for this WI, future revisions, and modifications. Addtionally, the Contract Manager provides guidance and direction to subcontract administrators, buyers, and other authorized purchasing agents, (collectively purchasing agents) as applicable, on the Approved Vendor List Program.

4.2 Purchasing Agents

- Purchasing agents place the vendor on the *Approved Vendor List,* after the first purchase.

- Purchasing agents evaluate vendor performance using the *Vendor Profile Form,* after goods/services received.

- Purchasing agents ensure Representations, Certifications, and Other Statements of Offerors ("Reps and Certs") are completed annually for active vendors.

5.0   REQUIREMENTS AND PROCEDURES

5.1   Approved Vendor List(AVL)

The *Approved Vendor List* is a web-based system maintained by SBAR to control and monitor its vendors to ensure they provide quality products and services to SBAR in a timely and competitive manner. The first purchase of a vendor's goods and services is used to determine the vendor's worthiness to receive business from SBAR. See Attachment1, Approved Vendor List Instructions for how to administer the AVL.

5.2   Vendor Profile Form (VPF)

Vendor Profile Forms (VPF) are also web-based and are part of the *AVL* program. Purchasing agents complete a *VPF* on each active vendor to ensure the vendor continues to provided quality products and services to SBAR in a competitive and timely manner. The *VPF* instructions are also found in Attachment1, this WI.

5.3   Representations, Certifications, and Other Statements of Offerors ("Reps and Certs")

After the first purchase is made and the firm is placed on the *Approved Vendor List,* the appropriate purchasing agent forwards a copy of the [Representations and Certifications](#) to the vendor. The vendor completes the Reps and Certs and returns to SBAR and is reviewed by the appropriate purchasing agent to ensure the company should remain on the *Approved Vendor List.* Finally, Reps and Certs will be updated every 12 months for active vendors. (**NOTE:** The sample Reps and Certs may be modified as necessary to meet specific contract requirements.)

5.4   Financial Stability

For procurement actions exceeding $100,000, a financial analysis of the prospective vendor is required prior to placing a firm on the *AVL*. This is accomplished by obtaining a credit report from the vendor and asking the vendor for their Dun and Bradstreet number, if they have one. If the firm has a Dun and Bradstreet number, the purchasing agent researches the firm's financial stability/health at the Dun and Bradstreet web site and, along with the firm's credit report, makes a decision whether or not to place the firm on the *AVL*. If the vendor is then added to the *AVL*, the financial analysis is recorded in the Remarks section of the vendor's *AVL* entry. See Attachment 1-Approved Vendor List Instructions for more details.

Attachment 1 – Approved Vendor List Instructions

Approved Vendor List Login

1. Browse to the MCA ISO 9001 Page (http://www.mcaeng.com/site/iso9001/miso.htm).

2. Click on *Approved Vendor List.*

3. Enter your *UserID* and *Password*, and click the *Login* button. (**NOTE:** Contact the web master for user ID and password).

4. Once logged in, the initial options are:

   - Search for a particular vendor (or list a group of vendors)

   - Add a new Vendor

   - Run a report

Searching for Vendors

1. The "Search for a Vendor" block can be used to list all vendors, list a subset of all of the vendors, or to list one particular vendor.

   - Clicking "Go" (without changing any of the other fields) will list all of the currently active vendors. Select the "Inact" checkbox to also list inactive vendors

   - Selecting a site from the "Site" drop down menu will limit the search to vendors that are maintained by the site selected

   - The search can also be narrowed by choosing a field from the "Field" drop down menu, entering text in the "Search Text" field, and clicking "Go". The program returns all items that have the sequence of characters entered (including spaces) anywhere in the field that was selected. It is not case sensitive. Wildcards (such as '*' or '?') are not supported.

2. With the Search Results displayed, clicking a particular Vendor Name will show the details for that Vendor. From the Vendor Details screen, you can: edit vendor details, add a new vendor profile, view the most recent vendor profile, or list all of the vendor's profiles.

Editing Vendor Details

Clicking on the "Edit Record" with the Vendor Details displayed opens a screen where the details for the selected vendor may be may be changed by editing the appropriate fields and clicking "Save Changes".

Adding a New Vendor

NOTE: THE FIRST PURCHASE IS USED TO DETERMINE A VENDOR'S WORTHINESS FOR INCLUSION ON THE *AVL*. IF THE VENDOR SUCCESSFULLY COMPLETES THEIR FIRST PURCHASE, THEY ARE ADDED TO THE *AVL*.

Prior to deciding whether or not to add a new vendor to the *AVL*, the following factors are considered:

- Debarred from federal procurement. If debarred, SBAR will **NOT** purchase from that subcontractor/vendor. This includes both government and commercial purchases. (**NOTE:** Prior to the first purchase, verify the vendor has not been debarred.)

- If a firm is listed on the Central Contractor Registration (CCR), they have already been "approved" by the federal government to compete for federal dollars. (**NOTE:** If a vendor is not listed on the CCR, SBAR may still purchase goods and services as long as the firm is otherwise qualified by a subcontract administrator/buyer.)

- Past performance.

- Customer recommendation.

- Financial health.

- Subcontractor administrator/buyer knowledge, etc.

Clicking on "Add a New Vendor" opens a screen where a new vendor may be added by filling in the appropriate fields and clicking "Add Record".

Field level notes:

Product Code: This is an optional field that has been used to store abbreviations for general categories of products carried by the vendor. Examples include

Product Code	Description	Product Code	Description
ADMIN	Administration	HVAC	HVAC
BATT	Batteries	INDUST	Industrial
CHEM	Chemical	MECH	Mechanical
ELEC	Electric	PNT	Paint
ENGRV	Nameplates/Plaques	RENT	Rentals
EQUIP	Equipment	ROPE	Wire Rope
FILM	Film	SAFETY	Safety
FILTR	Filters	SECUR	Security

Active?: "Yes" if purchases have occurred within the last 12 months and "No" if no purchases within the last month. (**NOTE:** If "Yes," a Vendor Profile Form must be completed at least every 12 months.)

GSA Price Schedule: Yes if the vendor has an approved GSA price schedule.

Tax ID: When required; for example, a major subcontracting effort (e.g., $100,000 plus).

Barred?: Buyer / Purchasing Agent **will** visit the following web site to verify the company has not been barred: *Excluded Parties List System*. Further, the buyer will print out the verification to prove to the Government auditors that the vendor/subcontractor was authorized to compete for Government business at the time SBAR awarded the purchase order/contract.

BPA?: Yes means that SBAR has a Blanket Purchasing Agreement with the vendor for the Government fiscal year in question. **NOTE**: At the beginning of each Government fiscal year, this column is updated when the BPAs are again negotiated.

NAICS: North American Industry Classification System.

SBA Class: Use the following abbreviations—SDB (Small Disadvantaged Business), SWO (Small Business Women Owned), SMB (Small Minority Business), N/A for large businesses.

Years in Business: List the year the firm began business.

Remarks: If financial analysis completed, state date of credit report and, if applicable, date Dun and Bradstreet review was conducted. For example, "7/27/04 credit report reviewed and Dun review conducted 7/28/04."

<u>**Running a Report**</u>

The "Vendor Evaluations Due" Report can be run by selecting a site from the "Site" drop-down menu (or leaving "All Sites" selected), and then clicking "Go". (**NOTE:** This tool is used to ensure all vendors get at least an annual evaluation.) With the report displaying, you can:

1. Click on a Vendor Name to see the details for a particular vendor in the report.

2. Click on "Add Eval" to fill out a new Vendor Profile for a particular Vendor. Again, for most vendors, this is completed after each purchase.

<u>**Adding a *Vendor Profile Form (VPF)***</u>

The purpose of the *VPF* is to assure SBAR and its Customers that SBAR vendors are providing quality goods and services in a timely and competitive manner. Subcontract administrators and buyers reevaluate vendors after each purchase to ensure their continued fitness to receive SBAR's business, with the following three exceptions:

- Purchases from catalog vendors such as McMaster-Carr, Grainger.
- Blanket Purchase Agreement (BPA) purchases.
- Basic Order Agreement (BPO) purchases.

However, in all cases, the VPF is updated at least once every 12 months for active vendors.

Products and services are evaluated in order to support future acquisition decisions. The rating system is: **5- Outstanding:** Exceeds all contract requirements. **4 – Good:** Meets all contract requirements. **3 – Fair:** Meets contract requirements; however, some follow-up/oversight required. **2 – Poor:** Consider other vendors first. Difficulty in satisfying requirements.

Consider removing from *Approved Vendor List*. **1 – Unacceptable:** Remove from *Approved Vendor List.*

Field level notes:

--The following apply to all Vendors--

Competitive Procurement: Rating is 5 for lowest bidder to 1 for the high bid.

No Hidden Costs: Were there any "hidden costs" not apparent in preliminary discussions?

Supplies Delivered on Time: Were supplies/materials/equipment, etc. delivered complete and on schedule?

Order Filled Accurately: Did the supplies/materials/equipment, etc. received match what was ordered?

Rented Equipment Performance: For rented/leased equipment, did it meet requirements and perform satisfactorily?

Supplies Packaged Properly: Were supplies/materials/equipment, etc. properly packaged for shipment?

--The following apply only to "Subcontractors," i.e., vendors providing a service --

No Change Orders: Did subcontractor attempt to initiate change orders for work clearly required by the RFP in attempt to increase the price?

Used Project Schedule: Did subcontractor provide a project schedule? Did the subcontractor mobilize and commence work according to the schedule?

Milestones Completed On Time: Did subcontractor meet milestones according to the project schedule?

Required Services on Time: Did subcontractor complete required services by the required completion date?

Documentation on Time: Did subcontractor provide all documentation in a timely manner?

Retainage Withheld: Did subcontractor agree to retainage withheld?

Corrected Unacceptable Items: Did subcontractor correct items found to be unacceptable as a result of the walk-down for final acceptance?

Technical Capability: Was subcontractor technically capable to perform the requirements of the SOW?

Quality / Workmanship: Was the quality/workmanship that which would be expected of a prudent contractor?
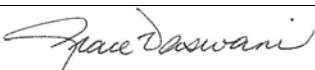
--The following applies to all Vendors--

Remarks: Make note of any exceptional service or vendor problems that might influence a future acquisition.   Also, list the purchase order number (if applicable) and the person completing the *VPF*.

Listing and Editing Vendor Profiles

From the Vendor Detail screen, you can view and edit the most recent Vendor Profile by clicking on the date in the "Last Profile Date" field. Clicking "Profile List" will list all profiles for the selected vendor.
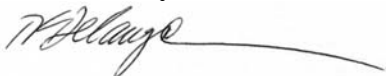
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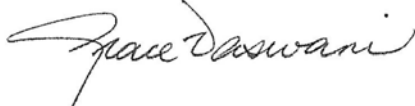MCA Quality Manger/Lead Auditor

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