

ANNUAL CONTRACTS (APOS)

I. PURPOSE:

Annual Purchase Orders (APOs) are frequently utilized for the acquisition of repetitive purchases or services during the year as an alternative to issuing separate bids each time the product or service is required. This practice often results in preferred pricing, efficiency, and greater knowledge and experience with the City's requirements. The following guideline establishes policies and procedures for advertising APOs and the awarding of contracts to enhance opportunities for Little Rock vendor participation. This policy does not apply to Requests for Qualifications (RFQs).

II. RESPONSIBILITY:

It is the responsibility of all Department Directors to assure compliance with the policy, with guidance from the Purchasing Agent.

III. POLICY:

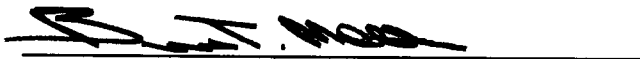
- A. In order to enhance opportunities for Little Rock vendors to respond to requests for proposal, the Purchasing Division will work with outside agencies such as the Little Rock Regional Chamber of Commerce to notify member businesses of bid opportunities.
- B. In general, contracts should be bid on an annual basis, and the maximum extended length of contracts should not exceed three (3) years, including any optional renewal periods.
- C. Ninety (90) days prior to the expiration of the first year of an annual contract with an option to renew, the Department Director must submit to the City Manager a request for extension with written justification of the benefit of extending the contract.
- D. No contract with an extended length exceeding three (3) years may be awarded without the approval of the City Manager.

IV. PROCEDURE:

- A. The Department responsible for bidding the annual contract will be notified by the Purchasing Division ninety (90) days prior to the contract expiration date.

- B. Following notification, the department will submit updated bid specifications to the Purchasing Division.
- C. If the Department Director determines that it is more beneficial to extend the current contract rather than rebid, the Department Director must provide justification to the City Manager and obtain his written approval to extend the contract for one (1) additional year.
- D. If approved by the City Manager, Purchasing will issue a one (1)-year extension to the contract.

Approved:



Bruce T. Moore
City Manager