

Title: <b>EVALUATING PRICE</b>		Contents: <b>PP-1700</b>
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		Approved By: <b>Purchasing Agent</b>
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**Evaluating Price**

Pricing is the most important factor to be considered in the bid evaluation process. Pricing must always be fair, reasonable and competitive. While other factors may be equally important, low pricing is often the benchmark.

**Factors When Evaluating Price**

Cash discounts of 30 days (or more) or 25<sup>th</sup> prox. shall be considered in the evaluation. Cash discounts based on 30 days from the date of invoice is considered as "Net".

*Example: The vendor will accept a discount if the invoice is paid within 30 days or by the 25<sup>th</sup> of the following month.*

*Example: A vendor offers cash discount based on 30 days from date of invoice – This is not considered a viable discount and shall be considered as "Net," since the County will pay the invoice at 30 or more days.*

When only one bid is received on a bid solicitation, the Purchasing Agent may complete the purchase if pricing is considered fair, reasonable and competitive and there is a satisfactory explanation for the lack of competition.

The Purchasing Agent verifies bids that appear to be too high or too low relative to other bids received, requisition estimates, or previous prices. Purchasing Agent will call bidders for verification or explanation to ensure that the vendor has quoted correctly and has not misunderstood the requirements.

If the Purchasing Agent suspects that a bidder has made an honest error, the Purchasing Agent may bring this to the attention to the bidder and request for verification of bid. The bidder is not allowed to change the bid but may withdraw from the bidding process if circumstances dictate.

Bids should be rejected when prices are deemed to be excessive due to unstable market conditions or any other reason. If there is an immediate need for the commodity, the purchase may be made for the minimum quantity needed to provide the department with sufficient amount until the market stabilizes.

Where bidder quotes an obviously different buying unit than is specified on the RFQ, but does not qualify his offer to that effect, the Purchasing Agent may interpret the bidders offer and provide a price evaluation.

Irregular quotations are to be reviewed for determination as to whether or not the quotation in question shall be given consideration.