

VII. COMPETITIVE BIDDING AND THRESHOLDS

A. Competitive Bidding

[Executive Order #3-20](#) and this Administrative Bulletin establish a statewide policy favoring a free and open bidding process for the selection of Vendors. Executive Order #3-20 states:

“The State of Vermont recognizes the important contribution and vital impact that small businesses have on the state’s economy. In this regard, the state prescribes to a free and open bidding process that affords all businesses equal access and opportunity to compete for state contracts for goods and services. The state also recognizes the existence of businesses owned by minorities and women and directs all state agencies and departments to make a good faith effort to encourage these firms to compete for state contracts.”

Competition in the procurement process serves both State agencies and potential bidders by ensuring the procurement process produces an optimal solution at a reasonable price, and allowing qualified Vendors an opportunity to obtain State business. In addition to complying with existing statutory and regulatory requirements, State procurements shall comply with the following general principles:

- **Notice:** It is the State’s intent to ensure Vendors are aware of opportunities to compete for State business;
- **Process:** Clear and understandable process: make the process more accessible to Vendors with clearly defined procurement criteria;
- **Predictability:** provide a consistent process while conducting the procurement; and
- **Transparency:** document the procurement process clearly and consistently, including information gathering and decisions made relating to the procurement.

Although Vermont does not have a statute, rule or administrative requirement which mandates preference be given to State residents or products, all other considerations being equal, preference will be given to resident bidders of the State and/or products raised or manufactured in the State.

B. Bidding Monetary Thresholds

In some cases, State or federal statutes or regulations require bidding at lower amounts. Such statutes shall take precedence over this Bulletin and shall be adhered to. Agencies should consult with Agency counsel or the Office of the Attorney General if there is a question about the applicability of State or federal law to Agency procurements.

1. Services Below \$100,000 - Standard or Simplified Bid Process

For a contract estimated to be under \$100,000, an Agency may choose to follow either a simplified bid (described herein at page [23](#)) or standard bid process (described herein at page [23](#)). If the Agency is unsure whether a contract will exceed the \$100,000 threshold, in order to avoid rebidding the work, the use of a standard bid process is recommended.

2. Services Greater Than \$100,000 – Standard Bid Process

An Agency may enter into a contract greater than \$100,000 only after adherence to a standard bid process (issuance of a formal request for proposals), as set forth herein (page [23](#)).

[END SECTION VII]