

FINAL RECOMMENDATION

Recommendation of the Action Plan Team: Staff Development

Statement of Issue #1-33: R-112 (Resubmission)

Summary: R-112 – Institute a bid system that neutralizes the effect of basic travel expenses by deleting from bid consideration travel expenses or consider a flat rate for instructor travel.

Recommendation: Continue with the current practice of including travel expenses as part of the bid price and basis for contract award.

Background: The bid process requires that the contractor submit a single-price bid for each instructional requirement, with the price including fee for service and transportation expenses. The contract is awarded to the lowest qualified bidder. This is consistent with the Federal Acquisition Regulations.

Conclusion: The matter of separating the travel expenses from the fee in the bid submission has been considered in the past. A 3-year experiment was conducted to evaluate this matter. At the conclusion of the experiment, it was learned that separating the fee and travel expenses and only considering the fee in the selection of a contractor resulted in a decrease in the number of contractors from the West Coast providing instructional services. The travel costs, however, escalated because they were not part of the competitive bid. Because this is a procurement action rather than a personnel action, and the fixed price method of procurement is employed, the lowest overall bid from a qualified contractor is the governing factor in the selection of a contractor.

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APPROVE/Date

DISAPPROVE/Date

The attached informational packet, which represents Procurement/Budget/Programmatic information relative to the contract instructor bid (travel) process, is provided for review and consideration.