



Procedure 202-10 Vendor Performance, Suspension, or Debarment

Sponsor: Purchasing and Auxiliary Services

Purpose

To establish vendor performance standards that each vendor shall adhere to.

Definitions

Debarment: Debarment is the state of being excluded from enjoying certain possessions, rights, privileges, or practices and the act of prevention by legal means. For example, companies can be debarred from contracts due to allegations of fraud, mismanagement, and similar improprieties.

Procedure

Vendor Performance, Suspension or Debarment

Vendor Performance Report

Vendors are selected for their capability to serve the needs of the District in the most economical and efficient manner possible. When vendors do not perform in a satisfactory manner or in the best interest of the District, it is the responsibility of the user departments to notify the Purchasing Department, in writing.

Suspension or Debarment

Pursuant to A.R.S. § 41-2613, the Director of Purchasing and Auxiliary Services shall promulgate rules and regulations providing for the suspension and debarment of any company, company representative, or person from consideration for award of contracts pursuant to this chapter. If there are reasonable grounds for suspension or debarment the rules and regulations of the Director of Purchasing and Auxiliary Services may provide for the suspension of any company, company representative, or person not to exceed six months. A debarment shall not exceed three years. The causes for debarment, or suspension are outlined in, but not limited to, A.R.S. § 41-2613 Section B, 1-5.

Notification of Suspension or Debarment

Pursuant to A.R.S. § 41-2613, Sections C and D, a written determination to debar or suspend shall be issued pursuant to the rules and regulations by the Director for Purchasing and Auxiliary Services, which shall:

1. State the reasons for the action taken.
2. Inform any debarred or suspended entity involved of the right to administrative review as provided in this article.
3. A copy of the decision of the above shall be mailed or otherwise furnished to any debarred or suspended entity and to any intervening party.

Contract Claims and Dispute Resolution

Applicability

The District strives to resolve claims, disputes, or controversies in good faith and informally, wherever possible, and only engages a more formal procedure when informal attempts have failed. This procedure

applies universally to claims, controversies, or disputes between the District and a contractor arising from activities or inactions on a contract between the two. It covers disagreements of any kind, such as claims or disputes asserting breach of contract, mistake, or misrepresentation, contract modification or rescission, interpretation of the contract, and responsibilities of the parties.

Authority

The Director of Purchasing and Auxiliary Services is authorized to settle and resolve contract claims, but shall do so collaboratively with District stakeholders to preserve the interests of the District.

Restrictions and Limitations

Settlement of a claim is subject, where appropriate, to policies and practices of the District Governing Board requiring its approval in certain cases. In cases where settlement may result in a significant change to the contractual agreement, e.g., termination of the contract, and the contract was initially approved by the District Governing Board, approval by the District Governing Board shall be required.

Claims

In the event of a claim asserted by either the Contractor or District, the claim shall be compared to the contract documentation to examine whether the claim has merit. The contract documentation shall govern the process, in accordance with party responsibilities, obligations, and resolution requirements specified therein. Any documentation of events leading up to the claim shall be provided to the Director of Purchasing and Auxiliary Services, for review and consideration. The Director of Purchasing and Auxiliary Services will seek input from District stakeholders and may consult the Contractor for additional information. Once an appropriate resolution can be recommended, the Contractor shall be notified in writing and shall be required to respond within ten (10) business days, indicating acceptance or denial of the recommendation.

Mediation

If no resolution for the claim can be reached between the parties, absent contract terms to the contrary, the parties shall seek resolution via a third-party mediator and any expenses shared by the parties.

References

A.R.S. § 41-2613

Procedure History

10/25/2019 New and Adopted by Executive Leadership Council

Legal Review

None (the contents of this procedure are substantially from state laws and procurement codes)