

TENNESSEE PROCUREMENT CODE

Fiscal Year End: June 30

1. **Prequalifications:** Must be registered with the state in order to bid on ITBs.
 - a. **TNC 12-3-701** → No person, firm or corporation shall be considered or deemed to be a qualified bidder by the department of general services under the provisions of this chapter or under the rules and regulations established by the department, unless and until such person, firm, or corporation shall have made proper application to the department, on standard forms prescribed by the commissioner, to be placed upon the permanent register of bidders, which shall be established and maintained by the department under and in compliance with the rules and regulations governing the same, promulgated by the commissioner.

2. **Auto-drop:** None.

3. **Life Cycle Costing (LCC):** Evaluations based on LCC are allowed if stated in the ITB.
 - a. **TNC 12-3-602** → It is hereby declared to be the policy of the state and its political subdivisions to use the life cycle costs of commodities as developed and disseminated by the federal government when purchased by the state or its political subdivisions where feasible as provided in this part
 - b. **TNC 12-3-203(d)** → Technical offers and bids shall be evaluated based on the requirements set forth in the invitation to bid which may include criteria to determine acceptability, such as inspection, testing, quality, workmanship, delivery, and suitability for a particular purpose. Those criteria that will affect the bid price and be considered in evaluation for award shall be objectively measurable (quantifiable) and shall include, wherever practical, factors other than the initial purchase price. Such factors may include, but are not limited to, costs of training and conversion, the energy consumption and the projected cost of energy over the useful life of the product, and the anticipated resale or salvage value of the product. The invitation to bid shall set forth the evaluation criteria to be used. No criteria or factors may be used in bid evaluation that are not set forth in the invitation to bid.

4. **Piggybacking:** Allowed.
 - a. **TNC 12-3-216** → The commissioner of general services is authorized to enter into cooperative purchasing agreements with other states, local governments and higher education institutions; provided, that each contract is established through the use of competitive sealed bids and each procurement has the prior approval of the board of standards.

5. **Recycle Preferences:** Encouraged to purchase recycled products
 - a. **68-211-865 (2)** → Revise product specifications to require, to the extent economically feasible, the procurement of recycled products or products with recycled content;
 - b. **68-211-865 (3)** → Encourage all departments of state government to purchase products with recycled content or recyclable products from state contracts;
 - c. **68-211-865 (4)** → Encourage county governments to purchase materials with recycled content from state contracts in transactions under title [12](#), chapter 3, part 10

- d. **68-211-865 (5)** → Effect procurement contracts that are subject to competitive bidding using specifications revised according to subdivision (a)(2).

[Legal Resources](#)

6. **Minority/Small/Disadvantaged Business Enterprise preferences:** 15% of business to minority owned businesses, and internal goals allowed for MBE, SBE, WBE.

- a. **4-51-112.a** → It is the intent of the general assembly that the corporation encourage participation by minority owned businesses. Accordingly, the board of directors shall adopt a plan that achieves to the greatest extent possible a level of participation by minority owned businesses taking into account the total number of all retailers and vendors, including any subcontractors. The corporation is authorized and directed to undertake training programs and other educational activities to enable such minority owned businesses to compete for contracts on an equal basis. The corporation will strive to maximize participation of minority owned businesses to achieve a minimum participation goal of fifteen percent (15%) through both prime and second tier business contracting opportunities. The board shall monitor the results of minority owned business participation and shall report the results of minority owned business participation to the general assembly at least on an annual basis
- b. **12-3-807.b** → All state agencies shall fully cooperate with the governor's office of diversity business enterprises and shall provide staff support and any other assistance upon request of the commissioner. This cooperation specifically includes, but is not limited to, establishing and striving to achieve annual departmental or agency level internal goals for minority owned, woman owned, Tennessee service-disabled veteran owned and small business contracting. In establishing and striving to achieve these annual goals, each agency shall work closely with the governor's office of diversity business enterprises. Each agency shall provide as requested to the governor's office of diversity business enterprises periodic reports on upcoming procurement and contract opportunities and on the level of participation by minority owned, woman owned, Tennessee service-disabled veteran owned and small businesses in that agency's procurements and contracts

7. **Cooperative Purchasing**

National IPA

The City of Tucson, AZ has awarded a national cooperative purchasing agreement available to agencies through National Intergovernmental Purchasing Alliance (National IPA). Visit the National IPA website for state specific information

<http://www.nationalipa.org/statutes.html>

National Joint Powers Alliance (NJPA)

NJPA currently supports over 100 national contracts for products and services that are available to local governmental agencies and other not for profit entities. Additional information can be found by visiting NJPA's State Procurement Resources web site.

<http://www.njpacoop.org/national-cooperative-contract-solutions/legal-authority/>

***** TN Code (must go to site and navigate to Title 12, Chapter 3):**

<http://www.lexisnexis.com/hottopic/tncode/>