

**NATIONAL ASSOCIATION OF HEALTH UNDERWRITERS  
POLICY & PROCEDURES**

<b>POLICY TITLE:</b>	Competitive Bidding
<b>CLASSIFICATION:</b>	Executive
<b>POLICY NUMBER:</b>	95-09-EX
<b>DEPARTMENT COORDINATOR:</b>	Executive
<b>MOTION:</b>	Steve Selinsky
<b>SECONDED:</b>	Beth Ashmore
<b>DATE SUBMITTED (INITIAL):</b>	July 5, 1995
<b>DATE APPROVED:</b>	May 14, 2007
<b>APPROVED BY:</b>	Board of Trustees
<b>SUNSET DATE:</b>	2013

**PURPOSE:** To ensure that NAHU purchases from the lowest cost qualified vendor meeting the specifications of the bid, and to ensure a fair and impartial bidding process. It will also ensure that needs are fully evaluated prior to goods or services being purchased or contracted.

**POLICY:** NAHU must follow a written process of competitive bidding, both as prescribed below and in accordance with written internal procedures developed by the EVP.

**PROCEDURE(S):** Items costing less than \$5,000 which are not purchased on an ongoing contractual basis are exempt from this P&P. Bids for items purchased on an ongoing contractual basis will be reviewed by the EVP and CFO no less frequently than every two years.

Items costing between \$5,000 and \$10,000 require a minimum of three written bids. Bids should be in response to bid specifications drafted by the appropriate department director, and reviewed by the Executive Vice President. Bids will be reviewed by the EVP and CFO and awarded to the lowest cost qualified bidder.

Items costing over \$10,000 are subject to the same rules as those above, but EVP's determination is confirmed by a majority vote of the Board of Trustees.

In cases in which there are fewer than three qualified vendors for a product, as determined by the EVP and CFO, fewer bids can be solicited, with Board of Trustees notification. This would occur only when research conducted by the EVP and/or staff eliminates one or more potential bidders from consideration

**FINANCIAL IMPACT:** None