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PURCHASING REGULATION

STATE INSURANCE FUND CORPORATION

PURCHASING REGULATION

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STATE INSURANCE FUND CORPORATION

PURCHASING REGULATION

I. INTRODUCTION

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Purchasing processes at the State Insurance Fund Corporation (SIFC) are complex due to the different needs of its units. Given the nature of its services, particularly those related to the health of injured workers, the agency must have a streamlined, simple, efficient, and transparent procurement process in place for the acquisition of certain goods and services for the benefit of its patients, taking into account their needs and privacy and guided by criteria of quality and higher return on our agency's financial resources.

To this end, and considering the amendments made to several laws that govern procurement processes across Puerto Rico's government agencies, we have created these new Regulation for the Procurement of Goods and Services, which establishes a more streamlined and simple process, and transfers several of its more complex procurement responsibilities to the Bid Board and the Formal Processes Office, which shall have its own Regulation.

II. LEGAL BASIS

The Administrator of the State Insurance Fund Corporation hereby adopts and enacts this Regulation upon approval of the Board of Directors and by virtue of the authority vested in the Administrator by the Puerto Rico Compensation System for Work-Related Accidents Act, Act No. 45 of April 18, 1935, 11 LPRA §§ 1b-3, 1b-4, as amended, as well as the provisions of subtitle II of the Uniform Administrative Procedures Act of the Government of Puerto Rico, Act No. 38 of 2017, 3 LPRA § 9601, et seq, as amended; the

General Services Administration Act for the Centralization of Purchases by the Government of Puerto Rico, Act No. 73 of 2019, as amended; and the Uniform Regulations for Purchases and Bids of Goods, Works and Non-Professional Services of the General Services Administration of the Government of Puerto Rico, Regulation 9230, as amended.

III. EXECUTIVE SUMMARY: PURPOSE, JUSTIFICATION, AND COST-BENEFIT ANALYSIS

These Regulations are adopted in accordance with the public policy of the Government of Puerto Rico as defined in the General Services Administration Act for the Centralization of Purchases by the Government of Puerto Rico, Act No. 73 of 2019, 3 L.P.R.A. § 9831 et. seq., as amended. This law, which defines the SIFC as an exempt entity, is created to obtain goods and services necessary for the healthy functioning of the Government, under the most convenient and reasonable conditions.

At the same time, this amendment is intended to integrate the changes requested by the General Services Administration into agencies and exempt entities under amendments to the aforementioned law. To that end, this adoption allows the SIFC, as an exempt entity under the law, to carry out its procurement and auction processes for goods, works, and non-professional services without the obligation to do so through the General Services Administration administrative structure.

Likewise, it allows the SIFC to establish and maintain the best relationships with qualified suppliers to maintain a continuous flow in the acquisitions made by the Corporation through its various offices and agencies, to reduce the costs of storage and distribution of recurring supplies.

On the one hand, it considers the increases in amounts adopted by amendments to the aforementioned law and the adoption of Micro-Purchases as an alternative procurement method. On the other hand, mechanisms are established to promote Puerto Rican products, support small and medium-sized enterprises, expand sources of supply, obtain the

best value for investment in purchases of goods and services, and prevent and detect corruption.

On the other hand, with the adoption of this measure, the repeal of the **Regulation for the Proper Use of Information Systems Security and Technological Equipment of the State Insurance Fund Corporation, Number 9171**, and the **Regulation to Establish Guidelines for the Sale and Promotion of the State Insurance Fund Corporation Policies Through Insurance Companies, Number 8973**, as approved by the Board of Directors of the State Insurance Fund Corporation, through **Resolutions Numbers A-62-2025 of August 5, 2025**, and **A-104-2025 of December 16, 2025**, is hereby carried out.

Finally, as this is an amendment to regulations already in force, justified by the new changes to the aforementioned Act and after analyzing the reasons described above and their nature, it has been determined that its adoption does not entail any economic burden for the Corporation, the treasury, or those who receive services from it.

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IV. APPLICATION

This Regulation applies to all directors, employees, officials, bidders, suppliers, contractors, and any other persons related to the SIFC.

V. DEFINITIONS

- A. **Administrator** - SIFC Administrator.
- B. **Appointing Authority** – SIFC Administrator.
- C. **Authorized Person** – A SIFC employee who has been authorized by the Appointing Authority to represent the SFIC and to perform their duties on a temporary basis and in a defined manner.
- D. **Best Offer** – In all procurement processes, factors such as warranty, installation, experience, physical facilities, financial solvency, staff portfolio, service protocol, repair costs, product quality, price, delivery terms, and the rendering of services that are the most convenient for the SIFC must be considered. Logical and simple criteria and

parameters shall be used to determine the best offer in order to obtain the best investment value on the purchase of goods and services.

- E. **Bid** – Offer submitted by a bidder to provide goods, perform work, or provide services required by the SIFC. Bids submitted in writing shall include the name and information of the person authorized to submit said information, as well as the business, street, and mailing address, telephone number, email address, and fax number of the bidder and any other information as the SIFC may deem necessary.
- F. **Bid Board** – The SIFC Bid Board.
- G. **Bidder** – Natural or legal person registered in the Simple Register of Bidders (RUL) of the General Services Administration (ASG, for its Spanish acronym) of the Government of Puerto Rico who formally submits a quotation, either directly or through an authorized representative who is qualified to supply the goods and services required by the SIFC's Requesting Units.
- H. **Bid Summary – Purchases and Services (SIFC 01-023)** – A document containing information about each quotation in connection with each requisition of the Requesting Unit, which summarizes the bids submitted by bidders and includes information on the goods or services, warranty, delivery date, preference percentage, and price, and identifies the bidder selected for purchases under the jurisdiction of the Purchasing Offer.
- I. **Cancellation Order** – An official document relating to a purchase order which notifies the supplier of the determination to cancel the original purchase order or part thereof.
- J. **Certificate of Eligibility** – A document issued by the General Services Administration (ASG) certifying that a bidder meets the requirements to be included in the Single Registry of Bidders (RUL, for its Spanish acronym).
- K. **Change Order** – An official document relating to a purchase order and which modifies the original order.

- L. **Chief Purchasing Officer and/or Deputy Chief Purchasing Officer**
– The official responsible for supervising the Purchasing Office in the performance of its duties and the processes established in this Regulation.
- M. **Conflict of Interest** – Inconsistency arising in the negotiation and contracting process when financial or personal interests exist as a result of such negotiation or contracting by the person who has the authority and the power to decide, administer, manage, or supervise the purchasing or bidding processes, so that their decision is or appears to be influenced or biased, and/or their interest is or may be in conflict with the public interest.
- N. **Contract** – Legal document entered into between the SIFC and its providers which stipulates the terms and conditions for the acquisition of goods and services.
- O. **Contractor** – Natural or legal person who has entered into a contract with the SIFC to supply goods or services.
- P. **Corporation (SIFC)** - State Insurance Fund Corporation
- Q. **Delivery Terms** – Terms under which the delivery of any goods procured, or services contracted through the purchasing process is established, including, but not limited to, the time, place, manner, pick up, installation, and work schedule of such delivery, among others.
- R. **Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS)** – Equipment that: 1) can withstand repeated use (may be rented and subsequently used by other patients); 2) is used to serve a medical purpose; 3) is generally useful for individuals with an illness or medical condition; 4) is suitable for use at home. These include, but are not limited to, wheelchairs, adjustable beds, canes, crutches, walkers, ventilators, oxygen concentrators, pressure mattresses, prosthetics, orthotics, and implants.
- S. **Emergency Purchases** – The procurement of certain supplies or services without the need to follow some of the steps established in the

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regulations or procedures in effect as a result of an event or combination of circumstances that creates an unexpected or unforeseen situation and which requires immediate attention or remedy in order to avoid harm to the life, health, and safety of employees, injured individuals, employers, or visitors, to state property; or to avoid adverse effects on the service provided by the SIFC or on its contractual commitments and those programs of the Government of Puerto Rico that are funded by federal or state funds.

- T. **Exceptional Purchase** – Any purchase that is exempt from being processed through a formal or informal bidding process, request for proposals, or request for qualifications.
- U. **Financial System** – Data processing program used by the SIFC whereby Requesting Units generate requisitions for the purchase of goods and services.
- V. **Goods** – Equipment, furniture, vehicles, materials, supplies, prosthetics, implants, prescription drugs, and fungible or non-fungible items acquired through a purchasing process for the benefit of the SIFC and its patients.
- W. **Informal Bid** – Bidding method used for the acquisition of goods, works, and non-professional services the cost of which exceed fifty thousand dollars and one cent (\$50,000.01), but does not exceed two hundred fifty thousand dollars (\$250,000.00).
- X. **Informal Purchase** – Bidding method used for the acquisition of goods, works and non-professional services whose cost does not exceed fifty thousand dollars (\$50,000.00).
- Y. **Local Business** – A construction-related business that operates as a contractor or subcontractor, that is duly registered with the corresponding entities of the Government of Puerto Rico, whose sales volume and revenue are mostly generated by their substantial operations in Puerto Rico for at least six (6) years, which given its nature, complexity, investment, and the number of jobs generated in

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Puerto Rico, represents a substantial contribution to the Island's economy, and whose principal place of business is within the territorial limits of Puerto Rico, where it conducts its day to day business operations. The mere fact of having a P.O. Box address in Puerto Rico shall not be acceptable for meeting the above requirement.

- Z. **Local Provider** – A provider that meets all the requirements established in the instructions to bidders of the ASG or Government Entities for each particular request, who also meets all the legal, financial, operational, and technical requirements (specialized knowledge, similar expertise or experience) for the goods and services requested, and whose sales volume and revenue are mostly derived from their substantial operations in Puerto Rico for a minimum period of time, as provided by law.
- AA. **Micro-Purchases** – Simplified procurement method for amounts not to exceed five thousand dollars (\$5,000.00).
- BB. **Nondurable Medical Equipment or Products (Supplies)** – Medical equipment and materials that: 1) are disposable; 2) cannot be used repeatedly by more than one person; 3) serve a justified medical purpose; 4) to be used by a person with an illness or medical condition; 5) must be ordered or prescribed by a healthcare professional. Examples include gloves, gauze, syringes, and catheters, among others.
- CC. **Non-professional Services** – Services that are not rendered by a natural or legal person with specialized knowledge or abilities who is not required to hold a college degree or professional license.
- DD. **Procurement Reserve** – Percentage of the budget allocated to contracts and purchases for good and services awarded under the SIFC's Micro, Small, and Medium-Sized Enterprises (PyMEs) Procurement Reserve Program.
- EE. **Professional Services** – Services rendered by a natural or legal person with specialized knowledge or abilities who is required to hold a

college degree or professional license certifying them as a specialized professional, or services the rendering of which is the product of intellectual, creative, or artistic work, or requires highly technical or specialized college-level skills.

FF. **Puerto Rico General Services Administration (ASG, for its Spanish acronym)** – The government agency in charge of implementing the policy for the acquisition of goods, works, and services for the Government of Puerto Rico, aiming to centralize and optimize purchasing processes to ensure efficiency, transparency, and the best possible cost for the government.

GG. **Purchase** – The acquisition of goods or services to meet the needs of SIFC's Requesting Units through the processes established in this Regulation.

HH. **Purchase File** – A record of each purchase kept by the Purchasing Office in its files under the custody of the Chief Purchasing Officer.

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II. **Purchase Order** – A document that contains the information of the successful supplier and which details the award of specific goods, delivery agreement, cash discounts, requested quantity, and prices offered by the supplier.

JJ. **Purchase Specialist** – Person in charge of managing and executing the processes for the acquisition of goods, materials, and services, ensuring these are obtained in the best possible quality, price, quantity, and conditions.

KK. **Purchasing Agent** – SIFC official or employee responsible for handling and processing purchase requests or requisitions from Requesting Units, evaluating potential bidders, inviting qualified bidders to submit quotations, evaluating invitations to bidders who are qualified to quote, analyzing quotations from bidders, and awarding or recommending the award of purchases.

LL. **Purchasing Office** – Work unit within the organizational structure of the SIFC, authorized hereunder to purchase goods and services through its purchasing procedures in the best interest of the SIFC.

- MM. **PyMEs** – Small and Medium-sized Enterprises (SME).
- NN. **Quotation** – Document submitted by qualified bidders to the Purchasing Office under the informal purchase bidding method, which includes their price offer and the terms for the sale of requested goods and services, as required for each purchase. The prices offered by the bidder shall remain firm during the validity period of the purchase order or contract issued by the SIFC and shall not be subject to changes due to market increases or any other changes.
- OO. **Requesting Units** – Work units within the SIFC that request the purchase of equipment, materials, supplies, or services to the Purchasing Office. Includes the Central Office, Regional Dispensaries, Intermediate Dispensaries, the Industrial Hospital, and other SIFC units.
- PP. **Requisition** – A request made through the SIFC's financial system for the purchase of equipment, materials, or services. The requisition is prepared by the Requesting Units, while the Purchasing Office performs the procedure for its acquisition.
- QQ. **SAP – Systems, Applications, and Products.** An **Enterprise Resource Planning (ERP)** business computer system whose main function is to centrally integrate and manage core business processes, such as Finance, Accounting, and Human Resources.
- RR. **Service Order** – Process whereby the SIFC obtains goods, works, and non-professional services not exceeding the amounts established in this Regulation. It contains all the information related to the successful supplier and details the specific services awarded to a supplier.
- SS. **Single Registry of Bidders (RUL, for its Spanish acronym)** – The General Services Administration's list of bidders who are qualified and certified to do business with the Government of Puerto Rico.
- TT. **Sole Source** – When only one supplier or vendor is available for the purchase of equipment, materials, or services under the terms and specifications required.

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UU. **Specifications** – A clear, complete, and accurate description of the required goods or services. They establish the essential physical and functional characteristics and minimum requirements expected for the acquisition.

VV. **Supplier-** Natural or legal person registered in the Single Registry of Bidders of the General Services Administration, with the capacity to provide equipment, materials, or non-professional services available for purchase by the Government under the required terms and specifications.

WW. **Supplier File** – Contains documents regarding SIFC suppliers. The compilation and filing of these files are discretionary unless a supplier is disqualified. It includes evaluations, audits, and other information related to their conduct and contract compliance history, as well as evaluations and data regarding the supplier or contractor's performance in the provision of services to the SIFC. The information included in this file shall only be used by the SIFC for its procurement and bidding processes. This record shall not be disclosed to third parties without the supplier's consent, unless ordered by a Court of Law or other competent authority.

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VI. **PURCHASING OFFICE STRUCTURE**

The SIFC's Purchasing Office shall be composed of the Chief or Deputy Chief Purchasing Officer, Purchasing Agents, Purchasing Specialists, Clerk Typists, Administrative Official, and Executive Officer.

A. **JURISDICTION**

The Purchasing Office shall have jurisdiction over all processes for the acquisition of goods and services for which the intervention of the Bid Board or its Officer is not necessary. It shall process all informal purchases ranging from one cent (\$0.01) to fifty thousand dollars (\$50,000.00), as well as all informal bids ranging from fifty thousand dollars and one cent (\$50,000.01) to two hundred thousand dollars

(\$250,000.00) per transaction, in which the execution of the corresponding contract or the issuance of a purchase order is applicable.

B. OBJECTIVES

The main objective of the Purchasing Office is to maintain an efficient and cost-effective system that ensures a uniform acquisition and delivery of materials, equipment, prescription drugs, prosthetics, implants, or services, within the required time period and place, in the necessary quantity and specified quality, with an adequate warranty and at a reasonable cost that will deliver the best purchase investment value for the effective benefit of our patients, always taking into account their needs, privacy, and human dignity.

C. FUNCTIONS

The main functions of the Purchasing Office are:

1. Establishing and maintaining a streamlined and flexible process, framework, and structure for the acquisition of goods and services that meets the needs of the Requesting Units at the right time, in adequate quantities, and of the desired quality, at the most reasonable cost for the SIFC.
2. Developing a work plan in line with the needs of the Requesting Units, according to their duly authorized purchase requisitions.
3. Advising SIFC employees and officials on the purchasing processes for the acquisition of goods and services.

D. RULES

The responsibility for all purchases at the SIFC, as defined in this Regulation, shall be upon the Purchasing Office, which shall be governed by the following rules:

1. All purchases shall be preceded by an official requisition issued by the Requesting Unit with a description or specifications, packaging unit, quantity requested, account number, estimated price, and such other documents as may be necessary to make the corresponding purchase.

2. A quotation, review, and award process shall be followed for all purchases made, except for emergency purchases, which shall be governed by the provisions of the section designated for said purpose in this Regulation.
3. In the case of informal purchases, a minimum of three (3) quotations shall be obtained for each purchase transaction, to the extent practicable and feasible. The Purchasing Officer shall take all necessary steps and shall make every effort to obtain the three (3) quotations.
4. If the Purchasing Officer is unable to obtain three (3) quotations, it shall be so justified in the bid summary or in a separate document, and the Chief Purchasing Officer or their representative must accept said justification prior to authorizing the transaction.
5. The purchase shall be awarded to the bidder who offered the item or service considered as the best offer, as defined in this Regulation.
6. The Purchasing Office may opt to request that any purchase under its jurisdiction be made through a formal process or as an exceptional purchase under the jurisdiction of the Bid Board or the Formal Processes Office, when deemed to be justified, necessary, appropriate, or warranted.
7. To the extent possible, purchases of certain similar materials or equipment shall be combined in coordination with the Requesting Units.
8. Standard specifications shall be established for the purchase of similar materials and equipment.
9. Suppliers who provide evidence of having strong distribution channels that enable them to maintain a continuous delivery flow of the goods procured by the SIFC for its offices and units shall be qualified, as appropriate, in order to eliminate the need for a warehouse and the use of SIFC official vehicles for dispatching, transporting, and delivering goods to SIFC units.

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10. Preference shall be given to Micro, Small, and Medium-Sized Enterprises (PyMEs, for its Spanish acronym) duly certified by the Puerto Rico Trade and Export Company and identified under said category in the Single Registry of Bidders.

11. The purchase records file shall be in custody and under the responsibility of the Chief Purchasing Officer. This file will be kept in a secure location and only Purchasing Office and Internal Audit Office staff members shall have direct access to such records. Any request to review a file under the jurisdiction of this office must be made in writing and must be authorized by the Chief Purchasing Officer or their authorized representative.

12. All files relating to exceptional or emergency purchases shall be referred to the Formal Processes Office Manager prior to its approval by the Administrator, to ensure a more reliable and transparent process.

13. The Formal Processes Manager shall conduct the corresponding review, ensuring compliance with the conditions and the procedure for this type of purchase order in accordance with the provisions of this Regulation and all applicable legal regulations.

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VII. RESPONSIBILITIES OF THE REQUESTING UNITS

1. Preparing requisitions using the software program currently in place for such purposes, including all descriptions or specifications, the desired unit of measure, estimated price, and place of delivery of the goods or service required; processing the budget allocation and approval and all authorizations required to request the items or services needed for the ordinary course of their activities.
2. Documenting and justifying all non-budgeted purchases of goods and services during the fiscal year.

3. Documenting and justifying the purchase of equipment, materials, and products other than those identified and approved in the product catalogues and brochures or any other catalogues used at the SIFC.
4. Receiving the procured goods or services and ensuring supplier's compliance.
5. Notifying the Purchasing Office and the Property and Services Office of any incident of noncompliance, situation, warranty claim, and/or any issue with a supplier regarding their delivery performance.

VIII. SINGLE REGISTRY OF BIDDERS

1. The General Services Administration Act for the Centralization of Purchases by the Government of Puerto Rico provides that any natural or legal person interested in joining the goods and services procurement market of the Executive Branch and Public Corporations of the Government of Puerto Rico shall be required to be registered in the Single Registry of Bidders (RUL) of the ASG, in accordance with all applicable laws and regulations in force.
2. All bidders and suppliers must comply with the RUL registration requirement in order to participate in such procurement and bidding processes. To this end, they must have a valid Certificate of Eligibility. This guarantees that, by meeting their registration requirements, each supplier is subject to proving their experience, technical and organizational capability, and their financial capacity to provide the requested good or service of the requested quality and under the specified terms and conditions.
3. Purchasing agents shall ensure that potential suppliers are duly registered and hold a valid Certificate of Eligibility at the time of awarding the purchase of goods and services. A copy of the Certificate of Eligibility shall be included in each purchase file.

IX. PROCUREMENT RESERVE PROGRAM

A. PYMES

1. In compliance with the procurement reserve acts currently in force, a

Procurement Reserve Program is hereby established for purchases from Micro, Small and Medium-Sized Enterprises (PyMEs) registered with the Puerto Rico Trade and Export Company and in the Single Registry of Bidders under said category. The SIFC is required to reserve a portion of its procurement budget for the acquisition of goods or services offered by PyMEs, considering the following:

- a. The Purchasing Office shall be responsible for the administration of the program and shall issue a monthly and yearly report to the Administrator, which shall include a breakdown of the corresponding percentage set aside for purchases from these businesses, in accordance with applicable laws and regulations.
- b. The Finance and Administration Area and the Budget Office shall certify the purchasing budget and the percentage thereof set aside for the SIFC's Procurement Reserve Program, as provided by law.
- c. The Bid Board and the Formal Processes Office shall inform the Chief Purchasing Officer of all bids or formal processes awarded to PyMEs, indicating the procured good or non-professional service and the awarded amount.
- d. The Chief Purchasing Officer shall prepare a detailed monthly report indicating the selected PyMEs and the amounts paid. This Monthly Report must be certified by the Finance Director.
- e. The Chief Purchasing Officer shall post the report on the oversight agency's website and shall state the total percentage allocated and the amount paid from its annual purchasing budget.
- f. The electronic report shall be approved by the Chief Purchasing Officer or, in the event of a different organizational structure, by a representative authorized by the Administrator.
- g. Reports shall be submitted no later than on the tenth (10) day of each month.
- h. At least sixty (60) calendar days before each fiscal year, the Purchasing Office, with the approval of the SIFC's Finance and

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Administration Area, shall prepare and submit their plan to comply with the Procurement Reserve Program for said year. This plan shall contain the projections for the procurement of goods and services, and the amounts thereof, that will be set aside for the SIFC's Procurement Reserve Program.

PURCHASING AGENT DUTIES

1. Evaluating each requisition for the purchase of goods or services in order to identify goods or services that may be acquired from PyMEs.
2. Identifying in the RUL the PyMEs that may supply the required goods or services.
3. Inviting only PyMEs that are qualified and identified for certain purchases, in order to avoid competition with businesses classified as Non-PyMEs in the RUL.
4. A registered bidder who submits a quotation and whose documents to obtain the Certificate of Eligibility have expired shall not be rejected for this reason and shall be granted five (5) days to submit all the required documents to the ASG's RUL. However, the bidder must be eligible at the time of the award, and the Certificate of Eligibility must be included in the purchase file.

CHIEF PURCHASING OFFICER DUTIES

1. Ensuring that all purchase files are complete and include a copy of the Certificate of Eligibility of the business that has been recommended or selected for the purchase of goods and services.
2. Preparing and submitting an annual report to the Administrator that includes a breakdown of the percentage set aside for small and medium-sized business purchases.
3. Requesting and obtaining from the Finance and Administration Area the certification of the budget allocated for governmental purchases and the corresponding percentage set aside for the SIFC Procurement Reserve Program.
4. Receiving the report from the Formal Processes Office regarding all

bids and formal processes awarded to PyME businesses, indicating the procured goods or services and the awarded amount.

5. Preparing a monthly report detailing the selected PyMEs and the amount paid by the SIFC to the supplier or contractor. This report must be certified by the Finance Director.
6. Monitoring the total amount of the annual budget allocated for purchases on a monthly basis, including the corresponding analysis and breakdown of the percentage set aside for purchases from small and medium-sized businesses, as provided by law.
7. Preparing monthly, quarterly, and yearly reports with the approval of the Finance Director or, in the event of a different organizational structure, of an authorized representative designated by the SIFC Administrator.

a. All reports shall include the following:

- Supplier's Name
- RUL Bidder Number
- SAP Supplier Number
- Employer Identification Number
- Payment amount, by business
- Total amount of payments accumulated during the fiscal year

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B. LOCAL CONSTRUCTION CONTRACTOR AND PROVIDER PREFERENCE

1. The Purchasing Office, its Purchasing Agents and its Chief Purchasing Officer shall ensure that all purchases for goods and services are in compliance with the preference policy.

X. PURCHASES

A. INFORMAL PURCHASES

1. The Purchasing Office and the Purchasing Agents or Specialists are responsible for, and are authorized to, procure items, equipment,

prescription drugs, prosthetics, implants, and materials without a contract, through informal purchases or bids.

2. In the case of purchases, quotations shall be requested from qualified and interested bidders registered in the ASG's RUL. Suppliers are invited to submit quotations and offers in writing by any means, on the day and at the time indicated.
3. Under normal circumstances, potential bidders shall have three (3) business days to reply to the request for price.
4. All bidders must fill out the request form, particularly the brand, model, unit of measure, delivery date, and offered price.
5. Quotations must be received by the date and time indicated in the request for quotation, and a quotation record must be completed.
6. The quotation offering the best value shall be selected, taking into account all of the circumstances and always serving the best interests of the SIFC and the Government.
7. If a quotation has been requested from a particular bidder and said bidder has not responded to the request, it must be considered as "NO BID."
8. Once a quotation has been awarded by the Chief Purchasing Officer or their authorized representative, if the offer was made by telephone, the successful bidder must submit a signed offer in writing.
9. The Purchasing Agent shall evaluate at least three (3) quotations from different bidders in order to award and make the purchase.
10. If at least three (4) potential qualified and competent bidders are not available to award a purchase, the situation must be indicated in the bid summary or in a separate document to be included in the purchase file, indicating the reasons why they were unable to obtain three (3) quotations.



11. All quotations shall include information on each product in order to allow for a clear comparison between brands, models, manufacturers, units of measure, delivery date, warranty, and price.
12. The characteristics and descriptions of the procured goods or services must be specified in order to enable an evaluation based on clear and defined criteria.
13. The Purchasing Agent or the Purchasing Specialist shall certify in writing the evaluation performed and shall confirm that the Certificate of Eligibility is in effect at the time of the award, as well as the basis for their award.
14. The Purchasing Agent or the Purchasing Specialist may request the intervention of the Requesting Unit to assist in the evaluation of offers and recommend the item, equipment, or product that best meets their needs.
15. All services required by the SIFC to maintain and safeguard the services it offers to its employers and injured workers shall be procured by means of a service order.
16. The Purchasing Office shall ensure compliance with the rules regarding the procurement of services promulgated in this Regulation.
17. This mechanism shall be used only for the procurement of services, including those related to rental, installation, repair, quotations, evaluations, studies, appraisals, maintenance, auto repair, landscaping, certifications, inspections, painting, remodeling, food, catering, drafting, translation, transcription, freight, transportation, cleaning, laundry, key duplication, locksmith, process server, bacteriology, environmental, recycling, waste management, consultancy, printing, publications, digitalization, media advertising, supply, hazardous liquid spills, courier, removal, expert advice, conventions, pest control, printing, and any other skilled, non-skilled, technical or specialized service.

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18. All SIFC providers shall be required to be in compliance with the Single Registry of Bidders (RUL) and the Single Registry of Professionals (RUP) of the General Services Administration.

19. When a service order requires the intervention of a specialized technician to perform a technical evaluation in order to determine the cost of the service, it shall be limited to fifty thousand dollars (\$50,000.00) under the informal purchase mechanism, and two hundred fifty thousand dollars (\$250,000.00) under the informal bid method.

20. The request for quotation, review, and selection process shall be followed for every service performed, depending on the amount and availability. Prior to awarding any service, the Purchasing Agent, in coordination with the office or area interested in such service, shall request at least three (3) quotations, provided that it shall always be awarded on equal terms to the lowest bidder. Should there be circumstances in which it is more convenient for the SIFC to select a bidder other than the lowest bidder, or if other reasons exist that warrant and justify said action, the Chief Purchasing Officer, in coordination with the requesting office or area, shall prepare a justification letter detailing and explaining the reasons for making the award to said bidder. The bidding method to be used shall be based on the bid amount.

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21. Service orders to be awarded may not be divided. Service orders may be issued to the same supplier in cases where the services to be performed are the result of different and particular situations. Service orders may be awarded to the same supplier for each location in separate service orders or in the same location when such services are paid on a monthly basis.

22. The Administration Area Director or their authorized representative may authorize the payment of services through service orders for up

to twelve (12) months. In these cases, the Director shall provide a written justification of the reasons that led to said determination.

23. Services that exceed the threshold amounts established in this Regulation shall be procured in accordance with the provisions of the SIFC Bidding Regulation. Professional services are exempt from this Regulation.

24. The Chief Purchasing Officer may authorize the open market mechanism only when dealing with specific and defined goods, works, or services which, due to their nature, do not require additional specifications. Once this mechanism is authorized, the purchasing agent in charge shall make the request for open quotation and shall notify all natural and legal persons registered in the Single Registry of Bidders for the Government of Puerto Rico (RUL), under the corresponding goods, work, or service. This notice shall include all the specific needs of the procured good, work, or service, and the bid submission date, which shall not exceed five (5) days from the date of publication of the notice, except under extraordinary circumstances authorized by the Chief Purchasing Officer.

25. The Chief Purchasing Officer or an Authorized Representative designated by the Administrator may use the informal bid method for complex procurement activities whose cost does not exceed fifty thousand dollars (\$50,000.00), if it is determined that said method serves the best public interest.

B. EXCEPTIONAL PURCHASE

Exceptional purchases shall be all those conducted by the Purchasing Office that shall be exempted from being conducted through the litigation methods provided by Act No. 73 of 2019. All exceptional purchases must be recommended in writing by the Chief Purchasing Officer, reviewed and recommended by the Director of Formal Processes, and authorized by the Administrator of the Corporation or a person authorized for said

purposes. The following shall be considered as exceptional purchases:

1. When minimum prices are set by law or a competent government authority;
2. When purchasing from the Government of the United States of America, one of its states, or through one of its agencies, instrumentalities or departments, quasi-public corporations, their subsidiaries and affiliates, or any other entity of the government of Puerto Rico;
3. When a supplier under a contract with the General Services Administration is used;
4. When there is only a single supply source and the manufacturer has certified that the company is the exclusive representative of said item in Puerto Rico, or a certification from the Chief Purchasing Officer that, to the best of their knowledge, and based on their personal understanding, the entity is the only one that can provide the item or offer the service, as applicable;
5. When an emergency arises in the SIFC that leads to unexpected, unforeseen, and urgent needs that require immediate action from the Appointing Authority because the life, health or safety of employees or citizens visiting its facilities is in danger, or because it would imply the suspension of services provided, or that these services would be affected;
6. When the Governor has declared a state of emergency;
7. When government property may be lost or damaged;
8. When the validity of the funds is nearing expiration and any opportunity to acquire the goods, works and non-professional services may be lost, adversely affecting the best interests of the Government of Puerto Rico;
9. When spare parts, accessories, additional equipment, or supplementary services are required for equipment whose repair or service is under contract;

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10. When it is necessary to acquire non-professional goods, works, and services outside of Puerto Rico because there are no qualified suppliers in the local market; or the conditions offered in those markets represent a greater advantage than those of the local market;
11. When no offers are received after requests for quotations, invitations for bids, or requests for proposals have been issued;
12. When all quotations, offers and/or proposals received are rejected because they do not comply with the specifications, conditions or because their price is unreasonable.
13. When the purchase is made under the terms of contracts or bids previously held, provided that, it works to the benefit of the Administration. In the event of a breach of contract by the successful bidder in a particular bid, a contract may be entered into with the alternate bidder in accordance with the proposal submitted in the bid;
14. When the items, materials, equipment, works, or non-professional services to be procured are of a specialized nature, or when there is a desire to purchase a certain type or specific brand, due to the proven good service that similar units have provided, because of how economical it is to maintain uniformity in multiple units, or because of the superiority in the type and quality of service that shall be obtained in the purchased unit and in its maintenance, all of which must be justified in writing in the requisition;

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C. EMERGENCY PURCHASES

In emergency or disaster situations that have been decreed by executive order, any purchases must be conducted under the following conditions:

1. All purchases made by the Government of the Commonwealth of Puerto Rico during an emergency or disaster decreed by executive order (local or federal) must be made through the ASG

Administration and in accordance with the provisions of this Act or the regulations issued thereunder.

2. The SIFC shall designate and authorize personnel to serve as Coordinators and Sub-coordinators, or as officials assigned to similar functions, with the Emergency Operations Center of the Bureau for Emergency Management and Disaster Administration. Such personnel shall have access to the authorized platform, which must be requested.
3. Any person designated as an official in the Bureau for Emergency Management and Disaster Administration must maintain constant communication with the authorized purchasing agent, as well as with the staff of the Finance Office. Authorized purchasing agents are those with a current appointment by the ASG.
4. The Purchasing Agent or Purchasing Specialist must document and justify the purchase, as well as request any necessary information. When justifying the purchase, the Purchasing Agent or Purchasing Specialist must include and indicate that they work for the Corporation, their contact information, including a phone number, and the justification for the purchase.
 - a. The SIFC purchasing liaison shall complete the form issued by the ASG for this purpose, in original, with all required signatures. In the case of the SIFC, emergency purchasing processes must comply with the internal procedures established for this purpose, in addition to submitting the form for contracts issued by the ASG.
 - b. The SIFC Administrator, or their authorized representative, shall approve purchase orders issued by the Purchasing Agent or Purchasing Specialist by signing them, after the Purchasing Agent or Purchasing Specialist verifies that the goods or services described therein are not available. Purchase orders must be signed by the Purchasing Agent

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or Purchasing Specialist. In the absence of the Purchasing Agent or Purchasing Specialist, the ASG Administration must be provided with the names and positions of the purchasing liaisons designated during the emergency.

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- c. The purchase order shall be processed in accordance with contracts previously established by the SIFC or, failing that, through emergency contracts executed by the ASG Administration. In the absence of pre-established contracts, the Corporation shall recommend the formalization of an emergency contract with the corresponding supplier or suppliers. The Chief Purchasing Officer shall be responsible for reviewing said contract for approval. Likewise, the Purchasing Agent or the Purchasing Specialist must prepare a separate file containing the purchase order and all related documentation, including, but not limited to, quotations, communications, and established agreements.
 - d. The Purchasing Agent or Purchasing Specialist shall consecutively number each purchase order issued during the emergency and maintain a record of these purchase orders.
 - e. Once the goods or services have been received, the person designated by the Corporation must sign the delivery note provided with the purchase order, certifying that the goods or services were received as described and detailed in said order. Any issues related to the delivery or receipt of the goods or services must be reported to the Purchasing Agent or the Purchasing Specialist and recorded in the purchase file. These files must be available for auditing purposes for each specific emergency event.
 - f. All communications must be conducted through the

agency's information systems. Communicating through personal devices is strictly prohibited, except in emergency situations, but such communication must be retained and transferred to a permanent file in the agency's books and records within, and no later than, five (5) business days from the date of the communication. This file must be readily available for future audits for each specific emergency event.

5. All emergency-related purchase requests must be submitted through the authorized platform and the process established by the ASG Administration, and must be accompanied by the following documentation:
 - a. a Fund Certification;
 - b. a request for requisition;
 - c. the current contract or emergency Agreement, if it shall not be part of those provided by the ASG Administration;
 - d. quotations with all product specifications, without excluding availability and delivery date;
 - e. any other documentation that may be necessary or required.
6. Once the Emergency Operations Center receives the request through the authorized platform, the specialized and authorized personnel designated by the Emergency Management Bureau shall evaluate and document on the same form the determination of whether the acquisition is warranted. After approval by the relevant entities provided by the Incident Commander, the designated and authorized personnel shall forward the request to the Office of Management and Budget.
7. Budget Office personnel shall preliminarily allocate the funds intended for emergency purchases.
8. ASG administrative staff shall review and confirm that the form

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created to address this matter contains all required documentation. The corresponding Administration personnel assigned to the Emergency Operations Center shall assign a control number. The Administration's Assistant Procurement Administrator, or their authorized representative, shall evaluate and recommend the procurement, indicating that the purchase request and procedures comply with applicable requirements. The Bidding Officer, or their representative, shall authorize the acquisition. If the procurement requires additional funds beyond those preliminarily approved, Administration staff must instruct the requesting entity's purchasing liaison to coordinate with the Office of Management and Budget and the relevant finance department.

9. The evaluation of each Form must be conducted within a period of no more than twenty-four (24) hours, except when there is just cause, if the request is in line with the declaration of emergency.
10. The State Insurance Fund Corporation shall follow the recommended emergency procurement guidelines established by the General Services Administration.
11. Payments may not be made prior to the receipt of the requested goods or services, except in cases where there is just cause, and provided that the advance payment does not exceed 15% of the purchase total. Just cause includes medical emergencies, risk of death, or when the Administrator determines that public safety is in imminent danger.
12. Competitive practices and multiple quotations should be encouraged to the extent possible. Therefore, the SIFC must provide a convincing explanation for not attempting to obtain multiple price quotations (or for using contracts other than those already in place).
13. The purchase must be conducted in accordance with applicable federal requirements.

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14. The Administrator shall submit to the General Services Administration (ASG, for its Spanish acronym), with a copy being provided to the Governor and the Financial Oversight and Management Board for Puerto Rico (FOMB), a monthly certification that confirms the SIFC's compliance with current procurement standards and regulations.

15. Any proposed emergency purchase contract or purchase order, or a series of related contracts, including amendments, modifications, or extensions, with a total aggregate value of \$10 million or more, must be submitted for approval to the Financial Oversight and Management Board (the "Fiscal Oversight Board") prior to their execution as required by the Puerto Rico Oversight, Management, and Economic Stability Act (PROMESA) and its Contract Review Policy. All other emergency purchase contracts or purchase orders must be submitted to the Oversight Board immediately after their execution.

16. The General Services Administration shall publish all purchases made within five (5) days of their completion. This publication shall contain:

- a. the order number,
- b. the goods or services being procured,
- c. the supplier of the goods or services,
- d. the cost of the goods and services,
- e. the requesting government entity.

D. PROCESS REGARDING EXCEPTIONAL PURCHASE PROVISIONS

1. If any of the situations mentioned under Article X, subsection B of this regulation occurs, the designated official or employee shall notify the Administrator of the situation that warrants an exception to holding a bid and shall request their authorization prior to the acquisition of the good or service, except for emergency purchases.
2. The justification memorandum shall explain in detail the

circumstances that warrant said purchase and shall be accompanied by all relevant documents, including quotations or an approximate cost estimate and the request with the budget allocation. The written authorization issued by the Administrator shall be valid only for purchases of the approximate quantity reflected in the quotations or the estimated cost indicated in the authorization request. Any subsequent purchase in excess of the authorized quantity shall require a new authorization from the Administrator.

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3. Each authorization to waive a bid or formal process procedure shall be independent and shall not be used for subsequent purchases unless expressly authorized by the Administrator. In specific situations where it is necessary to acquire equipment of a particular brand because service needs so require it, the Administrator may issue a single authorization detailing the specific situation and authorizing subsequent purchases during that fiscal year or, when required for a shorter period, for the specific term needed.
 4. Once authorization is received, the purchase shall proceed as deemed most convenient to SIFC's interests. This duly authorized communication, along with all supporting documents, shall be included in the Official File, along with a copy of the purchase order, contract, or other document whereby the goods and services are procured.
 5. The Purchasing Office shall oversee all procedures. The Notice of Award shall be signed by the Purchasing Supervisor or Director, or in their absence, by the official designated by the Administrator or Authorized Representative. Participation by members of the Bid Board is not required. The official file shall be identified as follows: CBCE-Fiscal Year-Assigned Number.

E. MICRO-PURCHASES

1. The Purchasing Agent or Purchasing Specialist shall submit the request in accordance with applicable regulations, which must include

a quotation. This quotation must address the SIFC's actual and immediate needs and contain fair and reasonable prices based on market research, either by comparing the same good or service with past purchases, or through written advertising or any reliable electronic or digital means. Reasonableness shall be determined based on historically paid prices for the same good or service, prices in commercial catalogs, or any other reliable physical or digital basis or mechanism that allows for verification.

2. In cases where a quotation is not obtained in response to the request submitted by the SIFC, the Purchasing Area, through the assigned Purchasing Agent or the Purchasing Specialist, shall be responsible for initiating the search for one (1) quotation by sending one (1) quotation request to a supplier of goods or services duly registered in the RUL under the corresponding category. This purchase shall be made by using the simplified acquisition method and shall not exceed the amount of five thousand dollars (\$5,000.00).
3. The Purchasing Agent or Purchasing Specialist assigned to the case shall review the criteria and conduct a price reasonableness analysis of the quotation under their consideration.
4. Once the Purchasing Agent or Purchasing Specialist has selected or awarded the supplier that met the established criteria, they shall issue a purchase order which must be approved by the Chief Purchasing Officer and recorded in the accounting system.
5. The Purchasing Office shall conduct evaluations of requests previously submitted by the offices to ensure that diversity in the selection of bidders is promoted whenever the item allows for it, all with the primary goal of not selecting the same suppliers for all requests.
6. No bid may be sent, awarded, or granted to any bidder, supplier, or provider who is not active and duly eligible in the Single Registry of Bidders (RUL, for its Spanish acronym). Therefore, it is an essential requirement that the bidder, supplier, or provider be registered and in

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compliance with the requirements of the RUL of the Government of Puerto Rico in order to use the micro-purchase mechanism.

7. In extraordinary cases where a direct purchase is required under the micro-purchase threshold, it shall be considered as an exceptional purchase, provided that the provisions of Article 34 of Act No. 73-2019 and Section 6.3 of the Uniform Regulations for Purchases and Bids of Goods, Works and Non-Professional Services of the General Services Administration of the Government of Puerto Rico (Regulation No. 9230) are met. In cases where the registration waiver is not approved, the purchase shall be processed as an informal purchase, for which the requirement to submit a minimum of three (3) quotations shall apply.
8. Lastly, the request or procurement of goods or services that are available under ASG's centralized contracts is prohibited. That is, any goods or services covered by ASG contracts shall be used for purchases or contracts under the contract purchase mechanism.

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F. OPEN MARKET

1. The "open market" purchasing mechanism shall only be available for specific and defined goods, works, and services.
2. Once the application for the "open market" purchasing mechanism has been determined by the Chief Purchasing Officer or their authorized representative, the Purchasing Agent or the Purchasing Specialist in charge, shall proceed to issue an open request for quotation. To this end, a Request for Quotation shall be sent to all suppliers of goods or services duly registered in the RUL, under the corresponding line item.
3. This notification shall include all the requirements and specifications for the goods, works, or services being sought.
4. The open quotation notification shall establish a term during which those interested in participating in the process may present their offers.

5. This term shall depend on the particular needs of each purchase but shall not exceed five (5) days from the publication of the open quotation notice, except in exceptional circumstances authorized by the Purchasing Director.
6. Once the established term has expired, the evaluation of the offers received shall proceed, and the contract shall be awarded to the responsive bidder who presents the best value according to the basic evaluation criteria adopted herein by the SIFC under applicable laws and regulations. The criteria considered include:
- the accuracy with which the bidder has complied with the specifications, terms, and conditions of the "open market" purchase;
 - the quality of the goods, works, and non-professional services being offered;
 - pricing that is competitive and comparable to market prices;
 - the bidder's ability to complete the proposed work;
 - the bidder's financial responsibility and their previous experiences with the ASG in terms of contract compliance;
 - the shortest delivery time;
 - terms, limitations, and conditions for service warranties, and;
 - any other relevant criteria that represent the best value for the Government of Puerto Rico.
 - The Chief Purchasing Officer, or their authorized representative, may include any other criteria as they may deem necessary.

G. PROSTHETICS AND IMPLANTS

- a. This classification includes external and internal prostheses and implants. These may be acquired informally for amounts ranging from one cent (\$0.01) to fifty thousand dollars (\$50,000.00) and through informal bids for amounts up to two hundred and fifty

thousand dollars (\$250,000.00). Patient presence and evaluation shall be required.

- b. The Multidisciplinary Committee of the Amputee Clinic has been selected based on its members' characteristics, which includes the specialization, experience, and professionalism of its members. The Multidisciplinary Committee shall evaluate these types of purchases for patients under its consideration.
- c. For purchases exceeding the established limit, the Purchasing Agent or Purchasing Specialist and the Chief Purchasing Officer must prepare all the documentation, including the quotations and the Evaluation Committee Report with its recommendations, and refer it to the Formal Processes Office for the corresponding process.

H. MEDICAL AND REHABILITATION

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1. This classification includes all durable medical equipment defined as "DMEPOS." These may be acquired through informal purchase mechanisms for amounts ranging from one cent (\$0.01) to fifty thousand dollars (\$50,000.00) and through informal bids for amounts up to two hundred and fifty thousand dollars (\$250,000.00). This also includes prostheses or orthoses to be provided to patients duly authorized by the SIFC Medical Area.
2. These goods may be acquired through a purchase order or a service order for lease or rental within the framework of the patient's needs, or through the consignment purchase of trays of special attachments and implants that are permanently assigned to the patient.

I. PRESCRIPTION DRUGS, SURGICAL SUPPLIES, AND ORTHOTICS

1. This classification includes prescription drugs, surgical materials and supplies, orthotics, and, generally, non-durable medical equipment intended for regular use. These may be acquired through informal

purchases ranging from one cent (\$0.01) to up to fifty thousand (\$50,000.00) dollars and through informal bids of up to two hundred and fifty thousand (\$250,000.00) dollars.

2. Purchases shall be made in accordance with the consumption needs of the Requesting Units directly from a supplier with the capacity, a plentiful supply, and a strong distribution chain that can meet the needs of the units directly and constantly or through the SIFC structure.

XI. PURCHASING PROCESSES

A. REQUISITION

1. Requesting Units shall submit all requisitions for the acquisition of goods and services to the SIFC Purchasing Office through the financial system.
2. Requesting Unit requisitions must be fully completed, detailed, and approved by the Supervisor or a representative authorized to carry out said duties.
3. The Purchasing Office shall evaluate each requisition to ensure it meets all requirements and is ready to begin the purchasing process, as provided in the SIFC Regulations or any applicable law. In any case, the Purchasing Office shall determine the process it deems appropriate for the SIFC.
4. If the Requisition does not meet the necessary requirements to begin any purchasing process, the Requesting Unit may amend the requisition with the assistance of the Purchasing Office, if necessary.

B. BEST OFFER SELECTION CRITERIA

1. The evaluation of bids is a process that has traditionally been guided mainly by price considerations in which important considerations are sometimes ignored, which, ultimately, can generate problems and expenses, with said option ultimately becoming costly and burdensome for the SIFC.

2. In addition to the price, elements such as the warranty offered, the installation, the company's experience and solvency, company portfolio, parts service, repair experience and availability, item or service quality, price reasonableness, delivery conditions, and whether the provision of the goods and services is the most convenient for the SIFC, should also be taken into consideration.
3. Suppliers who provide evidence of having strong distribution channels that enable them to maintain a continuous delivery flow of the goods procured by the SIFC for its offices and units shall be identified, as appropriate, in order to eliminate the need for a warehouse and the use of SIFC official vehicles for dispatching, transporting, and delivering goods to SIFC units.
4. The Purchasing Agent or Purchasing Specialist must include in the purchase offer a summary of the analysis performed, and the criteria used to determine the best offer, if it is not the lowest price.
5. In every bid, the bidder must include a quotation specifying:

Purchase Order for Goods

- a. A description of the goods
- b. Unit of measure quoted
- c. Unit price
- d. Brand and model
- e. Manufacturer or origin
- f. Delivery schedule
- g. Warranty offered
- h. The Purchasing Office may request the bidder to furnish a sample of the product, material, or equipment.

Service Order

- a. Description of services
- b. Quoted price
- c. Date of delivery or completion of service
- d. Cost of installation or repair
- e. List of materials
- f. Instructions or considerations

6. The State Insurance Fund Corporation shall ensure compliance with the cost principles, as provided in the Code of Federal Regulations, 2 CFR 200 Subpart E—Cost Principles. Costs must be reasonable, allowable, and allocable, where applicable.

C. NOTICE OF AWARD

1. The award of each purchase shall be sent firstly to the selected bidder electronically and then in writing along with the purchase order. Other participating bidders may request any information they may deem important or relevant regarding the Purchasing Agent's determination.

D. PURCHASE ORDER

1. The purchase order is the document that constitutes the acceptance of a bidder's offer and authorizes the delivery of goods.
2. A purchase order is issued to the selected bidder and states:
 - a. Bidder's name and contact information
 - b. Description of the goods
 - c. Price agreed in the bidder's bid
 - d. Required quantity
 - e. Delivery conditions agreed
 - f. Warranties offered by the bidder in their offer
 - g. Any relevant information for the delivery of the good or professional service required from the selected bidder.
3. Exceptional purchases shall entail the procurement of certain supplies or services without the need to follow some of the steps established in the regulations or procedures in effect as a result of an event or combination of circumstances that creates an unexpected or unforeseen situation and which requires immediate attention or remedy in order to avoid harm to the life, health, and safety of employees, injured individuals, employers, or visitors, to state property; or to avoid adverse effects on the service provided by the SIFC or on its contractual commitments and those programs of the Government of Puerto Rico that are funded by federal or state funds.

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4. In cases where, after a purchase order has been issued, unforeseen circumstances arise that warrant amendments to the order, whether regarding agreed-upon prices, quantity of goods, specifications, or other conditions, a change order shall be issued to the original purchase order. A copy of the change order shall be sent to the Requesting Unit for their information and appropriate action. A copy of the change order shall also be kept in the purchase file.

E. SERVICE ORDER

1. All service orders shall be preceded by a requisition in the Financial System, with the exception of those authorized in emergency situations.
2. In coordination with the Requesting Unit and the Purchasing Agent or Purchasing Specialist, a minimum of three (3) quotations shall be obtained if they have not been obtained previously. Requests for quotations may be submitted in writing or by phone.
3. The Purchasing Agent or Purchasing Specialist receives and evaluates the quotations and awards the service using the **SIFC 01-023 Summary of Offer-Purchase and Service** form or any other form authorized for this purpose.
4. The Chief Purchasing Officers or their authorized representative approves the Service Order in the Financial System.
5. The Purchasing Office notifies the selected supplier and the Requesting Unit in order to coordinate the details and dates on which the service shall be provided.
6. Documentation related to services shall be filed in the service order file.
7. The Requesting Unit shall verify that the service has been fully and properly rendered.
8. The Requesting Unit shall be responsible for receiving the supplier's delivery note and/or invoice duly filled out, and for signing said delivery note or invoice to certify that the services have been rendered.
9. The Purchasing Office shall receive the delivery note and the invoice from the Requesting Unit and process it as appropriate.

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10. A copy of the invoice and/or delivery note shall be included in the service order file.

F. CANCELLATION OF PURCHASE ORDER OR SERVICE ORDER

1. The Purchasing Office may process the termination or cancellation of a purchase order or service order issued under an awarded purchase when the bidder fails to meet the requirements, specifications, delivery conditions, warranties, or any other matter, and when a formal request to that effect arises.
2. Requesting Units shall prepare a cancellation request for any cancellation order to be processed and notified.
3. The Purchasing Office shall evaluate the allegations in the request along with any evidence attached to the request and issue a cancellation order.
4. The cancellation order shall be filed in the purchase or service order file.

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XII. FILES AND RECORDS

1. The Purchasing Office shall maintain a digital and/or physical file to keep the purchase files and the service files.
2. Files shall be organized by separating service files from purchase files by year and number sequence.
3. All files and records shall be kept in a locked location under the custody of the Chief Purchasing Officer or their authorized representative.
4. Any request to inspect any record under the jurisdiction of this office shall be made in writing and authorized by the Chief Purchasing Officer or his authorized representative.

A. DIGITAL FILE

This file shall contain every document, copy or digitized image generated for each purchase. Purchasing Agents, Clerks, and/or the Executive Secretary shall be responsible for digitizing the purchase

files once the process concludes and a purchase or service order is issued.

B. PHYSICAL FILE

1. A physical file shall be created at the SIFC's discretion and shall consist of goods and service purchase files and supplier files.
2. These files shall be kept in a locked location under the custody of the Chief Purchasing Officer or their authorized representative and only Purchasing Office personnel shall have direct access to such files.
3. The files shall be kept in the Office until the Chief Purchasing Officer determines otherwise, after which they shall be moved to the Inactive Archive where they shall remain for the term provided by law.

C. PURCHASE FILE

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1. Physical goods and services files shall be created at the SIFC's discretion and shall contain all the documentation related to purchases under the jurisdiction of this office.
 2. Every file shall include the following documents:
 - a. Requisition for the purchase of goods or services
 - b. Quotations with the descriptions, specifications, terms, and conditions of the goods or services to be procured
 - c. Certificate of Eligibility
 - d. Bid Summary
 - e. Product literature or documents, if available
 - f. Technical evaluation, if applicable
 - g. Memorandum of Justification, if applicable
 - h. Any other essential document related to the bidding and/or the electronic file

D. SUPPLIER FILE

1. Said file must contain all relevant supplier information, including, but not limited to:

a. Certificate of Eligibility from the ASG containing the following, among other documents:

- Supplier's business name.
- Name of the business owner, partners, in the case of a partnership, or the members of the Board of Directors, in the case of a corporation.
- Supplier's Social Security Number (natural person) or employer identification number (legal person).
- Supplier's Certificate of Incorporation number, in the case of a corporation.
- Supplier's enrollment date in the ASG Registry of Contractors and Providers.
- Names and titles of the directors, shareholders, partners, officers, and representatives authorized to appear on behalf of the supplier in both acquisition processes and any other transaction with the SIFC; in the case of a corporation, the representative shall furnish the resolution of the Board of Directors appointing them as such.
- Supplier's business mailing address, physical location, phone, email, and fax.
- List of the goods, works, and services offered, performed, or rendered by the supplier.

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b. Bonds

c. Letter of exclusivity to provide goods or services, as required by law, if applicable.

d. Any other document necessary and/or required by law for doing business with the Government of Puerto Rico.

XIII. SANCTIONS TO SUPPLIERS

1. A supplier may be disqualified for the following reasons:

- a. Submitting several bids for the same line item in order to create the appearance of or stimulate competition. A bidder who engages in such practice shall be subject to being reported to the Single Registry of Bidders of the ASG.
- b. A bidder who, after submitting a bid in a purchasing process, subsequently requests the unwarranted withdrawal of their bid, shall also be subject to:
1. have the bid's withdrawal documented in the file;
 2. be reported to the Single Registry of Bidders of the ASG.
- c. After the SIFC issues a purchase order, if the selected bidder refuses to comply without valid justification, or if they fail to comply with the terms and conditions formalized in the purchase order; the non-compliance shall be documented in the file and reported to the Single Registry of Bidders of the ASG.
- d. Conclusion: If it is proven that two or more bidders colluded to manipulate the procurement process in order to affect free competition, so that they are improperly awarded the contract and thus obtain benefits, said bidders are subject to the following sanctions:
1. their bids shall be rejected;
 2. the bidders shall be reported to the Single Registry of Bidders of the ASG.

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Every supplier shall comply with all legal and regulatory provisions currently in force. Violations of ethical and criminal provisions shall be referred to the relevant governmental authorities and the SIFC may report the supplier to the Single Registry of Bidders of the ASG.

XIV. PENALTIES

1. Failure to meet the stipulated delivery date shall result in a penalty equivalent to five percent (5%) of the total order if the delivery is made within the next thirty (30) calendar days following the date proposed by the bidder. Once this period has elapsed and the delivery has not been made, the SIFC may impose an additional penalty equivalent to ten percent (10%) of the total purchase price. This penalty may be enforced through the following mechanisms:
 - a. Discount on the invoice delivered
 - b. Discounts on future payments
 - c. Collection of funds through judicial or extrajudicial means
 - d. Other mechanisms that protect the SIFC's best interests
2. If the winning bidder fails to meet the delivery date or delivers goods (equipment or materials) of inferior quality to those quoted and awarded, the SIFC may acquire the goods through open market purchase. If the price paid for the goods on the open market is higher than the price quoted by the winning bidder, the winning bidder shall be required to pay the SIFC the difference between the quoted price and the price paid for the goods on the open market. This difference may be collected through the following mechanisms:
 - a. Discounts on future payments
 - b. Judicial or extrajudicial collection
 - c. Other mechanisms that protect the SIFC's best interests.

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XV. GENERAL PROVISIONS

1. Employees or officials carrying out duties in the Purchases Office, including Purchasing Agents, Purchasing Specialists, and the Chief Purchasing Officer, and all other officials

appointed for purchasing processes, shall be required to comply with the ethical provisions of the laws and regulations in force.

2. When a supplier fails to comply with the contractual provisions of a purchase or service order, or when they engage in conduct detrimental to the SIFC's interests, the affected unit shall notify this to the Purchasing Office, which shall issue its recommendations to the Administrator.
3. All the documentation related to SIFC's purchases shall be public documents and, consequently, shall be available to interested parties. However, working documents of the Purchasing Office, particularly those produced during its deliberations, or the persuasive reports or special non-mandatory studies of experts, advisors, or office consultants, as well as documents that, if disclosed, would cause substantial competitive harm to the bidder whose information was disclosed, shall not be considered as public documents available to bidders and third parties. The bidder shall be responsible for marking confidential and privileged information.

The determination made by the Purchasing Office or appellate forums with regard to a purchase or bid shall affect solely the case under its consideration and shall not constitute a precedent for other processes.

XVI. SEVERABILITY

If any provision, section, paragraph, subsection, or part of a section of this Regulation were held to be unlawful, unconstitutional, invalid, or void by a Court of competent jurisdiction, said ruling or judgment shall not affect, impair, or invalidate the remainder of this Regulation, but rather its effect shall be limited to the part held to be invalid.

XVII. INTERPRETATION

In the event of a conflict between the Spanish and English text of this Regulation, the Spanish version shall prevail.

XVIII. REPEAL

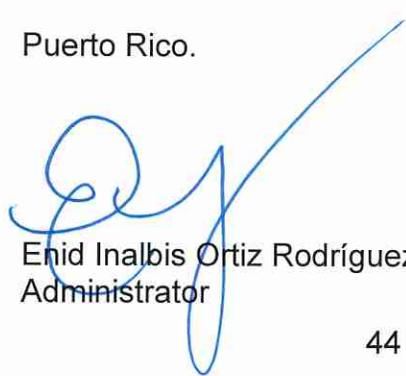
This regulation repeals **Purchasing Regulation Number 9434 of March 1, 2023**, and **Amendment 9493 to the Purchase Regulation of the State Insurance Fund Corporation of August 25, 2023**, as well as any other Regulation or Administrative Order that is contrary to this Regulation or any other document related to the purchasing process. On the other hand, with the adoption of this measure, the repeal of the **Regulation for the Proper Use of Information Systems Security and Technological Equipment of the State Insurance Fund Corporation, Number 9171**, and the **Regulation to Establish Guidelines for the Sale and Promotion of the State Insurance Fund Corporation Policies Through Insurance Companies, Number 8973**, as approved by the Board of Directors of the State Insurance Fund Corporation, through **Resolutions Numbers A-62-2025 of August 5, 2025**, and **A-104-2025 of December 16, 2025**, is hereby carried out.

XIX. APPROVAL

This Regulation was approved by the Governing Board of the State Insurance Fund Corporation, through **Resolution Number A-97-2025 of October 29, 2025**.

XX. VALIDITY

This document shall become effective upon the approval, signing, and filing thereof in the Department of State of the Government of Puerto Rico.


Enid Inalbis Ortiz Rodríguez, MBA
Administrator