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**MODEL ONLINE REVERSE AUCTION POLICY**

**(R.S. 38:2271)**

It shall be the policy of the City of to procure through a reverse auction where [***insert Title of procurement staff member***] has determined that it is in the best interests of the City and it has been determined that electronic online bidding is more advantageous than other methods.[[1]](#footnote-1)

At the time of developing an electronic online reverse auction event, with the assistance of the online electronic platform provider, the City will consider and may determine:

1. If vendors must register before the opening date and time and agree to the terms and conditions and other requirements of the solicitation.
2. If vendors must be prequalified to place bids.
3. The opening date and time and closing date and time.
4. The manner of accepting online bids until the bidding is officially closed and that registered. Bidders shall be allowed to lower the price of their bids below the lowest bid posted on the internet until the closing date and time.
5. That bidders’ identities shall not be revealed during the bidding process.
6. All bids shall be posted electronically and updated on a real-time basis.
7. Any other applicable term or condition recommended by the online electronic platform provider recommended to facilitate a successful auction.[[2]](#footnote-2)

Additionally, the following policies shall apply to any electronic online reverse auction event:

1. The City shall retain the right to cancel the solicitation if it determines that it is in the City’s best interest.
2. The City shall retain its existing authority to determine the criteria that will be used as a basis for making awards.
3. The City shall retain the right to select the second lowest bidder in the event the lowest bidder is disqualified or is unable to deliver, or the third lowest bidder in the event the second lowest bidder is disqualified or is unable to deliver.[[3]](#footnote-3)
1. Contact BidBoard to assist in determining if a Reverse Auction is a better option than Sealed Bids. BidBoard will analyze whether sufficient vendors and price differentials exist, and will be able to project what you should expect to pay using either method. [↑](#footnote-ref-1)
2. Because a reverse auction is online, conducted in real time and is transparent, the process to be followed can be changed with each solicitation. [↑](#footnote-ref-2)
3. BidBoard recommends that a municipality always retain the right to determine policies 8 and 9. Policy 10 is important because a municipality will want to avoid having to start a reverse auction process again if the lowest bidder is disqualified or cannot deliver despite pre-registering for an auction. [↑](#footnote-ref-3)