



Ohio Administrative Code Rule 123:5-1-04 Application of preferences.

Effective: February 23, 2026

(A) Information furnished in a bid or proposal will be relied upon in making the determination about whether a preference set forth in this rule applies, but the state may verify such information if necessary. Any bidder or offeror that intentionally submits false or misleading information to receive a preference will be immediately disqualified and may be subject to administrative or legal action.

Preferences will be applied except in those circumstances where the director of the department of administrative services or the director's designee determines compliance would not be in the best interest of the state or when otherwise prohibited.

This rule applies to the following preferences:

(1) Buy American preference. Bids and proposals that certify that they meet the criteria of domestic source end products as defined in section 123:5-1-01 of the Administrative Code will be evaluated to determine whether they are eligible for this preference.

(2) Buy Ohio preference. Bids and proposals that certify that they meet the criteria of buy Ohio products as defined in section 125.01 of the Revised Code, or that they are submitted by a buy Ohio supplier as defined in section 123:5-1-01 of the Administrative Code, or that they are submitted by a business organization that has a significant Ohio economic presence as defined in section 123:5-1-01 of the Administrative Code, will be evaluated to determine whether they are eligible for this preference.

(3) Veteran-friendly business enterprise preference. Bids and proposals will be evaluated to determine whether, at the due date and time of the submission, they were submitted by an entity that has the certification set forth in section 122.925 of the Revised Code and the rules promulgated thereunder.

(B) Criteria and procedures for applying preferences



Following the initial evaluation and scoring, all bids and proposals will be considered for preferences. Preferences will be calculated at a rate of five per cent for the first preference and two per cent each for the second and third preferences. The preferences will be summed up and applied as a total percentage for evaluation purposes.

Preferences will only be applied when there is at least one bidder or offeror that is not eligible to receive that particular preference. Bidders or offerors failing to complete the certification for a preference will not be eligible for that preference.

(1) Procedure for applying preferences to bids in response to an invitation to bid or reverse auction:

(a) For the buy American preference the applicable percentage is deducted from the costs submitted by the qualifying bidders eligible for the preference.

(b) For the buy Ohio preference, the applicable percentage is deducted from the costs submitted by the qualifying buy Ohio bidders eligible for the preference.

(c) If the bid contains multiple line items or multiple products, the preferences in paragraphs (B)(1)(a) and (B)(1)(b) of this rule will be applied per line item or only for that particular product.

(d) For the veteran-friendly enterprise preference, deduct the applicable percentage from the costs submitted by the qualifying veteran-friendly enterprise bidders eligible for the preference.

(2) Procedure for applying preferences to offers in response to a request for proposals:

(a) For the buy American preference, add the applicable percentage of the total available points to the total score of each offeror eligible for the preference.

(b) For the buy Ohio preference add the applicable percentage of the total available points to the total score of each offeror eligible for the preference.

(c) If claiming the preferences in paragraphs (B)(2)(a) and (B)(2)(b) of this rule based on the



product(s) offered, an offeror is only eligible to receive the preference if the cost of the product(s) offered exceeds fifty per cent of the total offered cost for products and services. If claiming the preference in paragraph (B)(2)(b), a buy Ohio supplier is eligible to receive the buy Ohio preference solely based on its significant economic presence in Ohio or a border state regardless of the origin of any product offered.

(d) For the veteran-friendly enterprise preference, add the applicable percentage of the total available points to the total score of each offeror entitled to the preference.

(3) After application of the preferences in this rule, the director or the director's designee will consider for award the bidder with the lowest bid or the offeror with the highest scoring proposal as adjusted by the preferences. If the director or the director's designee determines that selection of the lowest bid or the highest scoring proposal as adjusted by the preferences would not be in the best interest of the state, the director or the director's designee will propose a contract award to the lowest responsive and responsible bidder or to the offeror with the most advantageous proposal.

The final contract award will be made following further evaluation and award under rules 123:5-1-07, 123:5-1-08, or 123:5-1-12 of the Administrative Code.

(C) Model system of preferences

This system of preferences as outlined in this rule may be used voluntarily by counties, townships, and municipalities for purchasing contracts.