

SAM-PURCHASES

CONSOLIDATION OF INTRA-AGENCY REQUESTS (Revised 9/82)

3553

Agencies should make every effort to consolidate their requirements of similar items into a single purchase estimate. Items should be ordered in quantities sufficient for a reasonable period and consistent with future needs and available storage space. Agency procedures which result in the submission of several purchase estimates for the procurement of the same item or for like items for delivery to the same location often require the issuance of otherwise unnecessary purchase orders, incur additional shipping and packaging expense, cause an unfavorable impression of State business practices, and eliminate or reduce the volume purchase advantage of centralized purchasing. This practice often is an attempt to segregate purchases for accounting purposes.

Similar or like items to be purchased from more than one budget allotment or shipped to more than one location may be consolidated in a single purchase estimate. See SAM Section 3553.1. The appropriate budget allotment or shipping information may be written in the description portion of the estimate form or it may be shown on an attached detail sheet.

Estimates for similar or like items should be combined even though the items are to be paid for from separate appropriations from the same fund, or from appropriations from separate funds. In such instances the encumbrance and the subsequent expenditure will be allocated to the appropriation and fund. A single invoice received in such instances may be claimed by including the invoice in a claim schedule filed against one of the appropriations involved and putting an adequate cross-reference in the claim schedule filed against the other appropriation concerned. Frequent recurrence of such consolidated estimates may make it advisable to charge the encumbrances and expenditures for such items to a single appropriation in the first instance and subsequently recover the appropriate amount due from other appropriations by State Controller's transfer under a plan of financial adjustment as authorized by Government Code Section 11251. However, this method presents the disadvantage of overstating the encumbered balance of the allotments to be charged under the plan until such time as the State Controller's transfer is formally requested. Agencies desiring to use the plan of financial adjustment method where substantial amounts are involved should consult the Department of Finance budget staff before doing so. See SAM Section 8456.