

Department of General Services Procurement Division

707 Third Street, Second Floor, West Sacramento, CA 95605 (916) 375-4400 (800) 559-5529

Broadcast Date: February 20, 2025

Bulletin #: P-03-25

- TO: Procurement and Contracting Officers (PCOs) Purchasing Authority Contacts (PACs)
- RE: Updated Procurement Guidance Applicable to ALL Purchases (IT & Non-IT) to Incorporate Generative Artificial Intelligence (GenAl) Requirements

Purpose	This Broadcast Bulletin (BB) provides updated procurement guidance previously announced in BB P-05-24 to implement items 3a and 3c of <u>Executive Order (EO) N-12-23</u> signed on September 6, 2023, related to the use of Generative Artificial Intelligence (GenAI).
Policy	The updated policy, procedures, and requirements are effective February 20, 2025, and must be fully implemented on or before March 20, 2025.
	State Contracting Manual (SCM) Vol. 2 Chapter 23 "Generative Artificial Intelligence (GenAI)" has been updated to incorporate the summary of changes listed below:
	 Section names and number changes due to removal of content.
	List of purchases exempt from GenAI procurement procedures deleted and no longer applicable.
	GenAl Reporting & Factsheet Form (STD 1000) retired and no longer required.
	 Updated required solicitation language for disclosure and notification of GenAI.
	The required GenAl contract terms have been incorporated into the state's model contract terms:

New Section 16 – Generative Artificial Intelligence in the <u>DGS PD 401</u> Non-IT General Provisions (NITGP) Goods (Rev. 2/20/25)

New Section 22 – Generative Artificial Intelligence in the <u>DGS PD 402</u> IT General Provisions (ITGP) Cloud Computing Services (Rev. 2/20/25)

New Section 22 – Generative Artificial Intelligence in the DGS PD 403 IT General Provisions (ITGP) Non-Cloud Goods and Services (Rev. 2/20/25)

For non-IT service contracts, refer to SCM Vol. 1, Section 7.12 for similar updates.

UPDATE – GenAl Procurement Training

By March 6, 2025, the GenAI procurement training will be updated to incorporate the information contained in this BB.

Procedure/ Process	Departments must update and implement internal policy and procedures to carry out the requirements as soon as possible and no later than March 20, 2025.
	The GenAl procurement training will be available through the DGS California Procurement and Contracting Academy (CalPCA) on March 6, 2025. To register and complete the GenAl procurement training, visit CalPCA Online at <u>DGS CAL PCA</u> .
Questions	For transactions subject to SCM V1, please contact your assigned DGS-Attorney.
	For transactions subject to SCM V2, please email: ppo@dgs.ca.gov