



MEMORANDUM

Date: August 30, 2002

To: Delegation Contact and All Purchasing Staff
at Departments with Expanded Goods Delegated Purchasing Authority

From: Delegation Resources Program, Acquisitions Section
Procurement Division, Department of General Services
707 Third Street, Second Floor South, West Sacramento, CA 95605

Subject: Management Memo 02-19 Impact on Expanded Goods Delegated Purchasing Authority

Executive Order D-55-02 (EO) issued on May 20, 2002, contained procurement-related directives (EO Items 4, 5, and 6) that were effective during a specified review period, which has expired. Therefore, Management Memo 02-12, which was issued as a result of the EO, has been superseded by MM 02-19 (MM), issued August 20, 2002. The MM addresses non-competitively bid (NCB, formerly sole source) contracts and places specified limitations on the use of multiple award-type contracts.

This memo reminds departments of their specific delegated purchasing authority and/or relates the impact on your department's delegated purchasing authority of specific conditions contained in the MM. For the expanded goods delegated purchasing authority, the following are the impacts of the MM on any unapproved or unawarded contract, effective August 20, 2002. These policies must be implemented immediately.

All NCB transactions must be approved by the department's agency secretary or immediate next ranking official, as defined by the MM. This approval authority may not be delegated.

All NCB transactions must be fully justified, as required by the MM, utilizing the attached "Non-Competitive Bid Contract Justification". This document is also available in Word format on DGS-PD's webpage at www.pd.dgs.ca.gov.

All NCB transactions that exceed \$25,000.00 must be forwarded to DGS-PD for review and approval. The NCB Contract Justification, approved by the agency secretary, must accompany these transactions. Approvals for transactions within the limitations of your individual delegation authority will be returned to you for execution.

Any contract amendment that will cause the transaction to exceed \$250,000.00 must comply with the MM, Attachments C and D.

The expanded goods delegated purchasing authority granted to your department by DGS-PD, Delegation Resources Program authorizes your department to competitively bid goods for purchases greater than \$25,000.00 per transaction for the categories specified in your delegation approval memorandum. The solicitations for these transactions must be developed in accordance with the Delegation Guidelines current as of the approval date of your department's delegated purchasing authority, except as noted above. At a minimum, all solicitations must be written using the Invitation for Bid format. Bid responses must be thoroughly analyzed for responsiveness and the files noted accordingly. Any proposed award that will not be made to the lowest cost bid, due to responsiveness or responsibility analysis, must provide the bidder a 24-hour notice to protest.

Watch for revisions to this memo and to the Delegation Guidelines issued on May 14, 2001 for status changes regarding these and other issues.

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If your department has multiple delegations, refer to the specific memo issued by the Delegation Resources Program for that specific type of delegation. If your department has questions regarding its delegated purchasing authority, please call Delegation Resources Program staff for assistance.


Judy Heringer
Manager
Delegation Resources Program
(916) 375-4348

Attachment

PROCUREMENT DIVISION MISSION

"We ensure the success of our customer's mission by providing strategic acquisition and material management guidance while maintaining public trust."