



**DEPARTMENT OF GENERAL SERVICES**  
**Executive Office**

The Ziggurat • 707 Third Street, Eighth Floor • PO Box 989052 • West Sacramento, CA 95798-9052 • (916) 376-5000

---

April 21, 2003

To: All Procurement and Contracting Officers

This memorandum is intended to clarify the directive issued by Cabinet Secretary Daniel Zingale dated February 5, 2003, whereby no waiver request should be submitted unless the item is a non-PIA product or the item is such that the PIA does not offer a comparable commodity or product. The item must also be considered essential in fulfilling the requestor's mission or service to the public. The information provided herein revises and reemphasizes requirements for the purchase of Prison Industry Authority (PIA) commodities and/or services. In addition, the Department of General Services, Procurement Division (DGS-PD) Delegated Purchase Authority requirements are included.

**UTILIZATION OF EXISTING SURPLUS FURNITURE**

Departments are to utilize surplus furnishings whenever feasible. The DGS operates property reutilization facilities at its northern and southern California warehouse facilities. To determine if surplus property is available, departments must contact the Surplus Property Program at:

1700 National Drive Sacramento, CA 95834 (916) 928-4630 (916) 928-0304 fax	or	701 Burning Tree Road Fullerton, CA 92833 (714) 449-5900 (714) 449-5917 fax
---	----	--

Departments must use the attached PIA Waiver Request and certify that any available surplus furnishings do not meet the functional needs of the department's end user prior to submitting the Waiver Request to PIA.

**PRISON INDUSTRY AUTHORITY OVERVIEW**

The Prison Industry Authority (PIA) provides productive work assignments for approximately 6,000 inmates within the Department of Corrections (CDC). These assignments provide inmates with productive activity, thereby reducing idleness and prison violence. A 1998 study found that inmates assigned to PIA had a lower rate of reported serious incidents than did unassigned inmates or inmates assigned to other CDC assignments. PIA work assignments also help inmates learn work skills and habits to become productive members of society.

PIA operates over 65 service, manufacturing and agricultural industries at 24 institutional sites throughout California. These inmate programs produce over 1,800 different goods and services including: optical, furniture, clothing, food products, shoes, printing services, signs, binders, gloves, license plates, cell equipment, and much more.

PIA operates over 65 service, manufacturing and agricultural industries at 24 institutional sites throughout California. These inmate programs produce over 1,800 different goods and services including: optical, furniture, clothing, food products, shoes, printing services, signs, binders, gloves, license plates, cell equipment, and much more.

PIA is restricted by law to sell its products only to government entities, including Federal, State, and tax-supported agencies. PIA operates a Prompt Delivery Program (PDP) for frequently purchased furniture items. Periodically, PIA will offer significant discounted prices for overstocked and discontinued furniture items through this same program. A PDP catalog is available on PIA's website at [www.pia.ca.gov](http://www.pia.ca.gov) or by contacting the PIA Sales Branch at (916) 358-2733.

### **PURCHASES FROM PRISON INDUSTRY AUTHORITY**

(State Administrative Manual Section 3505 – Revised 5/94)

In preparing purchase estimates, a department will first consider if its needs can be met by the Prison Industry Authority (PIA) commodities and/or services. Departments are mandated by California Penal Code 2807 to purchase from and consult with PIA to develop new products and adapt existing products to meet their needs. They shall consult with PIA for commodities and services, or like commodities and services, even though not specified in the PIA catalog. The Procurement Division, Department of General Services, will examine all submitted purchase estimates to determine whether PIA products would meet all reasonable requirements. If this appears to be the case, the Procurement Division will notify the ordering agency that the items should be purchased from PIA.

The Procurement Division will not purchase these items from commercial vendors without written authorization to do so from PIA. A waiver must be obtained from PIA prior to purchasing items from commercial vendors.

### **PRISON INDUSTRY AUTHORITY WAIVER POLICY**

Departments may be granted waivers by PIA to procure products from other sources if the product requested is not made by PIA or if PIA cannot make the items for economical or technical reasons. Departments must justify the item as essential in fulfilling the requestor's mission or service to the public. Departments seeking waivers must complete a PIA Waiver Request. This form is available through the PIA web site at [www.pia.ca.gov](http://www.pia.ca.gov) or by contacting the PIA Sales Branch at (916) 358-2733. Review and approval is required by either the department's Agency Secretary, Department Director or designee at a level not less than the department's Procurement and Contracting Officer (PCO) prior to submittal to PIA. All required information on the PIA Waiver Request must be completed in order for the Waiver Request to be considered.

All Waiver Requests will be returned to the requestor. If the PIA approves the waiver, the department may proceed with an outside purchase. Refer to the attached PIA Waiver Request Form, and Policy for further information.

Note: For Reasonable Accommodation or Medical Waivers, departments must first evaluate PIA products (i.e. chairs, tables) prior to requesting a waiver.

For existing PIA orders, it is the department's responsibility to inform PIA Customer Services at (916) 358-2727 to cancel any existing orders for item(s) no longer required as a result of waiver approval.

### **DGS DELEGATED PURCHASING AUTHORITY REQUIREMENTS**

#### Departments with Delegated Purchasing Authority.

The Delegation Guidelines for Goods (Guidelines), dated May 2001, Section C.4., states in part, "If any other approvals to purchase are required, such as...Prison Industry Authority...such approvals are in addition to this delegation. It is the department's responsibility to maintain evidence in the procurement files that appropriate approvals were obtained prior to contracting." Guidelines Section C.7. states, in part, "PD will conduct a review of the department's delegated purchasing program every three (3) years or more often as warranted" and "each department must maintain complete and accessible procurement files that include all appropriate documentation". Departments with delegated purchasing authority must adhere to the approval and documentation requirements contained in this memorandum.

#### Submission of Purchase Requests (Std. 65) to the Procurement Division.

Departments requesting that the Procurement Division purchase products addressed in this memorandum must submit a Purchase Estimate with an approved Waiver Request attached.

If you have any questions regarding delegated purchasing authority and/or purchasing program compliance, contact Cheri Shaw, Purchasing Authority Management Section, Procurement Division, DGS, at (916) 375-4350 or [cheri.shaw@dgs.ca.gov](mailto:cheri.shaw@dgs.ca.gov). If you have any questions regarding submission of a Purchase Estimate, contact Bob French, Manager, One-Time Acquisitions Section, Procurement Division, DGS, at (916) 375-4465 or [bob.french@dgs.ca.gov](mailto:bob.french@dgs.ca.gov).



J. Clark Kelso, Interim Director  
Department of General Services

JCK:JH:jh

Attachment

cc: Daniel Zingale, Cabinet Secretary, Office of the Governor  
Deborah Hysen, Acting Chief Deputy Director, Department of General Services  
Ralph Chandler, Deputy Director, Procurement Division, Department of General Services  
Jacqueline R. Wilson, Deputy Director, Interagency Support Division, Department of General Services  
Delegation Contacts

For PIA Use only Waiver Request #:
---------------------------------------

## PRISON INDUSTRY AUTHORITY (PIA) WAIVER REQUEST

Use this request form to request a waiver from PIA for all products and/or services produced by PIA. This form approved and returned to requestors constitutes PIA's written approval and must be maintained in the department's purchasing file documentation as proof of waiver approval.

This justification document consists of two (2) pages. All information must be provided and all questions must be answered. The "Required Approvals" section must include a date for each signature, as appropriate for the transaction.

Requesting Department Information			
<b>Department:*</b>  (*Includes Boards, Commissions, and Associations)	<b>Signature Required by either:</b> <b>Agency Secretary, Department Director or designee at level no less than department's Procurement and Contracting Officer (PCO):</b>  (Type names. Do not sign. Must be same as signature below. May not be a position less than the Department's PCO)		
<b>Institution (if applicable):</b>			
Department Contact Information			
<b>Contact Name:</b>	<b>Street Address:</b>		
<b>Telephone:</b> ( )	<b>Mailing Address:</b>		
<b>FAX:</b> ( )			
<b>E-Mail:</b>			
Required Contract Information			
<b>Contractor Name:</b>			
<b>Contractor Address:</b>			
<b>Purchase Order Total \$\$:</b> \$ _____	<b>Purchase Order #:</b> _____	<b>Quantity for each line item requested:</b> #1 Quantity: _____ #4 Quantity: _____ #2 Quantity: _____ #5 Quantity: _____ #3 Quantity: _____ #6 Quantity: _____	<b>Requested Delivery Date:</b> _____
<b>Provide a brief description of the items requested in this Waiver Request including all goods and/or services the contractor will provide:</b> Note: Attach additional information as necessary.			
Required Approvals			
<b>Surplus Property Certification by Department</b>  _____ Signature signifies that no surplus property exists or, if available, does not meet the functional use needs of the Department's end user.	<b>Agency Secretary/Department Director or designee or Procurement and Contracting Officer (PCO)</b> <input type="checkbox"/> Approved <input type="checkbox"/> Denied  _____ Signature/Date (Note: Must be the same as identified above, however may not be a position less than the PCO.)	<b>Prison Industry Authority</b> <input type="checkbox"/> Approved <input type="checkbox"/> Denied  _____ Signature/Date	

Remit completed form to: Prison Industry Authority  
 560 East Natoma Street  
 Folsom, CA 95630-9940  
 (916) 358-2364

