Preparing Purchasing Documents for Fiscal Year 16-17



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City and County of San Francisco

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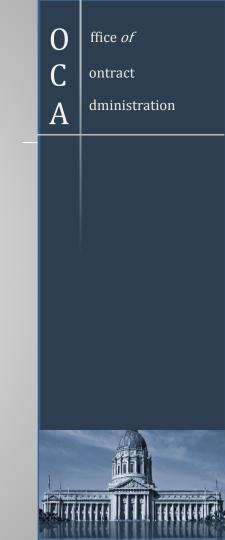
Reminders

Competitive Bidding Thresholds

- Formal Bidding Must be advertised and Public Bid Opening
 - o General Services: \$600,000 and over
 - Professional Services and Commodities: \$110,000 and over
- Informal Bidding May be advertised and NO Public Bid Opening
 - General Services: \$10K up to \$600,000
 - Professional Services and Commodities: \$10K up to \$110,000
- No Bidding Required < \$10K (OMP and Prop Q); three quotes recommended</p>

Electronic Payments

Required of all new contracts & vendors – <u>sfgov.org/ach</u>
o For assistance: Rodel Ajoste <u>ACH.Support@sfgov.org</u>



FAMIS Purchasing Document Posting Dates

- June 6, 2016
 - Create new Departmental Blankets (DBPO) The BPO effective date must be July 1, 2016 or later to ensure that the BPO is numbered to reflect FY 16-17
 - Post Departmental Blankets (BPO with "DB" Purchasing Type) to OCA approval boxes
 - Off-line Departments send all requests for Blankets and Release Forms for FY 16-17 to OCA for review, approval and input into FAMIS-Purchasing

June 13, 2016

- Post Contract Blankets (BPO with "CB" Purchasing type) for FY 16-17 to OCA approval boxes
- July 1, 2016

 Post Purchase Order Releases for FY 16-17 to OCA approval boxes



Blanket Purchase Orders

- Contract Blanket Purchase Orders (CB)
 - Used for signed formal contracts such as Professional Services, Equipment Maintenance, Lease Agreements and Software-related purchases
 - Each contract should have a blanket regardless of term length. Blanket should be amended for changes in amount
 - o No daily spending limit
 - Various types of Purchasing authorities may apply
- Departmental Blanket Purchase Orders (DB)
 - Small dollar, frequent and repetitive purchases of unknown quantities from a specific vendor for a specified time period, historically over \$10K annually. Usually Open Market Purchase (OMP); \$1,000 per day spending limit
 - o BPOs do not encumber funds. PO releases do.



Blanket Purchase Orders (CBs)

- Contract Blankets for Professional Services and Other Formal Agreements (CBs)
 - Professional Services, Equipment Maintenance, Lease Agreements, or Software-related purchases must be established in FAMIS-Purchasing as a Blanket PO, CB type. Do <u>not</u> use "CS" Purchasing type.
 - To avoid delays, include the contract checklist (P-600 or P-601) and complete attachments (with the FAMIS-Purchasing document numbers) such as sole source waiver, current insurance and additional insured endorsements
 - Include a copy of the Board of Supervisors' approval if greater than \$10 million or 10 years (Charter Section 9.118)
 - Send an email to <u>OCA@sfgov.org</u> when the blanket is in the approval path and the documents are on their way to OCA at City Hall, Room 430



Blanket Purchase Orders (DBs)

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Departmental Blankets (DBs)

- Check commodity code and title for blanket accuracy
- OCA does not accept departmental blankets below \$10K unless the recommended vendor is an LBE
- Include the following in the Notepad:
 - Reasons why the purchase cannot be bid
 - CMD database was checked for possible LBE vendors
 - Reasons why CMD approved LBE was not used (if applicable)
 - In the Specification section of the blanket, include: pricing terms, payment terms (note: ask if a prompt payment discount is available), delivery terms, delivery lead time, description of product or service, commodity code(s), and vendor account number.
 - Authority is usually Open Market Purchase (OMP)

PO Release

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- Purchase Order (PO) release against Blanket Purchase Orders (BPOs)
 - PO releases must be issued against BPOs to encumber funds <u>before</u> orders are placed with vendors (Charter Section 3.105)
 - PO releases are created in FAMIS-Purchasing Screen 2360
 - Attach a copy of the contract agreement (including all exhibits and appendices) to the release when sending to the contractor/vendor and keep a copy for the file
 - o Invoices must be coded as Single Order or Progress Payment

Delegated Department Purchasing (DDP/Prop Q)

- Departments issue direct POs following the DDP (Prop Q) guidelines for up to \$10K (tax and shipping included) for products and general services
 - No professional services, computer/IT equipment & services, construction, term contract items, lease purchase transactions, or vehicles/heavy equipment
 - o No order splitting
- Purchase Authority codes are PROPQ-BID and PROPQ-NO BID
- Department Heads submit a roster to OCA of the employees who are authorized
- Authorized employees are required to attend Prop Q training classes every three years, and submit file Form 700 Statement of Economic Interests with their departments
- All DDP (PropQ) purchases are subject to post-audits
- For more info., contact Rachel Gage at: <u>rachel.gage@sfgov.org</u>



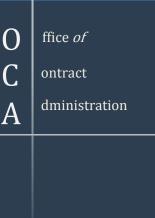
Direct Voucher Processing

- DV payments are used in unusual situations when funds were not encumbered first
- DVs \$1K or more are reviewed by OCA
- Justification answering 4 questions must be provided in the Notepad for all DV's: Why were funds not encumbered? Who authorized it? Why is the price reasonable? What procedures are being implemented to avoid recurrence?
- All transactions must be with compliant vendors
- All DV transaction are subject to post-audits



Citywide Term Contracts

- Commodities and general services (office supplies, fuel, Technology Marketplace and CopySmart program)
- Departments must order term contract items only from the term contract vendor
- Department creates Dept. PO releases against the Citywide BPO
- Ordering initiator must be different from order approver
- An updated list of term contracts is posted on OCA's website at <u>www.sfgov.org/oca</u> on the Vendor Information page





Paying Invoices

- 3-way match: purchase order, packing slip and invoice
- Descriptions, quantities and prices should match
- Invoice must be signed by someone other than the person who placed the order and other than the person who received the order
- Approved invoices must be sent to Accounting for payment
- Accounting reviews invoices and signs as approved



Technology Marketplace and IT Purchases

- Technology Marketplace and IT purchases are processed by the IT buyers
- Include the following information with the requisition:
 - Required CIO review: email approved quote form to <u>cio.review@sfgov.org</u>
 - Purchasing type "RT"
 - Input information as it appears on the quote (quantity, part numbers, and detailed descriptions for each line item – not all on one line with total dollar amount)
 - After last line item, enter the quote #, expiration date, vendor contact name and phone, admin fee, TC#, City requestor and phone number
- Departments who intend to utilize the Technology Marketplace contracts must submit their completed requisitions and get CIO approval in FAMIS (level 300) to OCA by June 2, 2016.
- For professional IT services, notify Local 21 via this website: <u>http://ifpte21.net/content/information-request-personal-services</u>



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Vehicle and Heavy Equipment Purchases

- Vehicles and heavy equipment are processed by the centralized fleet buyers
- Send via email subject line: (req. #, equip. budget #, and type of vehicle or heavy equip.) in addition to the following items to: <u>fleetteam.oca@sfgov.org</u>
 - Screen print of the FAMIS-Purchasing requisition
 - Separate line items for tire tax and extended warranties
 - Approved equipment budget number, substitution approvals, carry forward approvals, etc.
 - Fleet approval from Tom Fung, Director of Fleet Management on the VAR
 - Clean air approval from Dept. of Environment unless the vehicle is electric, compressed natural gas fueled, or a Hybid
 - Term Contract Order Sheet or technical specifications approved by Fleet Management
 - Current Fleet Term Contracts are available at: <u>http://admweb/adminservices/fleetmgmt/default.htm</u>





IT and Vehicle/Heavy Equipment Contacts

Technology Marketplace and IT:

Greg Pustelnik, Supervising Purchaser Michelle Wong, Senior Purchaser Diane Handa, Purchaser

Vehicles/Heavy Equipment:

Mark Farley, Senior Purchaser Lin Repola, Senior Purchaser Carmen Omran, Acting Purchaser (415) 554-6257 (415) 554-4564 (415) 554-6732

(415) 554-6264

(415) 554-6217

(415) 554-6913

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Approval Path Requirements

- Documents in FAMIS-Purchasing and FAMIS-Accounting require at least one online departmental approver
- Approver must be someone other than the initiator





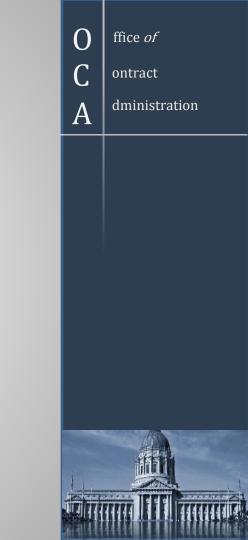
OCA Sole Source Waiver Form

- If there is only one source for the commodity or service
- Must submit the Sole Source Waiver Form (Form P-21.5(b)) to OCA before you submit a requisition or blanket
- Follow the form's instructions and answer all questions in detail
- Written justification should be in the form of a memo that answers all the questions on the form
- Include FAMIS-Purchasing transaction number when possible
- If the transaction is for services, include CMD's 14B Waiver
- Include the approved waiver when submitting the FAMIS-Purchasing transaction
- Plan ahead don't assume that the waiver request will be approved



Transactions in FAMIS Accounting (Non-Purchasing)

- Construction (with liens or retention)
- Refunds
- Travel
- External Training (conferences, workshops, classroom style, etc.)
- Claims
- Employee Reimbursement
- Court-Related Payments
- Membership or Dues
- Official Advertising
- Postage
- Periodicals and Subscriptions (not online services)
- Utilities



Vendor Compliance Reminders

- Business Tax Status (FAMIS-Purchasing screen 9560)
- Equal Benefits Ordinance (FAMIS-Purchasing screen 9560)
- Vendor must be in the vendor file and have submitted a W9
- Sweatfree Contracting Ordinance textiles and garments
- Slavery Era Disclosure Ordinance financial and insurance
- Minimum Compensation Ordinance (MCO) services only
- Health Care Accountability Ordinance (HCAO) services only
- LBE Compliance Affidavit (CMD Form 3) service only

- Tax Collector Representative:
- CMD: <u>www.sfgov.org/cmd</u>
- OLSE: <u>www.sfgov.org/olse</u>

(415) 554-6718(415) 581-2310(415) 554-7903

