



Office of Contract Administration Purchasing



PREPARING PURCHASING DOCUMENTS FOR FISCAL YEAR 14 – 15

BEN KAWAMURA
JUNE 5, 2014

Reminders



Competitive Bidding Thresholds

- **Formal Bidding** – Must be advertised and Public Bid Opening
 - General Services: \$400,000 and over
 - Professional Services and Commodities: \$100,000 and over
- **Informal Bidding** – May be advertised and NO Public Bid Opening
 - General Services: \$10k up to \$400k
 - Professional Services and Commodities: \$10k up to \$100k
- **No Bidding Required** – \$10k and less (OMP and Prop Q)

FAMIS Purchasing Document Posting Dates



- **June 2, 2014**

- Create new Departmental Blankets (DBPO): The BPO effective date must be July 1, 2014 or later to ensure that the BPO is numbered to reflect FY14-15
- Post Departmental Blankets (BPO with “DB” Purchasing Type) to OCA approval boxes
- Off-line Departments sends all requests for Blankets and Release Forms for FY14-15 to OCA for review, approval and input into FAMIS

- **June 9, 2014**

- Post Contract Blankets (BPO with “CB” Purchasing Type) for FY14-15 to OCA approval boxes

- **July 1, 2014**

- Post Purchase Order Releases for FY 14-15 to OCA approval boxes

Blanket Purchase Orders



- **Departmental Blanket Purchase Orders (DB)**
 - Small dollar frequent and repetitive purchases from a specific vendor for a specified time period over \$10k annually. Usually OMP. \$1,000 per day spending limit.
 - BPOs do not encumber funds. PO releases do.
- **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. The blanket should be amended for changes in amount.
 - No daily spending limit
 - Various types of Purchasing authorities may apply

Blanket Purchase Orders



- **Contract Blankets for Professional Services and Other Formal Agreements (CBs)**
 - Professional Services, Equipment Maintenance, Lease Agreements, or Software-related purchases must be established in ADPICS as a Blanket PO, CB type.
 - Include the contract P-500 or P-501 Checklist and complete attachments (with the ADPICS 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 \$10m or 10 years

Blanket Purchase Orders



- **Departmental Blankets (DBs)**

- Check commodity code and title of blanket for accuracy
- OCA does not accept departmental blankets below \$10k unless the recommended vendor is an LBE
- Include the following information 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)
 - ✦ Include: Pricing terms, payment terms, delivery terms, delivery lead time, description of product or service, commodity code(s), vendor account number.
 - ✦ Authority is usually Open Market Purchase (OMP)

PO Release



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

Transactions in FAMIS Accounting (Non-Purchasing)



- Construction (with liens or retention)
- Refunds
- Claims
- Employee reimbursement
- Court related payments
- Memberships or Dues
- Official advertising
- Postage
- Periodicals
- Subscriptions (not on-line services)
- Utilities
- External training (conferences, workshops, classroom style, etc.)

Direct Voucher Processing



- DV payments are for purchases where a prior encumbrance could not be made
- DVs \$1k or more are reviewed by OCA
- Justification must be provided in the notepad for all DVs
- All transactions must be with compliant vendors
- All DV transactions are subject to post-audits

Delegated Departmental Purchasing (DDP/PropQ)



- 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 and services, construction, term contract items, lease purchase transactions or vehicles/heavy equipment.
 - No order splitting
- Purchasing Authority codes are PROPQ-BID and PROPQ-NO BID
- Department Heads submit a roster of the employees who are authorized
- Authorized employees are required to submit Form 700 Statement of Economic Interests and attend Training Classes each year
- All DDP (PropQ) purchases are subject to post-audit

Approval Path Requirements



- Documents in ADPICS and FAMIS-Accounting require at least one online departmental approver
- The approver must be someone different than the initiator

Paying Invoices



- 3-way match: purchase order, packing slip, invoice
- Descriptions, quantities and prices must 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

Citywide Term Contracts



- Commodities and general services (office supplies, fuel, Tech Store 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 www.sfgov.org/oca

OCA Sole Source Waiver Form



- If there is only one source for the commodity or service
- Must submit the OCA Sole Source form before you submit a requisition or blanket to OCA
- Follow the form's instructions and answer all questions with detail needed to accurately describe the situation
- Include the ADPICS 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

Federal, State and ARRA Grants



- Grant funded transactions have bid and contract terms different than the City's standard terms
- Failure to follow grant guidelines could result in audit findings or having to return the funds
- Always identify grant funded projects in the Notepad and alert the buyer
- Reporting requirements may be significant and the Department should plan ahead to ensure they can meet requirements
- If Homeland Security, Department of Emergency Management approval is required
- If ARRA, use the appropriate indicator when posting on OCA's bid notification website

Technology Store and IT Purchases



- Technology Store and IT purchases are processed by the IT buyers.
- Include the following information with the requisition:
 - Required CIO review: email approved quote form to: cio.review@sfgov.org
 - Purchasing type “RT”
 - Input information as it appears on the quote (quantity, part numbers, and detailed descriptions – not all on one line with total dollar amount)
 - Monitor orders – add a line for recycling charges
 - After last line item, enter the quote #, expiration date, vendor contact name and phone, admin fee, TC #, City requestor and phone #
- If for services, notify Local 21 via this website:
<http://ifpte21.net/content/information-request-personal-services>

For assistance, please contact:



- Diane Handa, Purchaser, 554-6913

Diane.handa@sfgov.org

- Shawn Peeters, Senior Purchaser, 554-7030

Shawn.peeters@sfgov.org

Vehicle and Heavy Equipment Purchases



- Vehicles and heavy equipment are processed by the centralized fleet buyers.
- Include the following items with the requisition:
 - Screen print 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
 - Clean air approval from Dept of Environment unless the vehicle is electric, fueled by compressed natural gas or a Hybrid
 - Term Contract Order Sheet (TC72304 and TC72502) or Technical specifications approved by Fleet Management. A copy should be emailed to the Fleet Buyers.

Vehicle and Heavy Equipment Buyers



For Assistance

- Whitney Bagby, Sr. Purchaser, 554-6212
Whitney.bagby@sfgov.org
- Mark Farley, Purchaser, 554-6257
Mark.farley@sfgov.org
- Carmen Omran, Acting Purchaser, 554-6732
Carmen.omran@sfgov.org

Vendor Compliance Reminders



- Business Tax Status (ADPICS screen 9560)
 - Equal Benefits Ordinance (ADPICS screen 9560)
 - Vendor must be in the vendor file and have submitted a W-9
 - 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) – services only
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- Tax Collector: 554-6718
 - CMD: www.sfgov.org/cmd or call 581-2310
 - OLSE: www.sfgov.org/olse or call 554-6237