

**GPM Policy Supplement #16-03
Effective 01/01/16**

Note: The following changes are effective January 1, 2016 and will be included in the revised GPM, Version GPM-V6-January 2016, that will be published on the State Purchasing web site January 1, 2016.

GPM Section	Description of Change
<i>Introduction and General Overview</i>	
I.2.7. Deviations	<p>Modified as indicated:</p> <p>A deviation may be deemed necessary for circumstances in which the prescribed policies, procedures, and provisions are not totally appropriate for the development of a new technique or approach, or for specific procurement situations. The term "deviation" includes:</p> <ul style="list-style-type: none"> • The issuance and/or use of any policy, procedure, provision, or instruction of any kind at any stage of the procurement process, which is inconsistent with a policy, procedure, or provision, set forth in the GPM or provision directive governed by state entities and others subject to the State Purchasing Act; and/or • The use of a clause or provision covering the same subject matter as a prescribed clause or provision, or the modification or omission of a prescribed clause or provision. <p>No protest shall lie with regards to a deviation unless the protesting party demonstrates that an apparent successful supplier received a material competitive advantage due to such deviation or that such deviation is contrary to law.</p> <p>Best Practice Procedure: A request for approval of any deviation should be made in writing by the APO or CUPO to the State Purchasing Division Deputy Commissioner (or must conform to such other processes for approving deviations as defined in the GPM). The request should explain the nature of the deviation, provide reasons why a deviation is necessary, and explain why it is in the best interest of the state of Georgia to grant the deviation. The State Purchasing Division Deputy Commissioner will review the deviation and determine whether the request can be approved. The deviation request and the action taken should be documented in the contract file.</p>

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Chapter 1: Stage 1 – Needs Identification	
1.2.1.2. Partial Exemption Table 1.3	State Personnel Administration is changed to DOAS Human Resource Administration (HRA) Division
Chapter 2: Stage 2 - Pre-Solicitation	
2.2.3.4. Estimate Cost	<p>Section is modified as indicated:</p> <p>Through market analysis, the procurement professional will be able to develop a more reliable estimate of the likely cost of the desired goods or services. Pricing may be available through Internet research or suppliers may be willing to offer preliminary price quotes. Other methods of estimating cost may include reviewing the price of recently awarded contracts on the GPR for similar purchases or reviewing pricing on any applicable convenience statewide contracts.</p> <p>Estimating the expected cost of the needed goods or services is necessary for at least two reasons.</p> <ol style="list-style-type: none">1. Preliminary cost estimates will assist stakeholders in determining whether the needed goods or services are likely to be obtained within the state entity's budget or if an alternative procurement strategy will be necessary. The Issuing Officer should conduct market research and contemplate total cost of ownership. An evaluation of potential risk should be made to determine the best process to follow in procuring the needed solution. If a volatile pricing market is determined, Price Escalation and De-Escalation Clauses may need to be included in the contract signed with the supplier based on the requirements posted in the solicitation. These clauses may include the following: <ul style="list-style-type: none">• Increase or decrease tied to a published market indice• Provision of a published cap to limit the amount of the increase (i.e. 3% annually)

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<p>2.3.2.2. Conducting Sole-Source Purchases Table 2.6</p>	<p>Modified as indicated for Step 3: Estimate Expected Contract Value and Route to SPD as needed:</p> <p>The procurement professional must estimate the expected contract value to determine whether the sole source purchase is within the state entity’s delegated purchasing authority.</p> <p>a. In the event the state entity’s delegated purchasing authority varies depending on the type of solicitation, the procurement professional should use the authority amount for the RFQ process unless the State Purchasing Division Deputy Commissioner has specified a delegated purchasing authority specific to the sole-source process.</p> <p>NOTE: If the value of the sole-source purchase exceeds the state entity’s delegated purchasing authority, the state entity must either submit the sole-source to SPD for processing or request SPD approval to process the sole-source posting by submitting to SPD a one-time request to exceed delegated purchasing authority as described in Section 2.5.2 – One-Time Request to Exceed Delegated Purchasing Authority.</p> <p>b. If the value of the sole-source purchase amounts to \$500,000 or greater, the state entity must send an email request with the sole-source details to the State Purchasing Agency Sourcing Division mailbox for approval prior to posting. The email should be sent to agency.sourcing@doas.ga.gov and must include a completed justification form, SPD-020, that contains all the details described in Step 5 below. A determination by the Agency Sourcing Division will be sent to the entity upon completion of review.</p>
<p>Chapter 3: Stage 3 – Solicitation Preparation</p>	
<p>3.3 Understanding Sourcing Tools</p>	<p>Changed SPDAC to State Purchasing Deputy Commissioner</p>

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3.3.1. eSource	<p>Modified section as indicated:</p> <p>eSource cannot be used to post sole-source notices or consortia/cooperative notices. Instead, these notices must be posted directly to the GPR.</p>
3.5.1.3. Immigration and Security Compliance – Service Contracts	<p>Section is modified to the following:</p> <p>Suppliers and state entities shall comply with the requirements of O.C.G.A. §13-10-90 et seq. Additional information regarding Immigration and Security Compliance can be found on the Georgia Department of Audits and Accounts website at: http://www.audits.ga.gov/NALGAD/IllegalImmigrationReformandEnforcementAct.html</p>
3.5.1.5. Small or Minority Businesses	<p>Modified section as indicated:</p> <p>All solicitations must include statements encouraging minority business participation and statements encouraging majority businesses to subcontract with minority businesses. Solicitations should also include notification of the income tax credit that is available to any business that subcontracts with a minority-owned business. Examples of both of these statements are already included in SPD’s approved solicitation templates.</p> <p>For information gathering purposes, SPD and/or the state entity may request the supplier to identify whether the supplier may be considered a small or minority business in accordance with Georgia law. The procurement professional must attach SPD-SP042 Supplier General Information Worksheet to capture the supplier’s certification regarding its status if the posting is made directly to the GPR. For additional information regarding the state of Georgia’s policy with respect to small and minority businesses, refer to Section I.3.5. - Business Status Considerations.</p>
3.5.5.1.6 Price Matching Requirements	<p>Modified this new subsection as highlighted below to clarify Price Matching for RFQs:</p> <p>The RFQ should specify whether a price matching option will be available for Georgia Resident, Small Businesses, or Georgia Resident Small Businesses and any conditions under which it will be available. The ability to price match will only be granted to responsive and responsible bidders that are within 5% up to \$10,000 of the lowest responsive and responsible bid. The indication by the supplier that the supplier will price match does not constitute further negotiation of pricing.</p>

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Chapter 4: Stage 4 - Solicitation	
No Changes Made to this Chapter	
Chapter 5: Stage 5 – Evaluation Process	
5.6.5.1. Reference Checks	<p>Modified section as indicated:</p> <p>A reference check refers to the process of contacting a supplier’s current or previous client to solicit information regarding that client’s business experience with the supplier. A supplier’s client references can provide insight into the supplier’s level of work experience as well as quality of past performance. The solicitation may request that suppliers submit client references as part of the suppliers’ responses. In addition, during the evaluation process, the issuing officer has the discretion to ask suppliers to provide client references even if the solicitation did not require client references to be submitted. References may be evaluated on a pass/fail basis. In the event points were reserved to score client references as part of an RFP or scored RFQC, the evaluation committee must evaluate the references using the predefined scoring method and allocated points.</p> <p>Best Practice Procedure: To the extent feasible, all provided client references should be contacted by the issuing officer and/or one or more members of the evaluation committee and verified as part of the evaluation process. A list of questions for the client references should be prepared in advance and the same questions should be asked of all references. Evaluation committee members may ask related follow-up questions. Responses from references should be documented in writing.</p> <p>The types of questions to ask client references will vary depending on the state entity’s purpose in requesting references; however, some sample suggestions include the following:</p> <ul style="list-style-type: none">• Nature and duration of the work,• Quality of supplies delivered or services rendered,• Timeliness of performance,• Cost or price in terms of control—including changes and claims,

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	<ul style="list-style-type: none"> • Business integrity—including behavior with subcontractors, • Willingness to cooperate, especially when confronted with unexpected issues, and/or • Effectiveness of management of the project and internal practices.
5.6.6.2. Determining Best Pricing	<p>Modified section as indicated:</p> <p>As applicable, the state entity may use lowest cost, lowest total cost, total cost of ownership, life cycle costs or greatest savings to determine the most advantageous or "<i>best value</i>" cost response; provided, however, the issuing officer must abide by any statements within the solicitation regarding cost evaluation. <i>Total cost of ownership</i> generally refers to the purchase price plus the ongoing costs the state entity may also incur such as installation costs, operating costs, maintenance costs, replacement costs, depreciation costs, potential price escalation or de-escalation, disposal costs and expected salvage values measured over the lifetime of the item or some other predefined time period.</p> <p>In addition, the cost responses may be scored on an overall basis or at the category/subcategory/line level (as applicable) relative to other suppliers' responses. SPD encourages the purchasing professional to consider the items mentioned above in their calculation of total cost of ownership.</p>
Chapter 6: Stage 6 – Award Process	
No Changes Made to this Chapter	
Chapter 7: Stage 7 – Contract Process	
Chapter 7: Key Steps	<p>Added the following forms to Table 7.1 which are for <i>SPD Use Only</i>:</p> <p>SPD-025a Supplier Quarterly Sales Report for Goods SPD-025b Supplier Quarterly Sales Report for Services SPD-025c Supplier Quarterly Sales Report for IT</p>

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7.2.3. Maintaining Contract Information	<p>Modified section as indicated:</p> <p>State entities using the Sourcing Module of Team Georgia Marketplace™ must use the contract management functionality of that module for any and all contracts established through Team Georgia Marketplace™.</p> <p>The Procurement Professional will upload the completed and executed documents referenced in Table 7.1 into the Contracts Module as they are completed.</p>
7.2.5. Using Contract Administrative Plan	<p>Modified section as indicated:</p> <p>The contract administrator may use SPD-CP016 Contract Administration Plan Template as a guide to document and manage the contract. Among the items that are included in the contract administration plan are:</p> <ul style="list-style-type: none"> • The statement of work, including identification of all deliverables, milestones and due dates, • A list of all contract modifications/amendments issued, • A summary of all invoices submitted and paid, • A list of all option/renewal dates and option/renewal notification dates, and • A list of the resources which the supplier applies to the work required (such resources should be used in accordance with the proposed levels in the contract).
7.5.2.6. Statewide Contract Payments and Sales Reports	<p>Modified section as indicated:</p> <p>Statewide contract suppliers are responsible to provide all reports to SPD as required by the statewide contract, such as periodic sales reports. Statewide contract suppliers should report sales using SPD-CP025a Supplier Quarterly Sales Report for Goods, SPD-CP025b Supplier Quarterly Sales Report for Services, or SPD-CP025c Supplier Quarterly Sales Report for IT unless another report form is identified by the SPD contract administrator.</p>
7.6.1.2.1. Price Increases	<p>Modified section as indicated:</p>

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	<p>After contract award, a supplier's request to increase prices pursuant to the contract must be in writing and addressed to the contract administrator. The supplier's request must contain all of the information and documentation called for in the contract. The contract administrator will respond to any such request within 30 days or as otherwise required by the contract.</p> <p>The entity, upon receiving a request for increase substantiated by a published market indice or limit, will then determine the amount of increase, if any, that can be accommodated and will enter into negotiations for such prior to proceeding with the renewal process.</p> <p>Price increases generally will not be granted and are not guaranteed as part of the contract award unless the solicitation document or contract makes provision for them. In most cases, the state entity requires that any announced price decreases in a commodity also be passed along to the state entity.</p>
<p>7.6.2. Contract Renewals Table 7.5</p>	<p>Modified Step 6: Process renewal option as indicated</p> <p>Finally, the contract administrator must process the contract renewal in accordance with the terms of the contract. The state entity uses SPD-CP010 Contract Renewal Template as appropriate to process renewals. Depending on the terms of the specific contract, the contract administrator's exercise of a contract renewal may or may not require the supplier's prior written consent.</p> <p>Added Step 8: Execute Bi Lateral Agreement as necessary</p> <p>If, at the time of renewal, additional changes to the contract are required (change orders, schedule modification, etc.), the Contract Administrator, after executing the SPD-CP010 Contract Renewal, will complete and execute the SPD-CP013 Amendment Form.</p>
<p>7.6.3. Contract Extensions</p>	<p>The following statement is added below Table 7.6:</p> <p>The extension is processed using SPD-CP010 Contract Renewal Template. The amendment numbering remains sequential for an extension.</p>
<p>7.6. Step 5 – State's Ongoing Contract Management</p>	<p>Modified section as indicated:</p>

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	<p>The contract administrator must use SPD-CP007 Contract Action Summary Form to document changes and upload to the contracts module of Team Georgia Marketplace™ or a similar tool to document contract actions.</p>
<p>7.8. Step 7 – Contract Close Out</p>	<p>Modified section as indicated:</p> <p>The purpose of the <i>closeout process</i> is to verify that both parties to the contract have fulfilled their contractual obligations and that there are no responsibilities remaining. A contract is completed when all goods, equipment or services have been received and accepted; all reports have been delivered and accepted; all administrative actions have been accomplished; all state entity-furnished equipment and material has been returned; and final payment has been made to the supplier.</p> <p>The contract administrator or designee is responsible for contract closeout and must:</p> <ul style="list-style-type: none"> • Determine whether all payments to the supplier have been made, • Determine whether all administrative actions have been completed, • Ensure that all issues have been resolved, and • Ensure that the official contract file contains all necessary documentation. • Complete the Close Out Portion of the SPD-CP007 Contract Action Summary Form. <p>In addition, the contract administrator (or the project manager as applicable) must:</p> <ul style="list-style-type: none"> • Determine whether all deliverables, including reports, have been delivered and accepted, • Determine whether all state entity property, if any, has been returned, • File a Contract Assessment Report, SPD-CP019, with the contract administrator, and • Provide the contract administrator with the appropriate material from the project manager’s file for inclusion in the official contract file.
<p>Chapter: Operational</p>	
<p>8.4.4.1. Steps to Re-Certify</p>	<p>Added new subsection and policy:</p>

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	<p>Once an employee achieves the required 40 hours of Continuing Education Units (CEUs) for re-certification, the employee must submit the following to Training@doas.ga.gov within 6 months of the re-certification deadline (see Section 8.4.4. – Re-Certification):</p> <ol style="list-style-type: none"> 1. A completed DOAS Application for Re-Certification, form SPD-OP010. 2. Proof of completion for any non-SPD training indicated on the Application for Re-Certification. This includes courses, webinars, conferences, internal training, etc. that was pre-approved by SPD before completion (see Section 8.4.4. – Re-Certification). Certificates of completion are acceptable proof that can submitted for each course completed; however, the number of course hours must be indicated in order to receive the correct number of CEUs by State Purchasing. In the event a Certificate cannot be obtained or the Certificate does not indicate the number of credit hours, a Continuing Education Units Attendance Record, form SPD-OP11, must be completed and submitted with the Application. <p>For any questions regarding completing the steps to re-certify, contact Training@doas.ga.gov.</p>
<p>8.4.3. No Show or Late Attendance to Training Sessions</p>	<p>Title of this section is modified and the following is added at the end of this section:</p> <p>For students arriving late to any class, the student must arrive within 30 to 45 minutes of the class start time in order to be eligible to complete the class, unless arrangements have been made with the instructor; otherwise, the student will need to re-enroll for the class to be taken at a later time.</p>
<p>8.4.4 Re-Certification</p>	<p>Re-certification includes activities and training courses designed to certify employees due to the availability of new tools or change in procedures or policies. Re-certification activities ensure the evaluation of the employee’s ongoing competency. In order to receive re-certification, certified employees must earn at least 40 hours of Continuing Education Units (CEUs) over a 5-year renewal period. Re-certification units can be obtained from SPD or from an accredited purchasing organization.</p> <p>CEUs can be obtained from SPD by completing:</p> <ol style="list-style-type: none"> 1. SPD training courses *

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	<p>2. All SPD-hosted webinars. For example, the release of Georgia Procurement Manual (GPM) changes is always accompanied by webinars that review the changes implemented.</p> <p>*Note: Enrollment in SPD training courses used for re-certification cannot be within 2 years of initial completion.</p> <p>All CEUs that are offered by the SPD will be tracked for each student in LMS. To receive CEUs for re-certification, the student must be registered as an attendee and attend the sessions listed above.</p> <p>As a complement of the employee's education and in order to maintain certification, the employee is expected to attend relevant procurement-related courses to be granted CEUs. Relevant procurement-related courses from accredited organizations such as National Institute of Governmental Procurement (NIGP), Institute of Supply Management (ISM), etc. receive CEUs. When CEUs are granted from accredited organizations, the recipient must obtain a certificate of completion from the organization for each procurement-related course completed.</p> <p>When appropriate, SPD will verify the approval of CEUs for the student of procurement-related courses from sources outside of SPD or from accredited organizations. The student must submit the following to training@doas.ga.gov to receive this CEU verification prior to receiving the training:</p> <ul style="list-style-type: none"> • Details of the organization/source providing the course • A full description of the course • Number of hours required for completing the course <p>All CEUs will be granted on an hour-for-hour basis of completion.</p>
8.5.4. Supplier Contracts Module	<p>The following statement is added below Table 8.5:</p> <p>Throughout the contract lifecycle, the contract and complete executed contract forms (see Table 7.1) are to be uploaded into the system.</p>
8.4. Training and Professional Development	<p>Various supplier courses are deleted and other courses are renamed in Table 8.2. to align with the online supplier webinar training that is available at http://doas.ga.gov/state-purchasing/purchasing-education-and-training/supplier-training.</p>