



**State of Georgia
Department of Administrative Services
State Purchasing**

Official Announcement #01-12

To: All Georgia Agency and College/University Purchasing Officers, Chief Financial Officers, Purchasing Card Coordinators, Facility Managers, and other Purchasing Officials

From: Leslie Lowe, State Purchasing Division Assistant Commissioner
Department of Administrative Services

Date: July 18, 2011

Subject: Revised \$5,000 Competitive Bidding Threshold, New Request for Proposal Delegation, and Additional Updates to the Georgia Procurement Manual

The purpose of this official announcement is to identify a revision to the \$5,000 competitive bidding threshold, announce an increase in all state entities' current delegated purchasing authority, and to identify additional revisions to the *Georgia Procurement Manual* (GPM).

Revised \$5,000 Competitive Bidding Threshold

Any purchase of \$5,000 or more must be competitively bid as stated in Section 1.3.4.5. "Open Market Purchases" of the GPM and OCGA 50-5-69. However, effective September 1, 2011, the existing rule will be revised to eliminate the non-statutory requirement that the purchases of the state entity as a whole for a single fiscal year will be aggregated to determine the state entity's compliance with this rule.

Although state entity spend will not be aggregated throughout the fiscal year to determine compliance, please note that deliberately splitting a purchase for the sole purpose of circumventing this bidding rule is still prohibited. The updated GPM will include a table with examples of permitted and prohibited purchases. State entities may view the new language in advance by accessing the current GPM. In addition, the State Purchasing Division (SPD) will host an optional webinar to discuss the revised rule and address questions. The date of the webinar will be announced prior to September 1, 2011.

Increased DPA to Conduct Request for Proposals

Effective September 1, 2011, all state entities' existing delegated purchasing authority (DPA) to conduct Request for Proposals (RFPs) is increased from \$250,000 to \$1 million. All RFPs that DOAS is currently processing on behalf of state entities will remain with DOAS unless the state entity requests otherwise.

In addition, DOAS recognizes that some state entities may desire a greater increase in their permanent DPA to conduct RFPs. Beginning September 1, 2011, DOAS will consider written requests for increases to a state entity's permanent DPA to conduct RFPs up to \$5 million. Such requests for permanent

increase should be sent to DOAS in accordance with the instructions in the updated GPM. In determining whether to approve such requests, the assistant commissioner of State Purchasing will give consideration to those state entities' who have successfully conducted one or more RFPs and who have successfully completed SPD's RFP training courses.

The One-Time Request to Exceed RFP Delegation process will remain in place for any state entity who may desire approval on a one-time basis to process an RFP that exceeds the \$1 million delegation but does not want to increase the state entity's permanent RFP DPA above \$1 million. Finally, please note DOAS is willing to assist any state entity with the RFP process – even for those RFPs that are within the state entity's new RFP DPA.

Additional Revisions to the GPM

Additional revisions to the GPM that will be published and will be effective immediately include the following:

- Clarifying that SPD-SP054 Immigration and Security Form is only required for construction/public works contracts (previously announced through Official Announcement #04-11)
- Removing the subscription fee for suppliers' receipt of email notices of new solicitations posted to the Georgia Procurement Registry (previously announced via email on May 26, 2011)
- Recognizing an exception to the rule governing amendments to existing purchase orders to exercise contract renewal options (previously announced through Official Announcement #05-11)
- Identifying the extended deadline of December 15, 2011 to complete basic certification training (previously announced through Official Announcement #05-11)
- Extending the deadline for completing RFP training to 8 months after the basic certification training is completed (*new revision*)
- Introducing a new rule to provide that any conflict between the Georgia Procurement Registry's identified solicitation closing date and time, and the solicitation's closing date and time will be resolved in favor of the Georgia Procurement Registry (*new revision*)
- General, non-material corrections (e.g., correcting the reference to a form)

As your purchasing partner, DOAS intends to do our best to help state entities take on increased procurement responsibilities and to give our customers the proper information and tools to procure confidently and lawfully. Any questions regarding this official announcement may be submitted to DOAS via email at processimprovement@doas.ga.gov.