FROM: Leslie Lowe
Deputy Commissioner

DATE: November 18, 2014

TO: All Georgia Agency and College/University Purchasing Officers
Other Procurement Officials or Staff

RE: *New* Contract Management Course Launch, Revised Contract Forms, Related Georgia Procurement Manual (GPM) Changes and a **Revised Submission Deadline Date** for the Annual Self Audit and Spend Analysis Report

This communication is to announce the launch of the new Contract Management Course by State Purchasing as well as changes to the Georgia Procurement Manual (GPM) and certain forms that are made to align with this new course. Additionally, the deadline for submitting the Annual Spend and Self Audit Report is now officially extended from January 31 annually to February 15. These changes are now effective.

This announcement will serve as official notice of these policy changes until a revised Georgia Procurement Manual is published. For your convenience, a general summary of the upcoming changes to the GPM, including specific references, are listed on the following pages.

If you need further information related to the use of the revised forms or processes and procedures, please contact the Process Improvement Mailbox at: process.improvement@doas.ga.gov.

The following course is now available for registration through the Learning Management System (LMS) at:
http://doas.ga.gov/Training/Pages/Login.aspx

Contract Management: *How to Create, Manage, and Track Contract Performance and Expectations* is a two-day lecture course including hands-on activities and demonstrations to provide the Contract Administrator and State Entity Purchasing Officials with the tools and knowledge needed to effectively manage contracts, amendments, renewals, and performance.

Georgia Procurement Manual Revisions

Stage 7:
Table 7.1, Key Steps is modified to add SPD-CP012, Contract Administrative Change Template, to the list of referenced forms.

Table 7.1 Referenced Official Forms	State Entity Use	SPD Use
SPD-CP001 Supplier Data Sheet	•	•
SPD-CP004 Excise Tax Exemption Certificate	•	•
SPD-CP007 Contract Action Summary Form	•	•
SPD-CP008 Supplier Performance Report	•	•
SPD-CP010 Contract Renewal Template	•	•
SPD-CP012 Contract Administrative Change Template	•	•
SPD-CP013 Contract Amendment Template	•	•
SPD-CP016 Contract Administration Plan Template	•	•
SPD-CP019 Contract Assessment Report	•	•
SPD-CP022 Contract Quarterly Administrative Fee Report		•
SPD-CP025 Supplier Quarterly Sales Report		•
SPD-CP028 Statewide Contract Benefit Example		•
SPD-CP029 Statewide Contract Benefit Template		•
SPD-CP030 Statewide Contract Announcement Letter Template		•
SPD-CP031 Statewide Contract Webinar PowerPoint Template		•
SPD-CP032 Statewide Contract Information Sheet		•

Table 7.1 Referenced Official Forms	State Entity Use	SPD Use
Template		

Section 7.6.1.1., Administrative Change is modified to add the appropriate form, SPD-CP012, Administrative Change Template.

7.6.1.1. Administrative Change

Administrative change refers to a contract change that is within the scope of the contract and does not affect or alter the rights of the parties. *Administrative changes* are executed in writing via a unilateral amendment (i.e., a document only signed by the party making the change). Examples of administrative changes include, but are not limited to:

- Changes in billing instructions or address,
- Corrections of typographical errors not affecting the substance of the contract,
- Changes as permitted by the specific contract clauses, and
- Changes in State Entity personnel assigned to administer the contract.

Before processing an administrative change, the contract administrator must verify that the rights of the parties are not affected by the change. The contract administrator then executes the administrative change, using SPD-CP012 Administrative Change Template, and distributes a written copy to the supplier. Other departments that are affected by the change should also receive copies of the amendment. For example, Accounts Payable should receive a copy if there is a change to the supplier's remittance address.

State entities may process administrative changes without **SPD**'s approval.

Operations Stage

Section 8.1.1., State Entity Procurement Spend is changed to permanently extend the deadline for APOs/CUPOs to submit their Annual Self-Audit and Spend Analysis Report to State Purchasing by February 15.

8.1.1. State Entity Procurement Spend

At the direction of the Governor, SPD will report in such detail as may be required any purchase or purchases made by state entities. Each state entity

is solely responsible for the accuracy of the procurement data that records the entity's spend for the purchase of all goods, equipment, and services.

Spend is captured at the line level of purchase orders by either NIGP Codes or by Purchase Type Codes. Accurate procurement spend is critical for:

- an organization to understand buying efficiencies and trends;
- an organization to detect the need for creating or renewing entity contracts;
- an organization and SPD to verify compliance in procurement processes;
- SPD to create, dissolve, or renew statewide contracts; and
- SPD to respond to Executive and Legislative inquiries.

Analysis of an entity's spend must be conducted, at a minimum, on a quarterly basis by the APO/CUPO. In addition, APOs/CUPOs are required to deliver an annual self-audit and spend analysis report to SPD. The report should be submitted to SPD at training@doas.ga.gov by February 15 each year. It is also an excellent business practice for staff that makes purchases to review their procurement transactions on a weekly or biweekly basis, in the event errors can be detected and corrected before transactions are complete. These frequent analyses by an entity have positive benefits to include:

- Non-compliance with the State Purchasing Act and administrative rules are detected and corrective actions taken;
- Risk exposures to the entity and/or the state are reduced or eliminated;
- Entity spend is more accurately reported;
- Performance levels of procurement staff are evaluated for training needs;
- Saving opportunities are identified; and
- Scope of need is determined for developing solicitations.