



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

Official Announcement # 22-06

FROM: Jim Barnaby, Deputy Commissioner, DOAS

JB

DATE: April 12, 2022

TO: Agency Procurement Officers, College and University Procurement Officers, and Chief Financial Officers

RE: Announcement of Revised Emergency Purchasing Policy

Following Governor Brian P. Kemp's April 1, 2022, memo to State of Georgia agency heads and ethics officers (Attachment 1), the State Purchasing Division (SPD) is pleased to announce several updates to the emergency purchasing policy and process to be **effective July 1, 2022**. These revisions will be incorporated into a future update of the [Georgia Procurement Manual](#), which will be announced in a separate official announcement. Emergency purchasing policy updates are outlined below and in the attached Summary of Georgia Procurement Manual Changes Table (Attachment 2).

1. **Definition of Emergency:** Effective July 1, 2022, the definition of an emergency has been further clarified and requires the state entity to use reasoned discretion to determine whether "immediate" or "prompt" action is required based on the unique circumstances. Examples of immediate action and prompt action emergency situations are included for illustrative purposes only.
2. **Competitively Bid Resources and Informal Quotes:** Effective July 1, 2022, the policy has been updated to identify available competitively bid resources to consider using during an emergency situation. If an emergency situation requires prompt but not immediate action, the state entity should, to the extent possible given the circumstances, contact multiple suppliers (three recommended) to obtain informal quotes.
3. **Emergency Contracts Exceeding 12 Months in Duration:** Effective July 1, 2022, the policy has been updated to clarify that any new emergency contracts in excess of 12 months and any renewal or extension of existing multi-year emergency contracts requires SPD prior approval. If the need for the good or service will be for a prolonged period, emergency contracts should be transitioned to competitively bid contracts to the extent reasonably feasible.
4. **Disclosure of Conflicts of Interests and Financial Interests:** Effective July 1, 2022, the policy has been updated to incorporate the Governor's Code of Ethics executive order ([04.01.21.57](#)) governing state employee disclosure of possible conflicts of interest, financial interests, etc. The APO/CUPO should consult with the state entity's designated ethics officer regarding any potential conflicts of interest, financial interest, or other ethical concerns arising before or after the emergency purchase. The Emergency Justification Form (SPD-NI004) has been updated to incorporate an attestation of compliance by the APO/CUPO and identified business owner.
5. **Chief Financial Officer (CFO) Approval:** Effective July 1, 2022, after the emergency purchase has been completed and as part of the emergency justification documentation, the CFO must

sign the Emergency Justification Form to provide approval of the emergency circumstances. The CFO's review and approval may be delegated to another individual with SPD prior approval.

6. **Emergency Justification Documentation and Submission:** Effective July 1, 2022, the policy has been updated to revise and clarify the process for attaching the emergency justification form within the financial system. For select entities that are required to email the emergency justification form directly to SPD, the submission timeframe has been increased to 10 calendar days.
7. **Annual Review of Reoccurring Emergency Purchases:** Effective July 1, 2022, the policy has been updated to include a requirement for the APO/CUPO to review emergency purchases on an annual basis and determine whether it is advantageous and feasible to transition certain reoccurring emergency contracts to competitively bid contracts to address future needs.
8. **SPD Audit Team Review:** Effective July 1, 2022, the policy has been updated to include reference to the SPD Audit team's role in reviewing emergency purchases and acknowledgment that any improper activity may be reported to the Office of Inspector General or other appropriate entity.
9. **Updated Emergency Justification Form (SPD-NI004):** Effective July 1, 2022, the form (Attachment 3) has been updated to capture additional information about the emergency circumstances and purchase, attestation from APO/CUPO and business owner, and CFO's approval.

SPD will conduct webinars to review these changes. Please distribute this Official Announcement internally. For any questions related to this Official Announcement, please contact SPD at process.improvement@doas.ga.gov.



STATE OF GEORGIA
OFFICE OF THE GOVERNOR
ATLANTA 30334-0090

Brian P. Kemp
GOVERNOR

April 1, 2022

TO: State of Georgia Agency Heads and Agency Ethics Officers
FROM: Governor Brian P. Kemp
RE: Code of Ethics/Executive Order 04.01.27.57

One year ago, I implemented a new Code of Ethics for the Executive Branch through Executive Order 04.01.21.57 (the "Ethics Order"). The Code of Ethics expresses the state's commitment to ensuring that our employees avoid actual and potential conflicts of interest while doing the state's business. As we all know, maintaining high ethical standards is best practice and preserves the citizens' trust in our government.

On this first anniversary of the Ethics Order, I ask for your assistance in reminding agency employees of their ethical duties and obligations, including their obligations to disclose actual and potential conflicts of interest pursuant to Section 4 of the Code of Ethics. To that end, my office has revised the Conflict of Interest Disclosure Form and the corresponding Conflict of Interest Affidavit. Complete disclosures alert both employees and their supervisors of potential conflicts, builds confidence in the state's commitment to transparency, and provides agencies with the information they need to avoid potentially prohibited transactions under, among other provisions, O.C.G.A. § 45-10-22 *et seq.* Please review these revised forms with your staff and employees and obtain any updated conflict information where appropriate.

Finally, we acknowledge that the number of emergency purchases has increased over the last two years as agencies have dealt with the unprecedented nature of COVID-19. Protecting the health, safety, and welfare of all Georgians remains our highest priority, and we continue to appreciate your efforts to that end. I have directed the Department of Administrative Services to revise the Georgia Procurement Manual to provide agencies with additional instruction for emergency purchasing. We anticipate such revisions to the Georgia Procurement Manual to become effective as of July 1, 2022, and your agency purchasing officers will receive training and instruction shortly.

I appreciate your assistance in maintaining the confidence Georgia's citizens have placed in us and showing, through our actions, that their best interests continue to be served.



**Summary of Emergency Purchasing Policy Changes
Effective July 1, 2022**

NOTE: This table summarizes changes to the emergency purchasing policy and process within the Georgia Procurement Manual (the “GPM”) as announced through Official Announcement #22-06. In the event of any conflict between this table and the GPM (once published), the revised GPM shall govern.

GPM Section	Description of Change
CHAPTER 1, STAGE 1 – NEED IDENTIFICATION	
Section 1.3.5. Emergency Purchases	<ul style="list-style-type: none"> • Move existing text to new subsection 1.3.5.1 “State Entity Authority” and add new text to 1.3.5 “Emergency Purchases” as follows: <u>An emergency is a serious or urgent situation requiring immediate or prompt action to protect persons or property. An emergency may include, but is not limited to, a threat to public health, welfare, or safety caused by extreme weather conditions, epidemics, riots, equipment failure, or fire loss. The existence of such situations creates an urgent need for supplies or services that may not be met through the normal procurement process. Further, the lack or delay of supplies or services could seriously impair government functioning, the ability to preserve property, or the ability to protect the health or safety of any person. Emergency purchasing situations shall be classified as follows:</u> • Immediate Action Emergency Purchase: <u>a serious or urgent situation requiring immediate action to protect persons or property. Examples of an Immediate Action Emergency Purchase situation include, but are not limited to, failed security locks in a state prison or burst water pipes in a state building. In such situations, the State Entity may need to respond immediately without delay in order to protect persons or property.</u>

GPM Section	Description of Change
	<ul style="list-style-type: none"> <u>Prompt Action Emergency Purchase</u>: a serious or urgent situation requiring prompt but not immediate action to protect persons or property. Examples of a Prompt Action Emergency Purchase situation include, but are not limited to, equipment failure or the need for sandbags to protect against flooding from impending inclement weather. In such situations, the State Entity may need to respond promptly without extended delay in order to protect persons or property. <p>Whether the State Entity must respond immediately or promptly to an emergency is dependent upon the unique conditions of each emergency situation, and the State Entity must exercise reasoned discretion in making such determination. Note that the examples provided above are for illustrative purposes only and state entities must exercise reasoned discretion to determine whether immediate or prompt action is warranted.</p>
Section 1.3.5.1 State Entity Authority	<p>Move existing text to new subsection 1.3.5.5. “Utilizing a Purchase Order or P-Card for Emergency Purchases”. Copy text from original Section 1.3.5 “Emergency Purchases” and revise as follows:</p> <p><u>1.3.5.1. State Entity Authority</u></p> <p>In accordance with {O.C.G.A.} <u>Section 50-5-71</u>, SPD has granted the authority to state entities to purchase urgently needed items arising from unforeseen causes, including, but not limited to, extreme weather conditions or official declared during emergencies. <u>Emergency purchases shall be limited to those supplies, services, or items necessary to respond to the emergency.</u></p> <p><i>Emergency purchases</i> are an exception to the <u>Order of Precedence</u>. An emergency procurement is handled outside of the normal competitive process for purchases greater than \$24,999.99 because of the urgency of the circumstances, such as the immediate welfare of the general public.</p> <p>Therefore, SPD approval is not required in advance of the emergency purchase. Poor planning or the pending expiration of funds does not constitute a valid justification for an emergency purchase. It is always good business practice and considered to be in the best interest of the state of Georgia to make any procurement as competitive as time permits. The state entity is authorized to handle the emergency purchase whether or not the dollar amount of the emergency purchase falls within the state entity’s delegated purchasing authority.</p>

GPM Section	Description of Change
<p>Section 1.3.5.2. Competitive Pricing and Terms for Emergency Purchases</p>	<ul style="list-style-type: none"> Move existing text to new subsection 1.3.5.6 “Notifying SPD of Emergency Purchases” and add new text to 1.3.5.2. “Competitive Pricing and Terms for Emergency Purchases” as follows: <p><u>1.3.5.2. Competitive Pricing and Terms for Emergency Purchases</u> <u>State entities should utilize competitively bid contracts to the extent feasible. Examples of competitively bid contracts include existing statewide contracts, purchases from current State Entity contracts (“piggyback contracts”), or cooperative purchasing from consortia agreements such as the United States General Services Administration schedules (“COOP PURCH” symbol indicates state purchases permitted). State entities should proactively establish competitively procured contracts in the event that emergencies routinely occur.</u></p> <p><u>If competitively bid contracts are not available, it is best practice to make any purchase as competitive as time permits. For example, if an emergency purchase requires prompt but not immediate action, the State Entity should, to the extent possible given the circumstances of such emergency, contact multiple suppliers (three recommended) and solicit informal quotes. If there is no time to contact suppliers for informal quotes due to the circumstances of the emergency, the APO/CUPO shall document such circumstances as part of SPD-NI004 Emergency Justification Form.</u></p>
<p>Section 1.3.5.3 Time Limited Emergency Contracts</p>	<ul style="list-style-type: none"> Add new subsection as follows: <p><u>1.3.5.3. Time Limited Emergency Contracts</u> <u>Contracts for emergency purchases should be limited to the time necessary to respond to the emergency. In the event that an emergency is anticipated to continue for a prolonged period of time, emergency contracts should be transitioned to competitively bid contracts to the extent reasonably feasible. Failure to plan for transition to a competitively bid contract cannot be the basis for continued use of the emergency purchase exception.</u></p>

GPM Section	Description of Change
	<p><u>No emergency contract with a term in excess of twelve (12) months, including any renewal or extension of such multi-year emergency contract, may be entered into unless specific approval is given by SPD. Requests for approval may be submitted to process.improvement@doas.ga.gov. Requests for SPD approval to renew or extend existing multi-year emergency contracts should include information relevant to review, such as a copy of the completed emergency justification form, total spend-to-date, information about the continued need for the goods or services and why transition from the emergency contract to a competitively bid contract is not reasonably feasible. SPD will make reasonable efforts to review and respond to such requests within five to ten business days of receipt of all requested information.</u></p>
Section 1.3.5.4. Ethical Behavior	<ul style="list-style-type: none"> • Add new subsection as follows: <p><u>1.3.5.4. Ethical Behavior</u> <u>An emergency purchase shall not violate Georgia law, the Governor’s Code of Ethics (Executive Order 04.01.21.57 or any successive order), the Georgia Procurement Manual, or any other applicable rules. The APO/CUPO should consult with the State Entity’s designated Ethics Officer regarding any potential conflicts of interest, financial interest, or other ethical concerns arising before or after the emergency purchase.</u></p> <p><u>If an emergency purchase requires prompt but not immediate action, the APO/CUPO should make reasonable efforts to identify possible conflicts of interest prior to the emergency purchase. If the emergency purchase requires immediate action, the APO/CUPO should make reasonable efforts to identify possible conflicts of interest after the emergency purchase. The APO/CUPO may satisfy this requirement by contacting the State Entity’s Ethics Officer and confirming no business relationship or other possible conflict of interest has been reported by a staff member of the State Entity with respect to the supplier selected for the emergency purchase. If no efforts were made to identify possible conflicts of interest prior to the emergency purchase, the APO/CUPO should document the circumstances for not doing so via SPD-NI004 Emergency Justification Form. In addition, as part of completing SPD-NI004 Emergency Justification Form, the APO/CUPO and the State Entity’s Business Owner must complete a conflict-of-interest acknowledgement of compliance. After the emergency purchase has occurred, the State Entity’s Chief Financial Officer (CFO) must sign SPD-NI004 Emergency Justification Form to approve the emergency circumstance. The CFO may delegate review and approval of the emergency circumstances of emergency</u></p>

GPM Section	Description of Change
	<p><u>purchases to a designated individual approved by SPD. Requests for approval of the CFO's designee may be sent to SPD at process.improvement@doas.ga.gov.</u></p> <p><u>If the State Entity's Ethics Officer determines an actual conflict of interest exists related to an emergency purchase, the State Entity must either document in writing how the conflict of interest can be mitigated (if possible) or obtain the urgently needed supplies or services from another supplier. If the conflict of interest cannot be mitigated and the purchase has already occurred, the purchase order or contract may be subject to termination. In this situation, the APO/CUPO must contact SPD as soon as possible at process.improvement@doas.ga.gov.</u></p> <p><u>The State Entity that fails to comply with these requirements may be subject to corrective action, including, but not limited to, the reduction of the State Entity's DPA by SPD or other corrective measures.</u></p>
Section 1.3.5.5. Utilizing a Purchase Order or P-Card for Emergency Purchases	<ul style="list-style-type: none"> • Insert previous section 1.3.5.1 as new section 1.3.5.5. and revise as follows: <p>1.3.5.1. 1.3.5.5. Utilizing a Purchase Order or P-Card for Emergency Purchases Use of a <i>Purchase Order (PO)</i> or the state <u>State</u> of Georgia's official purchasing card (P-Card) is discussed further in Chapter 8 - Operational. The APO/CUPO may use either a PO or the P-Card to make the emergency purchase.</p> <p>If a <i>Purchase Order (PO)</i> is used to make the emergency purchase, the PO should be issued with the phrase "Emergency Purchase" included. With respect to using the PCard, SPD's Statewide Purchasing Card Policy allows emergency purchases to be paid utilizing the P-Card provided the state entity complies with specific requirements regarding after-the-fact requests for approval and documentation of such transactions.</p> <p>The Statewide Purchasing Card Policy allows exceptions to normal policies regarding individual transaction amounts and/or monthly cycle limits and to allow for the purchase of necessary items which are normally prohibited (employee meals, for example) as needed to quickly and responsibly meet the needs of the public in an emergency situation. Program Administrators and/or Coordinators are permitted to make the necessary changes to cardholders' accounts to facilitate these purchases in accordance with policy. Following the emergency, upon return to normal business operations, adherence to standard policy must</p>

GPM Section	Description of Change
	<p>resume and Program Administrators and/or Coordinators are responsible for returning affected cardholders' accounts to their original status as they existed prior to the emergency.</p> <p>Access the Statewide Purchasing Card Policy for guidance regarding required procedures and documentation to support emergency purchases.</p>
Section 1.3.5.6. Notifying SPD of Emergency Purchases	<ul style="list-style-type: none"> Insert previous section 1.3.5.2 as new section 1.3.5.6. and revise as follows: <p>1.3.5.2. 1.3.5.6. Notifying SPD of Emergency Purchases</p> <p>In the event of an emergency purchase, the APO/CUPO must provide SPD with written notice and justification by completing form SPD-NI004 Emergency Justification Form.</p> <p><u>For Team Georgia Marketplace™ users and Georgia FIRST Financials users, the completed SPD-NI004 Emergency Justification Form must be attached at the header level of the PO in the system as well as together with other pertinent documentation relating to the emergency purchase (such as supplier quotations, communications with end users regarding the emergency, etc.).</u></p> <p><u>For all other users, the completed SPD-NI004 Emergency Justification Form must be forwarded by the APO/CUPO via email to process.improvement@doas.ga.gov within ten (10) calendar days of the emergency purchase.</u></p> <p>For non-Team Georgia Marketplace™ users: the completed form must be forwarded by the APO/CUPO via email to processimprovement@doas.ga.gov within five business days of the emergency purchase. A copy of the PO and all pertinent documentation relating to the purchase transaction should be forwarded to processimprovement@doas.ga.gov as soon as possible but no later than five business days following the state entity's final payment or receipt and acceptance of the goods/services, whichever occurs last.</p> <p>For Team Georgia Marketplace™ users: the completed Emergency Justification Form must be attached at the header level of the PO in the system as well as other pertinent documentation relating to the emergency purchase.</p>

GPM Section	Description of Change
	<p>There are additional requirements in the event a P-Card is used as noted in the Statewide Purchasing Card Policy. In the event of an emergency purchase, the APO/CUPO is required to provide notice and justification to SPD whether or not the dollar value of the emergency purchase falls within the state entity's delegated purchasing authority.</p>
<p>Section 1.3.5.7. Review of Emergency Purchases</p>	<ul style="list-style-type: none"> • Add new section 1.3.5.7. as follows: <p><u>1.3.5.7. Review of Emergency Purchases</u> <u>On an annual basis, the APO/CUPO must review historic spending to identify repetitive emergency purchases and other urgent purchases and assess whether feasible to establish competitively procured or open agency contracts for reoccurring emergency needs.</u></p> <p><u>Emergency purchases are subject to review by SPD and any evidence of fraud, waste, abuse or other improper activity may be referred to the Office of Inspector General or other appropriate entity.</u></p>

Emergency Justification Form

Organizational Information	
State Entity Name:	
State Entity Code (5-Digit Code):	Today's Date: (mm-dd-yy)
APO/CUPO Information	State Entity Business Owner
Name:	Name:
Department/Unit:	Department/Unit:
Email Address:	Email Address:
Telephone: - -	Telephone: - -
Emergency Details	
Date of Incident(s): (mm-dd-yy) <small>Note: if a specific date is not known or not applicable, please provide as much information as possible in the section that follows.</small>	
Anticipated End Date: (mm-dd-yy)	
Detailed explanation of emergency: 	
Purchase Details	
Classification of Purchase (choose one):	
<input type="checkbox"/> Immediate Action Emergency Purchase <input type="checkbox"/> Prompt Action Emergency Purchase	
Explain the circumstances which require that the purchase be made outside of normal procurement procedures and the reason(s) for the classification of purchase: 	
Describe how the supplier was selected. Include number of suppliers solicited and quotes obtained, if applicable: 	
If the purchase is classified as a Prompt Action Emergency Purchase, identify any efforts taken to solicit additional quotes: 	
Identification of Possible Conflicts of Interest	
Prompt Action Emergency Purchase: If an emergency purchase requires prompt but not immediate action, the APO/CUPO should make reasonable efforts to identify possible conflicts of interest <i>prior to</i> the emergency purchase. The APO/CUPO may satisfy this requirement by contacting the State Entity's Ethics Officer and confirming no business relationship or other possible conflict of interest has been reported by a staff member of the State Entity with respect to the supplier selected for the emergency purchase. If no efforts were made to identify possible conflicts of interest prior to the emergency purchase, the APO/CUPO should document the circumstances for not doing so below: 	

Emergency Justification Form

Contract Details

Supplier Name:

Supplier FEI Number:

Supplier ID (if applicable):

One-Time Purchase **Repetitive Purchase**

Fixed State Entity Contract **"Open" State Entity Contract**

Estimated Total Amount:

Contract Duration:

Detailed Description of Goods and/or Services Required, including whether receipt of funding requires purchase of particular goods or services:

Indicate Final Method and Date(s) of Emergency Purchase(s):

Purchase Order **PO Number(s):** **Date:** (mm-dd-yy)

P-Card Transaction **Transaction Date(s):** (mm-dd-yy)
Cardholder Name:

Funding Source(s): **State Funds** **Federal Funds** **Other**

Additional notes regarding contract:

Conflict of Interest Compliance

By submitting this form, the APO/CUPO and State Entity Business Owner represent that he/she has no personal interest in the purchase and that he/she has read and understands Executive Order 04.01.21.57 and the Governor's Code of Ethics.

The APO/CUPO and State Entity Business Owner further represent that any previous personal material transaction with, or relationship to, the supplier has been disclosed to the State Entity's Ethics Officer and that any material transaction or relationship subsequently discovered will be immediately reported to the State Entity's Ethics Officer for appropriate action which may include cancellation of the emergency purchase identified herein.

State Entity Business Owner (same person identified on pg. 1)

Name:

Email Address:

Signature:

Date: (mm-dd-yy)

Emergency Justification Form

Chief Financial Officer Approval (or designee approved by SPD)

Any emergency purchase must be reviewed and approved by the State Entity's Chief Financial Officer (CFO). By signing below, the CFO acknowledges he/she has reviewed and approved the emergency purchase identified herein and the documented justification. The CFO also acknowledges that he/she has read the Conflict-of-Interest Acknowledgement.

Name:

Email Address:

Signature:

Date: (mm-dd-yy)

Submission Details

This form and all supporting documentation pertaining to the purchase should be attached to the PO header in Team Georgia Marketplace™/Georgia First Financials. For State Entities not using TGM/GeorgiaFirst systems, this form and supporting documentation must be submitted to process.improvement@doas.ga.gov within ten (10) calendar days of the emergency purchase or such other time approved in writing by SPD.

NOTE:

Please reference the DOAS Human Resources Administration website for a copy of the Governor's Code of Ethics and the model Conflict of Interest Disclosure form:
<https://doas.ga.gov/human-resources-administration/governor%E2%80%99s-code-of-ethics>.

Please reference the [Georgia Procurement Manual](#), Section 1.3.5. Emergency Purchases for more information. Emergency purchases are subject to review by SPD and any evidence of fraud, waste, abuse, or other improper activity may be referred to the Office of Inspector General or other appropriate entity. State Entities are also reminded that violations of Georgia law may subject the responsible individual to criminal consequences.