

PURCHASING AUTHORITY BASICS

2603

(May 2005)

This [section](#) describes what is included and not included under purchasing authority, what the program requirements are, and what is necessary to maintain purchasing authority compliance.

AUTHORITY TO DELEGATE PURCHASING AUTHORITY **2603.1**

(May 2005)

Statutory authority for purchasing non-information technology (non-IT) goods and information technology (IT) goods and services for State government resides with the Department of General Services (DGS). DGS also has statutory authority to grant purchasing authority to those departments demonstrating the capability to make purchases that adhere to State statutes, regulations, executive orders, policies, procedures, sound business practices, and cost effectiveness and that are in the best interest of the State.

DGS is accountable and responsible for the purchasing authority it grants. The Purchasing Authority Application (application) is designed to provide DGS with the information it needs to determine if a department has the expertise, experience, knowledge, and internal procurement policies and procedures to support the type(s), category(ies), and dollar thresholds of authority requested.

In CAL FIRE, only Sacramento Business Services, has the authority to contact DGS to request departmental purchasing authority.

PROGRAM OVERSIGHT

2603.2

(May 2005)

The Purchasing Authority Management Section (PAMS) within DGS Procurement Division (PD) is responsible for oversight of the purchasing authority program on a statewide basis, including review and approval of applications requesting purchasing authority, monitoring of departments granted purchasing authority, and compliance review of departments' purchasing programs. Departments are required to make purchasing authority documentation and information available to DGS/PD upon request and may not withhold such documentation and/or information.

PURCHASING AUTHORITY TYPES

2603.3

(No. 3 February 2006)

There are two types of purchasing authority available to State departments:

- Non-information technology (non-IT)
Governed by PCC sections: 10308, 10331 through 10333
SAM § 3506
- Information technology (IT)
Governed by PCC section: 12100 et. seq.
SAM § 5210.1

(In CAL FIRE, the Information Technology Unit is responsible for granting purchasing authority for all Information Technology commodities and services. Please contact them for questions regarding those types of purchases.)

PURCHASING CATEGORIES

2603.4

(No. 3 February 2006)

Once a purchasing type(s) has been selected, a department must then decide what purchasing categories to use in conducting their purchasing activities. A department may select one or more of the following purchasing categories or sub-categories as applicable to their selected purchasing authority type:

- Competitive solicitations (informal and formal).
- Prison Industries Authority (PIA).
- Community-Based Rehabilitation Program (CRP).
- Non-competitively bid (NCB) contract approval.
- Small Business (SB)/Disabled Veteran Business Enterprise (DBVE) Option (competitive solicitations conducted under Government Code (GC) 14838.5 with a value of \$5,000.01 through \$99,999.99).
- Leveraged Procurement Agreement (LPA) orders are further sub-categorized into the following procurement approaches:
 - California Multiple Awards Schedule (CMAS) contracts.
 - Master Agreements (MA), including Western States Contracting Alliance (WSCA)
 - State Price Schedules (SPS),
 - Statewide Contracts (SC).

Note: Purchasing authority also provides departments the ability to participate in the CAL-Card Purchase Card Program. Only departments granted purchasing authority will be considered for participation in the CAL-Card Purchase Card Program.

DOLLAR THRESHOLDS AND EXEMPT CONTRACTS

2603.5

(May 2005)

The requirements for obtaining purchasing authority for any category are commensurate with the applicable dollar threshold. Purchasing authority for contracts identified as exempt by statute or by policy will be granted at the same dollar threshold granted for competitive solicitations.

LEVELS OF COMPETITIVE PURCHASING AUTHORITY

2603.6

(May 2005)

The purchasing authority categories and dollar thresholds available to departments are described in [Section 2604](#). For each category, except competitive, departments may apply for the dollar threshold(s) listed or may elect to not apply for a category(ies). For competitive, the department has the following choices, as well as “None”:

Minimum:

- Lowest dollar threshold of authority available.
- Departments that conduct very few, small procurements should request this

Standard:

- General dollar threshold of authority available.
- Informal solicitations.
- Departments must be granted this level of authority and have experience conducting procurement activities at this level prior to applying for authority to conduct formal procurement activities.
- Prior to being granted full authority at this level, the department will be required to conduct a single competitive procurement. Refer to [Section 2603.9](#) “Requesting Purchasing Authority” and [CAL FIRE Purchasing Charts in Section 2604.1](#).

Formal:

- No set dollar threshold.
- Dollar threshold for formal solicitations is granted on a case-by-case basis.
- This level of procurement requires advertising and the formal bid process. At the present time, CAL FIRE is not interested in requesting this level of authority. These procurements are handled through the Purchase Estimate process. See [Section 2667](#) for additional information.

PURCHASING AUTHORITY TERM

2603.7

(May 2005)

Purchasing authority, regardless of type or category(ies) is granted for a 12-month period. If a department is granted both non-IT and IT purchasing authorities, the purchasing authority terms will run concurrently. The PAMS will conduct a review of a department's purchasing authority program during a department's annual renewal process. **Currently CAL FIRE's renewal date is July 1 of every year.**

MUST DEPARTMENTS HAVE PURCHASING AUTHORITY

2603.8

(May 2005)

It is not mandatory that departments obtain purchasing authority. Although, departments without approved purchasing authority are prohibited from conducting any of the following purchasing activities:

- Non-IT goods exceeding \$100.00 as stated in PCC section 10308.
- IT goods and services of any dollar value, including IT Inter-Agency Agreements (IAA).
- Using any of the purchasing categories referenced in this chapter.
- Participation in the CAL-Card Purchase Card Program.

REQUESTING PURCHASING AUTHORITY

2603.9

(May 2005)

Departments must request, revise, and/or renew purchasing authority by completing and submitting to PAMS a Purchasing Authority Application (application).

The department granted purchasing authority is responsible and accountable for all procurement activities conducted under its approved purchasing authority, regardless of where the procurement activity occurs.

In CAL FIRE, purchasing authority for non-it goods can only be requested by Sacramento Business Services, Procurement Unit. It covers specified dollar limits set by DGS, Procurement.

CAL FIRE POLICY INFORMATION

2603.10

(May 2005)

The Department's ability to purchase commodities is limited by the authority granted from the Department of General Services, Procurement Division (PD), Purchasing Authority Management Section (PAMS) and is governed by the regulations and authority outlined in the Purchasing Authority Manual. In addition the following policies have been established by CAL FIRE.

DEPARTMENTAL LEVEL POLICY

2603.10.1

(No. 2 September 2005)

The following outlines the department's purchasing policy as approved by the director.

- All purchasers and approving officials for CAL FIRE must be trained and certified.
- Each purchaser and approving official must successfully complete training and be assigned a certification number in order to purchase and approve for the department.
- Purchasers cannot be:
 - VIP
 - Seasonal Firefighters
 - Pickup Labor
 - Students
 - Contracted Employees
 - Retired Annuitants
 - Non-CAL FIRE Employees
- The Unit Chief must approve each purchaser and approving official. Each purchaser will have an assigned approving official to authorize all purchases. Approving/authorized officials and purchasers are equally accountable for all purchases.
- Purchasers shall not exceed spending limits established by control agencies, departmental or local unit policies.
- Revocation Policy: Purchasers as well as approving officials are subject to revocation of purchasing authority when purchasing or payment guidelines are abused.
- Purchasers will receive two notices prior to being revoked.
- When revoked, purchaser/approving official must wait six months from date of revocation to reapply for purchasing certification training. Purchasing training must be successfully repeated before reapplying for purchasing authority.
- Purchasing privileges can be suspended/revoked by any one of the following authorities: CAL FIRE Executive Staff including, Region Chief, Unit Chief, Departmental Accounting Officer and Chief of Business Services.

REGION POLICY

2603.10.2

(No. 2 September 2005)

The Region Chief or designee is authorized to set individual purchasing limits that are lower than the maximum level authorized by the department. Regions have the authority to cancel, suspend or revoke purchasing authority. Restrictions may be effective year-round or may be imposed only when budgeted dollars are nearing exhaustion, such as at fiscal year end.

UNIT POLICY

2603.10.3

(No. 2 September 2005)

The Unit Chief or designee has the authority to set purchasing limits lower than department delegation. The Unit is responsible for enforcing spending limits that they establish. Units have the authority to cancel, suspend or revoke purchasing authority. The unit establishes which purchasing tools each purchaser is allowed to use.

[\(see next section\)](#)

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[\(see Forms or Forms Samples\)](#)