

PURCHASE ESTIMATE PROCESS

2667

(May 2005)

PURCHASE ESTIMATE (PE) STD. 66

2667.1

(May 2005)

The Purchase Estimate (PE), STD. 66 form is used as a request to DGS, PD to purchase non-IT goods for CAL FIRE.

It is extremely important to have each purchase estimate prepared neatly, accurately, and in the proper format.

Similar items to be purchased will be consolidated on a single estimate even though they may be charged to different expenditure authorizations.

Purchase estimates chargeable to the current year's expiring appropriations have various cut-off dates in which they must be received by DGS, PD. DGS, PD publishes these dates in a management memo each year. For the current memo in effect visit their website at: www.pd.dgs.ca.gov and click on "Deadlines for Fiscal Year ---- Purchase Estimates".

Some purchase estimates require prior approval by another division within DGS or by the Department of Finance before DGS, PD can make the purchase. These approvals must be secured by the purchaser prior to submitting the PE to DGS, PD. Refer to the above mentioned memorandum for additional information.

When a PE is completed, the price or total cost shown will be an estimated figure. The actual price will not be known until DGS, PD has called for bids, determined the low bidder, and issued a Purchase Order.

NON-COMPETITIVE BID PURCHASE JUSTIFICATION

2667.1.1

(May 2005)

If it is necessary to purchase a specific manufacturer's product, a non-competitive bid contract justification form must be prepared in accordance with [Section 2640](#) Non-Competitive Bid. The justification must contain the following information:

- Unique performance factors of the product specified.
- Reasons why these factors are required.
- A list of other products that have been examined and rejected and why.

PREPARATION OF STD. 66, PURCHASE ESTIMATE

2667.1.2

(May 2005)

Each PE must be typed. The original and four copies must be submitted through Region Office to Business Services Sacramento. The original is then forwarded to DGS, PD for processing.

Each page of the PE allows for five commodity code numbers. Continuation pages must be used if more than five numbers are used.

The following instructions explain how to complete a PE and are keyed to the named blocks on the estimate:

- Date prepared by agency

Date the purchase estimate is typed (two digit month; two digit day; four digit year).
- Date stock wanted

Date the items are needed (two digit month; two digit day; four digit year). Use a realistic estimate, usually six to ten weeks.
- Agency Billing code

Enter the appropriate Agency Billing Code.
- Purchase Estimate Number

Eight digits must be entered. The region BSO assigns a number to the estimate. Contact your region BSO for additional information.
- Page Of

Enter estimate page number beginning with "1" and the total number of pages on which additional items to be purchased are listed.

Each page is limited to a total of five line items being ordered, regardless of available space.
- Delivery Area Code

Leave Blank

- Procurement Office

Leave blank.

- Ship to

Enter the facility name and street address to which the items should be delivered. Do not use a post office box number.

- Charge to

Fill in the address of the region office service center. When an invoice arrives, the BSO will match up with signed purchase order, approve and forward it, via channels, to Sacramento Accounting.

- Vendor Reference

This is optional. If you wish a vendor to be contacted for a competitive price, fill in the vendor's name, address, phone number and, if known, the contact person.

- Agency contact

Name and public phone number of the ordering CAL FIRE employee.

- Line number

Each page of a purchase estimate is limited to a maximum of five commodity code numbers, which must be numbered sequentially, beginning with the number 1 (Please double space between each completed line.

- Quantity

Enter the number of units required. Do not use fractions, decimals, and commas. Ordered quantities should be adjusted to reflect standard packing size when economically practical and when inventory management requirements permit.

- Unit

Unit of measure must be shown exactly as indicated in the Commodity Catalog..

- Commodity Code Number

The entire commodity code number must be shown exactly as indicated in the Commodity Catalog.

- Description

Describe exactly as shown in the Commodity Catalog. Additionally, give an adequate description of the commodity to be purchased so that anyone reading the description can interpret what commodity is being purchased i.e. descriptive data may be provided, such as color, size, dimension and packaging.

Attach five copies of any specification sheets. Specifications should describe what is needed. How detailed the specifications should be is determined by the commodity's complexity and/or purpose.

Specifications for purchasing construction materials must be detailed sufficiently to ensure that materials of the desired grade are purchased. Specifications should not be restrictive to the point of precluding competitive bidding on prospective purchases.

When using the "Not Otherwise Listed" stock item number (indicated by "999" for the fifth through seventh digits of the 12-digit stock item number), always begin the description with the key noun shown in the catalog. For example, when using commodity code number 7220-999-0335-6 for "Carpeting Not Otherwise Listed," begin the description with the key noun ("Carpeting") and follow with other descriptive information, e.g., Carpeting, nylon sculptured pile, 20 ounces per sq. yd., 15 ft. widths, gold.

- Unit price

Always complete this column, even when the extension will be identical. Unit price must be aligned with the first line of the commodity description. The entry must correspond with the unit. For example, when BF (board-foot) is used as an order unit, do not enter a MBF (thousand-board-feet) unit price. When the order unit is GR (gross), show the unit price per gross--not the unit price per dozen.

- Extension

- Multiply the unit price by the quantity and enter that product.

- Sub-Total

The subtotal must include the total of all extensions for the page as well as sub-totals from any/all continuation pages.

- Sales Tax
- Calculate and enter the appropriate sales tax at the bottom of unit price and extension columns.
- Total
- Sub-total plus tax
- Certifications
- The CAL FIRE officer with unit (or region) authority to encumber funds and authorize purchases must sign and include his/her civil service or working title and phone number. Do not fill in the "Accounting Officer" space - for Sacramento use only.
- Program/Category
- Listed in the Governor's Budget as program and category i.e. Program: Fire Protection (11), Resource Management (12) etc., Category: Fire Prevention (10), Fire Control (30), etc.
- Fund Title
- Listed in the Governor's Budget; i.e. Reimbursement, General Fund, etc.
- Item
- For CAL FIRE: 3540-001-001
- Chapter, Statute, Fiscal Year
- Chapter, Statute and Fiscal Year are budget information for the year of purchase.
- Object of Expenditure
- Enter appropriate CAL-Stars coding
- O.E. or Equipment
- Check the block according to what is purchased.

- Encumbrance Adjustment

Check appropriate block if this is an adjustment document.

- Unencumbered Remainder After Posting AEL

Enter amount of adjustment if this action is an encumbrance.

- Property Survey Numbers

Enter if you are purchasing replacement equipment.

- Do Funds Expire at the End Of F.Y.?

Answer question based on fund action.

If you wish to be advised of an anticipated expenditure that exceeds a specific amount, it should be noted on the estimate, i.e., "If expenditure exceeds \$ (enter amount), notify agency before the purchase order is issued." This should appear on the face of the PE in **bold, highlighted type** in the description column.

PREPARATION OF PURCHASE ESTIMATE CONTINUATION

2667.2

(May 2005)

The Purchase Estimate Continuation Sheet, STD. 10, will be used when there are more than five line items to be ordered or when lengthy specifications are involved.

The following directions explain how to complete the Continuation Sheet:

- Billing code and Purchase Estimate number

These two items must be completed on each continuation page regardless of page numbering.

- Page number

On a two-sheet purchase estimate, the first sheet should be numbered as 01 of 01 if no additional items are ordered on a continuation sheet. A page number is not required when the sheet is used only to furnish additional description or instructions from the first sheet.

- Line, quantity, unit, and other columns

These columns should be completed in the same manner as those in the purchase estimate form (see [Section 2667.1.2](#)) when additional items are listed.

The total box at the lower right corner of the form should reflect the extension total for the page. This becomes a subtotal for the complete Purchase Estimate.

REQUEST FOR PURCHASE ORDER OR ESTIMATE CHANGE

2667.3

(May 2005)

Once DGS/PD has issued a purchase order to a vendor, a change can be made only upon receipt of a Request for Purchase Order or Estimate Change, form STD. 96.

A STD. 96 is required if any of the following apply:

- To increase funding
 - If the original estimated cost is less than \$1,000, the requested increase is \$50 or more, and it exceeds the estimated cost by 25 percent.
 - If the original estimated cost is between \$1,000 and \$5,000, the increase is \$250 or more, and it exceeds the estimated cost by 15 percent.
 - If the original estimated cost is \$5,000 or more, the increase is \$500 or more, regardless of percentage.
 - When requested by the Office of Procurement for specific estimates.

The percentages noted above pertain to the total dollar amount encumbered by the estimate, not to the individual line items listed.

- To increase or decrease the funds encumbered
 - A STD 96 may be used to increase or decrease an estimate in process if the actual expenditure is determined to be more or less than anticipated and if the encumbrance needs to be increased or reduced. Sacramento Accounting will automatically disencumber overestimated funds upon receipt of the purchase order and invoice indicating final payment.

- Other required purchase order changes include any of the following:
 - Change in Freight On Board (FOB) point.
 - Change in terms if unfavorable to the state.
 - Change in estimate number.
 - Change in vendor's name (except simple spelling corrections).
 - Increase in unit price.
 - Mathematical error over \$10.
 - Addition or cancellation of any item.
 - Change in description, specifications, or substitution of any material(s).
 - Time extensions on purchase orders for merchandise to be delivered "as needed" or "as required" when the delivery date expires before the date merchandise is needed.
 - Any overdraft of a purchase order.

PREPARATION OF THE STD. 96

2667.3.1

(May 2005)

The following instructions explain how to complete a STD. 96:

- Agency - Enter Department of Forestry and Fire Protection.
- Agency Contact Person – Name of the ordering CAL FIRE employee
- Procurement Division buyer - Enter, if known.
- Contact Phone Number – Public phone number of the ordering CAL FIRE employee
- CALNET Number – Leave Blank
- PO number - Enter purchase order number, if known.

- Agency Billing Code - Enter appropriate Agency Billing Code (see [Accounting Procedures Handbook, Section 3600](#)).
- Purchase estimate number - The number previously assigned.
- Change to - Check appropriate document box, complete boxes A-L
- Description of Purchase Order or Estimate Change - Enter information from the original estimate in PE Pg No and Line No. Enter information in Quantity, Unit, Stock Item Number , Description, Unit Price and Extension based on the change.
- Reason for change - Enter a brief description.
- Budget allotment to be charged - Enter appropriate CALSTARS codes and Budget Information.
- Object of Expenditure and Accounting Officer Signature – Filled in and signed by Accounting Officer.
- Previous Total – Total from original estimate.
- Amount of this Estimate Increase or Decrease – Indicate the appropriate change.
- Total of revised estimate - Enter the amount.
- Signature, phone number, title, date - Complete as appropriate.

A STD. 96 is not required under the following circumstances:

- The price billed is less than that shown on the purchase order.

The weight or quantity is less than the purchase order, and the unit price is stated.
- At the time of final delivery, there is a balance in the purchase order, and the final delivery does not overrun the order by more than 10 percent. This would apply to such items as yardage, forms, steel, lumber, rock, asphalt, and other items when the exact quantity is not known at the time the order is placed (including those that come in standard containers).
- The delivery of items such as fresh vegetables varies from the weight or quantity specified on the order (not to exceed plus or minus 10 percent).

- The order specifies certain sized containers but other acceptable containers are delivered, yet the total quantity and price are within the limits of the order.

(see next section)

(see HB Table of Contents)

(see Forms or Forms Samples)