Introduction

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Introduction

#### Topic 1 - Overview

##### I.1.0 Welcome

Welcome to the State Contracting Manual, Vol. 2, issued by the Department of General Services, Procurement Division (DGS/PD), Office of Policies, Procedures and Legislation.

##### I.1.1 Purpose

The State Contracting Manual (SCM), Vol. 2 provides Procurement & Contracting Officers (PCO) and procurement staff (exclusive of the DGS/PD procurement staff) with the requirements for obtaining and maintaining delegated purchasing authority. It is the necessary resource to ensure the application of consistent and sound business practices in State purchasing.

It is also a demonstration of the DGS/PD’s ongoing commitment to increasing communication with those involved in State procurement.

##### I.1.2 Scope of manual

The SCM, Vol. 2 contains purchasing authority requirements, including statutes, regulations, policies, procedures and best practices applicable to the acquisition of non-information technology (non-IT) goods. Also included is how departments may apply for purchasing authority, maintain compliance with the purchasing authority program and the ‘how’s and why’s” of competitive bidding, non-competitive contracting and leveraged procurement agreements (LPA).

“Department”, for the purpose of this manual and delegated purchasing authority, refers to any entity of the executive branch of California government including, but not limited to, agency, department, board, commission, office, association or institution.

##### I.1.3

##### How to approach the intent of SCM, Vol. 2

The SCM, Vol. 2 represents the minimum requirements for obtaining and maintaining purchasing authority. If a department elects to exceed any of the minimum requirements of what is documented in the SCM, Vol. 2, then the expectation is that those additional departmental requirements will be documented within the department’s purchasing authority policies and procedures.

Additionally, the SCM, Vol. 2 was written from the perspective that the department’s procurement office is the main repository of all documentation impacting its purchasing activities. If that is not true of your department, again, this is expected to be documented within the department’s procurement policies and procedures.

##### I.1.4

##### Table of Contents

Each chapter of the SCM, Vol. 2 has a table of contents unique to the individual chapter. The information below provides the reader with an overview of the manual by chapter:

Chapter 1 - Purchasing Authority

Chapter 2 - Procurement Planning

Chapter 3 - Socioeconomic and Environmental Programs

Chapter 4 - Competitive Solicitations

Chapter 5 – Non-Competitively Bid (NCB) Contracts

Chapter 6 - Leveraged Procurement Agreements

Chapter 7 - Protest and Post Award Disputes

Chapter 8 - Purchase Documents

Chapter 9 - Disbursements, Financing and Payment Programs

Chapter 10 -Receiving, Inspection, Acceptance Testing and Acceptance or Rejection

Chapter 11 - Contract Administration

Chapter 12 - Reporting Requirements

##### I.1.5 Guide to SCM, Vol. 2 usage

The table provided below is a guide for interpreting the purchasing requirements presented in SCM, Vol. 2.

| In reference to | Requirements | Limited Discretion | Full Discretion |
| --- | --- | --- | --- |
| Words | “Must”, “shall”, “mandatory” or “required” | “should” | “may”, “guidelines”, “recommended practices” or “examples” |
| Source | Statutes, regulations, state policies, the DGS/PD policies | the DGS/PD policies related to requirements or considered to be good business practices | Policies, procedures and guidelines presented as helpful aids |
| Compliance | Must be followed unless exempt by law or granted exemption by the DGS/PD | Need to be followed unless the department has a good business reason for variance | Optional |
| Documentation | Documentation required | Brief notation in file documentation sufficient | None required |
| Consequence for non-compliance | Result in violation of law and/or negative impact to purchasing authority, either in reduction or termination of authority | Noncompliance may affect compliance with a requirement or the advisability of the purchase; the DGS/PD may question and request documentation | None |

##### I.1.6 Availability of the manual

The SCM, Vol. 2 and notices of any updates to the manual will be made available via electronic mail (e-mail) broadcasting to department prime contacts whose purchasing authority application has been reviewed and approved by the Purchase Authority Management Section. To subscribe to the (e-mail) broadcast bulletins submit your e-mail address at the bottom of this [link](https://www.dgs.ca.gov/PD/Resources/Page-Content/Procurement-Division-Resources-List-Folder/Broadcast-Bulletins).

##### I.1.7 Revisions to SCM, Vol. 2

The SCM, Vol. 2 will be updated as needed. Broadcast bulletins will announce each update.

##### I.1.8 Statutory, regulatory, policy and procedural requirements

In addition to the SCM, Vol. 2, departments granted purchasing authority are required to adhere to applicable provisions of State law, including, but not limited to:

* Public Contract Code
* Government Code
* Military and Veterans Code
* Labor Code
* Revenue and Taxation Code
* Food and Agriculture Code

Departments granted purchasing authority are also required to adhere to applicable procurement-related regulations contained in the California Code of Regulations.

The following manuals also provide procurement-related policies and procedures and should be referenced as applicable:

| Manual title | Manual provides |
| --- | --- |
| State Administrative Manual (SAM)  Click here to access [SAM](https://www.dgs.ca.gov/Resources/SAM) | Statewide management policies |
| Statewide Information Management Manual (SIMM)  Click here to access [SIMM](https://cdt.ca.gov/policy/simm/) | Instruction and guidelines, samples and model forms, and certification and transmittal letters related to IT policy. |
| State Telecommunications Management Manual (STMM)  Click here to access [STMM](https://cdt.ca.gov/services/calnet-stmm/) | Guidelines, directives, procedures and service information to assist departments with telecommunications management. |
| State Contracting Manual (SCM), Vol. 1  Click here to access [SCM, Vol. 1](https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/State-Contracting) | Policies, procedures and guidelines related to the state’s contracting process for non-IT services including consultant service contracts and interagency agreements. Also includes information relating to public works, architectural & engineering and legal services contracting. |
| State Contracting Manual (SCM), Vol. 3  Click here to access [SCM, Vol. 3](https://www.dgs.ca.gov/PD/Resources/Page-Content/Procurement-Division-Resources-List-Folder/State-Contracting-Manual-Volume-2-3-FI$Cal) | Policies, procedures and guidelines related to the state’s contracting process for IT goods and services. |

##### I.1.9 Additional reference material

The following DGS/PD publications are provided as reference summaries of State and federal statutes and State regulations relevant to State procurement practices:

Click here to find [California Codes](http://leginfo.legislature.ca.gov/faces/codes.xhtml).

Click here to find [California Code of Regulations](http://ccr.oal.ca.gov/).

Click here to access the [California Acquisition Glossary](https://www.dgs.ca.gov/-/media/2E9ECBA34C6542AFB9683776A450E1A5.ashx).

Click here to access a [List of Acronyms](https://www.dgs.ca.gov/-/media/50FF3AB153414F19A1CE98C374C561B2.ashx).

##### I.1.10 Resource directory

The DGS/PD has compiled a resource directory providing phone numbers and Internet sites associated with procurement activities.

Click here to access the [Procurement Related Resources Directory](https://www.dgs.ca.gov/PD/Resources).

Click here to learn more [About Us.](https://www.dgs.ca.gov/PD/About)