Chapter 8

Purchase Documents

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## Chapter 8

## Purchase Documents

### Overview

### Introduction

This chapter describes:

* The policies and procedures regarding the State Contract and Procurement Registration System (SCPRS), which provides a uniform reporting process for contracts and purchases of all goods and services over $5,000.
* The policies and procedures regarding transportation management and shipping methods.

Some of the different purchase documents and associated forms/documents used for competitive and non‑competitive purchase of IT Goods and Services.

## Topic 1 – State Contract and Procurement Registration System (SCPRS)

### 8.1.0 Purpose of SCPRS

The SCPRS is an Internet-based application that was developed as a contract tracking system to provide a centralized database on State contracting and purchasing transactions. Beginning in Summer 2015, the SCPRS system transitions from BidSync to FI$Cal.

### 8.1.1 Registering purchases

Any and all purchase documents valued over $5,000 shall be registered in the SCPRS, regardless of the contract type. This includes, but is not limited to grants, subvention contracts, and exempt contracts. Departments are encouraged to also enter information for lower dollar-value transactions.

The system enables departments to record transactions valued at $5,000 and less. Individual departments may elect to do so in an effort to meet internal tracking needs. Additionally, recording transactions in SCPRS, eliminates the requirement to send hard copies of the purchase documents to the DGS/PD. Effective July2016, any State Department, including those that are deferred or exempt from FI$Cal, shall register all transactions in the FI$Cal SCPRS system, regardless of dollar value and procurement method. Exempt and deferred departments will have the option to either enter their procurements manually or upload their transactions using the upload tool.

### 8.1.2 Recording the SCPRS number

The registration number assigned by the SCPRS must be entered on all purchase documents before they are issued to the supplier.

Most purchase documents accommodate the SCPRS number commonly located in the top right side of the forms. If a purchase document does not have the SCPRS box, the SCPRS number must be manually recorded in the top right side of the form.

### 8.1.3 Registering responsibilities

Responsibility for entering the SPCRS registration number information is as follows:

* Is within a department’s approved purchasing authority, the department will:
  + Record the assigned registration number on all purchase document copies before purchase document is released to the supplier
  + Retain a copy of the purchase document with the recorded registration number in the procurement file
* Requires the DGS approval, the requesting department will:
  + Record the assigned registration number on all purchase document copies ONLY AFTER obtaining the required the DGS approval and before purchase document is released to the supplier
  + Retain a copy of the purchase document with the recorded registration number in the procurement file
    - Is purchased by the DGS on behalf of a department, the DGS will record the assigned registration number on all the purchase document copies

### 8.1.4 Consequences of not reporting

A department failing to record transactions in the SCPRS registration system will be considered non-compliant with purchasing authority requirements, which may adversely impact the department’s purchasing authority. This requirement is subject to the DGS audits.

### 8.1.5 Amendments must be registered

Purchase document amendments must be registered with the SCPRS.

**Note**: If an original transaction was valued at $5,000 or less and an amendment results in increasing the transaction amount to over $5,000, both the original transaction and the amendment must be registered with the SCPRS. Hard copies do not need to be submitted to DGS.

### 8.1.6 SCPRS internet site

The SCPRS can be accessed through the [eProcurement web page](https://www.dgs.ca.gov/PD/Resources/Page-Content/Procurement-Division-Resources-List-Folder/SCPRS-CSCR-Historical-Contracts-Data) at https://www.dgs.ca.gov/PD/Resources/Page-Content/Procurement-Division-Resources-List-Folder/SCPRS-CSCR-Historical-Contracts-Data.

If you have questions or require assistance, contact the eProcurement Help Desk, [eProcure@dgs.ca.gov](mailto:eProcure@dgs.ca.gov) or (916) 375-2000.

## Topic 2 – Transportation Management Unit (TMU)

### 8.2.0 Transportation Management Unit (TMU)

The TMU was established in accordance with the provisions of GC section 14920 et seq. Departments shall contact TMU (916) **376‑1888** to determine the cost and routing of freight whenever the weight of the purchase is 100-lbs or more and F.O.B. Destination, Freight Prepaid is not used. The TMU also reviews and approves freight invoices in accordance with SAM section 3851, 3852 and 8422.1. See Chapter 9, for additional information.

[Click](http://www.dgs.ca.gov/pd/Programs/TRansportation.aspx) here to access the TMU web page.

### 8.2.1 Free on board (F.O.B.)

The shipping term Free on Board (F.O.B.) identifies the location where title to the goods changes from the seller (supplier) to the buyer (department).

When any good is purchased F.O.B. Destination, Freight Prepaid or F.O.B. Destination, Freight Prepaid/Add, the title to the good remains with the supplier until it is delivered by the carrier, in original or acceptable condition, to the person receiving the good (State). If loss or damage occurs in transit, the seller is obligated to replace the good or otherwise compensate the State.

Most State purchases will be acquired using the term F.O.B. Destination, Freight Prepaid. LPA purchase documents, unless otherwise specified within the individual LPA user guide, will also identify F.O.B. Destination, Freight Prepaid, as the shipping term.

### 8.2.2 Contact TMU

The TMU shall be contacted before using the following shipping methods:

* *F.O.B. Destination, Freight Prepaid/Add* – Shipping charge is assessed from the originating shipping point to the point of delivery. Upon verification with the TMU, the purchase document must reflect “freight not to exceed cost per supplier quote stated on PO.”
* *F.O.B. Origin, Freight Collect* – The TMU will determine the cost and routing of freight. The following information must be provided to TMU:
* City, State and Zip Code of origin and destination
* Description of goods being shipped
* Estimated shipping weight
* Special handling requirements
* National Motor Freight Classification (NMFC) – up to 7 digits

Example:

A department located in Sacramento identifies “FOB Origin: Los Angeles” for the shipment of PCs. This means the State will be charged the cost of shipping from Los Angeles to Sacramento.

## Topic 3 –Creating Purchase Documents

### 8.3.0 Standard purchase documents

There are two primary purchase documents used for IT transactions available to departments: the STD. 65 and the STD. 213 for IT Goods and Services Only.

All referenced forms and publications can be access on the [DGS website](https://www.dgsapps.dgs.ca.gov/osp/StatewideFormsWeb/Forms.aspx) at https://www.dgsapps.dgs.ca.gov/osp/StatewideFormsWeb/Forms.aspx

**Note**: Forms STD. 65 and STD. 65a may only be used by departments with delegated purchasing authority.

Standard Agreement (STD. 213) for IT Goods and Services Only

Standard Agreement Amendment (STD. 213A)

Agreement/Summary (STD. 215)

### 8.3.1 LPA purchase documents

The majority of LPA contracting processes require the use of the STD. 65, although there may be some options or exceptions. LPA user instructions must be reviewed to ensure that the proper purchase document is used when executing purchases against an LPA.

### 8.3.2 Purchasing information network (PIN) users

Departments executing the PIN version of the STD.65 (STD.65-PINDEL) should be aware that the STD.65-PINDEL currently does not have an area to record the SCPRS number. The SCPRS number must be hand recorded on the executed order. Refer to Topic 1 of this chapter for information on SCPRS.

**Note**: The DGS/PD recommends that departments refer to the instructions located on the last page of the STD.65 for completing the STD.65-PINDEL purchase documents issued from PIN.

### 8.3.3 Signature requirements

Only authorized personnel who are delegated signature authority by department management may sign purchase documents on behalf of the State. Original signatures are required on purchase documents. Stamped or electronic signatures are not allowed.

Signatures must also be secured from the department’s accounting office verifying the availability and encumbrance of funds and the departmental personnel authorized to sign the purchase document as supported by the department’s documented signature authorization list.

State Departments - Authorized Signatures

* Authority to sign purchase documents is limited to those executive officers who either have statutory authority or have been duly authorized in writing by one who has statutory authority.
* Anyone who signs a purchase document should have knowledge in the procurement laws, policies and procedures pertaining to the goods or services being procured. If an individual with signature authority does not possess sufficient procurement knowledge and expertise, the individual should, prior to signing, have the purchase document reviewed by someone who possesses such knowledge and expertise.
* Delegation of signature authority is a selective process and should be commensurate with experience with principles of sound contracting and procurement policies, demonstrated familiarity with the process of purchase document formation, execution, and administration, and completion of applicable training and/or certifications.
* Each executive officer who has statutory authority to sign purchase documents shall ensure that his/her agency maintains a current written record of agency employees authorized to enter into and sign purchase documents on behalf of that agency. This written record shall be subject to the DGS audit.
* State Board's and Commission's purchase documents in excess of $5,000 must be accompanied by a copy of the resolution approving the execution of the purchase document, unless by statute the executive officer may sign the purchase document.

Local Governmental Entities - Authority

* Purchase documents to be signed by a county, city, district, or other local public body must be authorized by a resolution, order, motion or ordinance for the purchase document. A copy of the authorization should be sent to the DGS/PD with the purchase document.
* Where performance by the local governmental entity will be complete prior to any payment by the State a resolution is not needed.

### 8.3.4 Executing purchase documents

A purchase is not fully executed, regardless of the type of purchase document used, until all the necessary approvals and signatures have been obtained and secured on the purchase document as applicable to the purchase. Refer to Chapter 9 and Chapter 10 for additional information.

### 8.3.5 Handwritten changes are discouraged

Handwritten notations and/or corrections are not generally acceptable methods to make changes to purchase documents. In any event any handwritten corrections that are not initialed and dated will be rejected by the DGS. All corrections and changes must be formalized by an amendment to the purchase document.

### 8.3.6 Purchase order/estimate change request (STD.96)

The Purchase Order/Estimate Change Request (STD. 96) is used to request a change to a Purchase Estimate (STD. 66) which has been submitted to the DGS/PD or to a purchase order issued by the DGS/PD.

The STD. 96 may not be used to create an amendment to an IT transaction executed on a STD. 65.

### 8.3.7 Contract Award Report

Within 10 working days of an award, and using the Contract Award form (STD. 16) to transmit the information, a department must report the award of each IT contract over $5,000 to the Department of Fair Employment and Housing (DFEH), including contracts with the University of California, California State Universities and California Community Colleges. Information required is specified in 2 CCR (California Code of Regulations) Section 8117.5. This requirement does not apply to contracts with other California State departments or with the federal government. Use an STD. 16 for reporting purposes. A copy of the completed form will be retained in the department's procurement file. For additional information on this reporting requirement, see Chapter 12.

### 8.3.8 Receiving goods and services

Purchase documents regardless of whether they are for IT goods or services must be properly executed and fully approved prior to receiving any IT goods and/or having any services performed by a contractor. Refer to Chapter 10 for post award information on receiving goods and services.

## Topic 4 - STD. 65/65a

### 8.4.0 General use of the STD. 65/65a

Departments must use the STD. 65/65a as provided by the DGS/PD and available from the DGS/OSP or any STD.65-PINDEL issued from PIN.

If a department creates an alternate version of the State’s STD.65 as made available by the DGS/PD, it must submit the alternate version to the DGS/PD for review and approval prior to executing any orders using the alternate format. The DGS/PD will approve only one alternate format to be used by a department at any given time.

**Note:** This review and approval process is required even if the document is re-created as an exact replica of the STD.65/65a.

### 8.4.1 Approval process for alternate format

Departments proposing to use an alternate format for the STD.65 must submit a request through the DGS/PD Forms Coordinator as follows:

| **Step** | **Action** |
| --- | --- |
| 1 | Prepare a request memo identifying the change(s) to the STD.65/65a and state why the change(s) is/are necessary. |
| 2 | Prepare and attach to the memo a “mock up” of the proposed STD.65/65a identifying all requested changes. |
| 3 | Secure approval by the department’s Procurement and Contracting Officer (PCO) on file at the DGS/PD or Purchasing Authority Contact (PAC) with an indication that the PCO concurs with the request. |
| 4 | Route the request to the attention of:  Forms Coordinator  DGS Procurement Division  707 Third Street, Second Floor South MS 2-205  West Sacramento, CA 95605 |
| 5 | The DGS/PD Forms Coordinator will review the proposed changes and will determine whether or not the changes are acceptable. |
| 6 | A letter will be prepared by the DGS/PD Forms Coordinator approving or disapproving the changes, which will be forwarded to the requesting department’s PCO. A copy of the DGS/PD response will be provided to the Purchasing Authority Management Section (PAMS). |

### 8.4.2 Common purchase order format

Departments granted multiple purchasing authorities and/or conducting purchasing activities in multiple units or locations shall use a common purchase order document. A department may concurrently use the STD. 65/65a as provided by the DGS/PD, any of the STD.65-PINDEL formats as issued from PIN, and an alternate format approved by the DGS/PD.

### 8.4.3 Grace period to comply with state revised STD. 65/65a

Departments will have a 90-day grace period to comply with the required use of any future revisions to the DGS/PD STD.65/65a. This 90-day period includes obtaining re-approval of a revised alternate format that includes new revisions to the State’s STD.65.

A department may request an extension to begin using a STD.65/65a revision by justifying the extraordinary circumstances requiring the extension, identifying how the department will implement the changes reflected in the revision during the extension period, and providing an estimated timeframe within which the department will begin using the revised version.

### 8.4.4 Unique numbering

To avoid duplicate billings by the DGS/PD and/or incorrect supplier invoicing, and to facilitate tracking and the DGS/PD oversight, the department’s agency order number must be unique from transaction to transaction and from year to year.

Example

03-001, 03-002, 03-003

The first two digits represent the fiscal year of the purchase order issue date. The department may determine the number of digits following the fiscal year, but the total number of characters in the sequence may not exceed 12. This maximum number of characters does not include the amendment number.

Amendments must be identified using the original agency order number and an amendment number. The amendment number must be numeric and may not exceed 2 digits.

Example

03-001, Amendment No. 01

03-001, Amendment No. 02

03-001, Amendment No. 03

**Note**: The amendment number must be entered in the “Amendment No.” box on the STD.65.

### 8.4.5 STD. 65 instructions

Refer to the instructions provided on the last page of the STD.65 entitled “Instructions for completing the Purchasing Authority Purchase Order” to ensure complete and accurate information is provided.

### 8.4.6 CAL-Card transactions

If payment is to be made using CAL-Card, then the “Payment by CAL-Card” box on the STD. 65 must be checked as “Yes” to avoiding paying for the purchase twice.

**Note**: LPAs, in particular CMAS contracts, willstipulate whether the Contractor accepts the CAL**‑**Card as a payment method.

### 8.4.7 Where to send the “Procurement Division copy” of the STD. 65

The completed STD. 65 must be distributed as indicated on the bottom of the form (contractor-original and packing slip copies, Procurement Division copy, and agency copy).

The “Procurement Division copy” shall be submitted to the DGS/PD upon issuance or no later than monthly in accordance with the reporting requirements as indicated on the STD. 65 or as described in [Chapter 12](http://www.documents.dgs.ca.gov/pd/delegations/chapter12.pdf) to the following address:

By Interagency Z-1

Mail (IMS): DGS/Procurement Division  
Attn: Data Entry Unit – Second Floor  
707 Third Street, Second Floor, South MS 2-205  
West Sacramento, CA 95605

By Mail to: Department of General Services  
Procurement Division  
Data Entry Unit - Second Floor, South MS 2-205  
P.O. Box 989052  
West Sacramento, CA 95798-9052

Hand-Delivered to: DGS/Procurement Division  
Data Entry Unit  
707 Third Street, Second Floor South MS 2-205  
West Sacramento, CA 95605

**NOTE**: If the transaction was entered in SCPRS, you are not required to

send a hard copy to DGS.

### 8.4.8 “Bill to” or “charge to” address

The “Bill to” or “Charge to” address shown on the purchase order identifies where related invoices must be submitted for payment for the contractor. Most often, the address will be a department’s accounting office. This address is particularly critical to ensure invoices are not misdirected and to ensure prompt payment of invoices to avoid prompt payment penalties.

### 8.4.9 “Ship to” address

The “Ship to” address located on the purchase order identifies the physical location of where the goods being purchased are to be delivered. Information must include the name of the department and address.

### 8.4.10 Ground transportation

All shipments will be made by ground transportation unless otherwise specified on the purchase order.

### 8.4.11 Procurement method on STD. 65

General instructions for completing the “Procurement Method” on the purchase order are described on the last page of the STD.65 as made available via the OSP standard form data base. The following are examples of transactions based on:

* *Transactions based on Fair and Reasonable Pricing*: The “Competitive” box will be checked and “Fair and Reasonable” or “F and R” will be recorded on the line provided to the right of the box.
* *Transactions based on NCB and issued as an LPA:* The “Leveraged” and “Non-competitively Bid” boxes will be checked on transactions that are supported by NCB contract justifications but reference LPA terms and conditions.
* *Transactions based on an Exempted LPA*: The “Leveraged” and “Exempt” boxes will be checked on LPA transactions and are identified as “exempt”, e.g., Cal-Net, WSCA are LPA contracts that are exempt for obtaining multiple offers so both boxes on the STD.65 would be checked.

### 8.4.12 CALPIA orders

It is not necessary for buyers to check any information located within the Terms and Conditions block of the STD.65 as this information is not applicable to PIA purchases.

### 8.4.13 Avoid price bundling

Products and/or services being purchased are not to be combined into one general description (bundled) with one price. Products and/or services being purchased shall be listed individually (line item descriptions) and prices listed for each line item.

**Note**: For purchase orders issued by the DGS/PD, i.e., an IT system, there might be one line item on the front but individual listings within for maintenance and other purposes.

## Topic 5 – STD.213 for IT Goods and Services Only

### 8.5.0 General use of the STD.213 for IT Goods and Services Only

The STD. 213 for IT Goods and Services Only is used by departments with approved IT purchasing authority and the DGS/PD, most commonly for contracts resulting from a competitive solicitation, i.e., RFP. The contract must be strictly for IT services or in instances where the IT goods being purchased are subordinate to the value of the IT service. The STD. 213 for IT Goods and Services Only is also used for Interagency Agreements (IAA) between two or more State departments (Government Code [GC] section 11256) with one furnishing IT services, materials or equipment to, or performing IT work for the other State department.

Example:

Departments acquiring PC equipment maintenance services resulting from a competitive solicitation would use the STD. 213 for IT Goods and Services Only.

### 8.5.1 STD. 213A Standard Agreement Amendment

The Standard Agreement Amendment (STD. 213A) is used to amend agreements established with an STD. 213 for IT Goods and Services Only.

### 8.5.2 STD. 215 Agreement summary

In conjunction with the STD.213 for IT Goods and Services Only, departments are required to complete an Agreement/Summary (STD.215). This form provides an overview of the contract’s purpose, funding information, procurement methodology, and a justification for contracting out the services (GC section 19130).

The STD.215, must contain an explanation sufficient to afford a basis for approval as to:

- The purpose and necessity or desirability of the contract or IAA;

- The reasonableness of the price or cost of the services (not applicable to IAAs except those with the University of California or California State University); and

- Any other relevant information necessary to understand the proposed transaction.

When an STD. 213 for IT Goods and Services Only contract requires the DGS/PD approval, the form STD. 215 shall also contain the name and telephone number of the contact person in case questions arise or additional information is needed by the DGS/PD/One Times Acquisition Section (OTA). The contact person is the staff member who regularly deals with the DGS/PD/OTA on IT contract matters. A copy of the STD. 215 will be retained in the contract file.

### 8.5.3 Recording the purchasing authority number

Departments executing IT service contracts using the STD.213 for IT Goods and Services Only will record the purchasing authority number in the information block entitled “Purchasing Authority Number” located in the upper right side of the form.

### 8.5.4 SCPRS tracking

The SCPRS-assigned tracking number must be recorded in the designated box in the upper right corner of the STD.213 for IT Goods and Services Only.

### 8.5.5 Unique numbering

To avoid duplicate billings by the DGS/PD and/or incorrect supplier invoicing, and to facilitate tracking and the DGS/PD oversight, the department’s contract number must be unique from transaction to transaction and from year to year.

Example

03-001, 03-002, 03-003

The first two digits represent the fiscal year of the contract issue date. The department may determine the number of digits following the fiscal year, but the total number of characters in the sequence may not exceed 12. This maximum number of characters does not include the amendment number.

Amendments must be identified using the original contract number and an amendment number. The amendment number must be numeric and may not exceed 2 digits.

Example

03-001, Amendment No. 01

03-001, Amendment No. 02

03-001, Amendment No. 03

**Note**: Since the STD.213 for IT Goods and Services Only does not include a separate box for the amendment number, the amendment number must be entered with the contract number in the “Agreement Number” box.

### 8.5.6 California Department of General Service use only block

Located in the lower right corner of the STD.213 for IT Goods and Services Only is an information block identified “For the DGS/PD Use Only”. A stamp of approval from the DGS/PD is recorded when a STD.213 for IT Goods and Services Only exceeds a department’s purchasing authority for competitive solicitations or NCB contracts. Departments may record information in this information block only if the contract does not require review and approval by the DGS/PD.

Example:

“Further review and approval by the DGS/PD is not required in accordance SCM, Volume 3, Chapter 5.

### 8.5.7 Number of copies

Std.213 for IT Goods and Services Only:

Transactions executed under approved IT competitive purchasing authority and within the established authorized dollar thresholds must be prepared in quadruplicate, at a minimum, with original signatures, and distributed as follows:

* 1-copy to the contractor
* 1-copy to the requesting department
* 1-copy to the State Controller’s Office (SCO)
* 1-copy to the DGS/PD

IT service transactions exceeding a department’s the DGS/PD approved purchasing authority must be submitted to the DGS/PD, when required, in quadruplicate with original signatures for review, approval, and distribution as follows:

* 1-copy to the contractor
* 1-copy to the submitting department
* 1-copy to the State Controller’s Office
* 1-copy to the DGS/PD

**Note:** Upon securing final approval from the DGS/PD, the submitting department will receive two copies of the finalized contract for distribution. The department retains one copy and provides one copy to the contractor. The DGS/PD provides the SCO with an approved contract copy.

### 8.5.8 Where to send the “Procurement Division copy” of the STD. 213, STD.213A, and STD. 215

The DGS copy for IT transactions executed on a STD.213 for IT Goods and Services Only and executed within the established authorized dollar thresholds for IT competitive purchasing authority shall be submitted, upon issuance or monthly in accordance with the reporting requirements as described in [Chapter 12](http://www.documents.dgs.ca.gov/pd/delegations/chapter12.pdf) to the following address:

By Interagency Z-1

Mail (IMS): DGS/Procurement Division  
Attn: Data Entry Unit – Second Floor  
707 Third Street, Second Floor, South MS 2-205West Sacramento, CA 95605

By Mail to: Department of General Services  
Procurement Division  
Data Entry Unit - Second Floor, South MS 2-205   
P.O. Box 989052  
West Sacramento, CA 95798-9052

Hand-Delivered to: DGS/Procurement Division  
Data Entry Unit  
707 Third Street, Second Floor South MS 2-205  
West Sacramento, CA 95605

**Note:** If the transaction was entered in SCPRS, you are not required to

send a hard copy to DGS.

## Topic 6 – Amending Purchase Documents

### 8.6.0 When amendments are necessary

Amendments to original purchase documents are necessary when there is any change or modification to the original document as issued to the supplier. Examples of when amendments are required include:

* A change in shipping terms
* A change in supplier’s name
* A change in subcontractor(s)
* An increase or decrease of pricing/extended pricing/overall costs
* An addition or cancellation of an item or multiple items
* A change in the description, specifications or substitution of any product

**Note**: If the purchase is the result of a competitive solicitation, the price may not be increased unless specifically allowed in the original solicitation and evaluated for award. If not specifically allowed, departments must follow the instructions for non-competitively bid contracts provided in Chapter 5.

### 8.6.1 Proper form to effect a change

The following purchase documents may be used to effect a contract change amendment, no matter how minor the change or amendment, when allowed and as stipulated pursuant to a contract, work authorizations:

* Purchasing Authority Purchase Order (STD. 65/65a) or approved revised version
* Purchase Order (STD. 65-PINDEL or any version issued by PIN)
* The Standard Agreement Amendment (STD. 213A) is used to amend agreements established with an STD. 213.

**Note**: The Purchase Order Change (STD. 96) should be submitted to the DGS/PD to request change to purchase estimates and/or purchase orders when the transaction is (or was) conducted by the DGS/PD on behalf of a department.

**Warning**: Letters or verbal notification between buyers and suppliers cannot be used to modify a contract. Contract changes/amendments must be formally executed in writing (written, signed, approved) to modify a contract.

### 8.6.2 Identifying and recording amendments

Amendments must be identified using the original purchase document number and an amendment number. The amendment number must be numeric and may not exceed 2 digits. The following are common examples of identifying purchase document amendments:

Examples

03-001, Amendment No. 01

03-001, Amendment # 1

03-001, Amd # 1

03-001, #1

The amendment number must be entered in the “Amendment No.” box on the STD.65. The current version of the STD.213 for IT Goods and Services Only does not include a separate box for the amendment number. Consequently, both the agreement number and the amendment number must be recorded within the Agreement Number box located in the upper right corner of the form. A department should select a method of recording the amendment and continue using that same identification scheme throughout the life of the contract.

### 8.6.3 Degree of detail of an amendment

Amendments should contain the same degree of detail for changes that the original transaction contained (i.e., increase or decrease in quantity, corrected model number, revised delivery date, change in delivery location, changes to contract language, etc.).

What is being deleted and/or added and the impact of the action to the overall transaction shall be identified.

### 8.6.4 General guidelines for amendments

Departments are advised to adhere to the following general guidelines regarding amendments:

* An amendment must be within the original scope of the purchase document solicitation; if it is not, it must be treated as a non-competitively bid transaction. Changes to quantity, pricing, products, etc. are scope changes.
* An amendment must be processed using the correct format and procedures as described in this manual. Do not use letters or verbal notifications.
* An amendment must be issued in advance of contractor performance; this includes receiving any goods or services prior to an authorized amendment. Consequently, an amendment must be processed in a timely manner.
* An amendment that results in exceeding a department’s purchasing authority dollar threshold for any given transaction must be submitted to the DGS/PD for review, approval, and execution. (See Chapter 5 - Non-Competitively Bid (NCB) Contracts for additional information regarding amendments).
* An amendment to extend a contract term:
* Must be processed, approved and issued before the contract expiration date, otherwise there is nothing to extend as the contract has expired.
* Retains the original contract start date and will only change the end date.

Example:

Original term:02/01/10 – 06/30/10

Extended term:02/01/10 – 12/31/10

### 8.6.5 Amendment increasing or decreasing total amount on a STD. 65

If the total amount of the purchase document is being altered, the original amount, the amount of the change, and the new total must be shown within the face of the STD.65. Only the revised amount (either plus or minus) will be entered in the “Grand Amount” box. Lack of clarity in executing amendments may result in duplicate the DGS administrative fee charges.

Example:

Original: $2,000.00 Amended STD. 65 Total Amount Box shows

Amd #1: +100.00 $100.00

Adjusted Total: $2,100.00

### 8.6.6 Amending a Statement of Work

The following shall apply when amending a purchase document that includes a Statement of Work:

* The Agency Order number, amendment number, supplier name, and the date of the amendment shall be identified in the document header of each page.
* The items of work covered by the amendment should be clearly written as part of the purchase document:  
  Example:  
  “Attachment X, Statement of Work dated (Original document issue date) is hereby deleted and replaced with Attachment X, Statement of Work dated (Amendment Date).”
* Paragraphs being amended should be clearly identified.  
  Example:  
  Paragraph X is hereby amended to read: “The total amount of this purchase document is …”
* Paragraphs being deleted should be clearly identified:  
  Example:  
  “Paragraph X is hereby deleted and replaced by Paragraph X dated (Amendment date). All other terms and conditions of Agency Order XX-XX remain unchanged and in effect.”

### 8.6.7 Canceling a purchase document

Canceling an executed purchase document, regardless of the contract form (STD.65 or a STD.213 for IT Goods and Services Only, etc.) requires issuing an amendment, with an amendment number.

The text on the purchase document must state what action is being taken by the amendment and address the expenditures as applicable to the action taken. If expenditures are being disencumbered as the result of the cancellation process, then negative values would be shown on the purchase document.

Amendment distribution is no different for a purchase document cancellation than a typical amendment. A copy of the executed amended purchase document is sent to the DGS/PD.

A statement to the effect that the transaction is canceled in its entirety should also be included.

Example:

Amendment #XXX cancels Purchase Order #XXXXXX in its entirety effective 09/15/10.

## Topic 7 – Interagency Agreements

### 8.7.0 Introduction

An IT Interagency Agreement (IT/IAA) is a contract between two or more State departments (Government Code [GC] section 11256) with one furnishing IT services, materials or equipment to, or performing IT work for the other State department. This chapter provides information on when IT/IAAs are used, special provisions, and requirements.

### 8.7.1 When IAAs are used

IT/IAAs are used when contracting with:

* Another State department
* A California State University
* A University of California campus (UC) if the UC agrees to calculate cost based upon the provisions of State Administrative Manual (SAM) section 8752

**Note**: IT/IAAs may not be used for contracts with campus foundations, the federal government, local entities, or other states.

### 8.7.2 Authority to conduct purchasing activities using IAAs

An IT/IAA can be established between departments that do not have purchasing authority. However, the authority to conduct and approve the procurement varies depending upon a department’s purchasing authority. It is not mandatory that departments obtain IT purchasing authority; however, departments without approved purchasing authority are prohibited from executing an IT/IAA. Executing IT/IAAs is part of a department’s approved IT purchasing authority and is granted at the same dollar level as IT competitive purchasing authority.

Departments must submit an IT/IAA to the DGS/PD/OTA for review and approval if the department does not have IT competitive purchasing authority or if an IT/IAA exceeds the department’s IT competitive purchasing authority dollar level.

Submit IT/IAAs to:

DGS/Procurement Division  
Attn: One Time Acquisitions  
707 3rd Street, 2nd Floor, South  
West Sacramento, Ca. 95605

**Note**: This does not apply to those State entities that are exempt from the DGS oversight on IT procurements.

### 8.7.3 Computer processing and related IT services provided by the consolidated data center

Routine computer processing and related IT services provided by the consolidated data center to “customer” departments are processed under the data center’s approved IT/IAA authority (D I A) without dollar limits.

### 8.7.4 Special provisions

IT/IAAs:

* Are exempt from
  + Advertising in the California State Contracts Register (CSCR)
  + Competitive bidding   
    **Note**: If the entity performing the service is using subcontracts or purchasing IT goods, those IT services and goods should be competitively bid
* Do not include the Disabled Veterans Business Enterprise (DVBE) participation requirement if the department is using its own personnel
* May provide for advancing of funds (GC sections 11257 through 11263 and State Administrative Manual [SAM] section 8758.1)
  + - * Do not require the Child Support Certification

### 8.7.5 Submittal of IT/IAAs requiring the DGS approval

An IT/IAA requiring approval should be submitted to the DGS/PD/OTA at least 10 working days before the anticipated start date or at least 20 working days before the anticipated start date for IT/IAAs $250,000 and above, which require the DGS/PD/OTA approval as well as the DGS/PD Office of Legal Services (OLS) approval.

### 8.7.6 Other requirements

Other requirements are as follows:

* A STD. 213 for IT Goods and Services Only must be used
* A STD. 215 (Agreement/Summary) must be used
* IT/IAAs shall include a provision that the charges have been or will be computed in accordance with State requirements as noted in SAM sections 8752 and 8752.1 unless there is a legal reason for not doing so. Such a reason might be the transfer of federal funds. The reasons should be noted.
  + - * IT/IAAs involving the expenditure of public funds in excess of $10,000 shall contain a provision that the agreement is subject to the examination and audit by the State Auditor for a period of three years after final payment under the agreement (GC section 8546.7).

### 8.7.7 General terms and conditions

Standard language is included in the DGS/PD developed General Provisions for IT/IAAs.

Click here for copy of “[IT/IAA General Provisions](https://www.dgs.ca.gov/-/media/02E16E378FF14DA5BE478CED4DE6DB04.ashx)”

### 8.7.8 File documentation

IT/IAA file documentation must include a signed Certification of Compliance with State IT Policies if the cost is $100,000 or more and is in support of a development effort. Development is defined in SAM section 4819.2 as "Activities or costs associated with the analysis, design, programming, staff training, data conversion, acquisition, and implementation of new information technology applications." (SAM section 4819.41)

This certification must be signed by the agency director or by a member of agency management specifically designated by the director for this purpose.

If the IT/IAA is to procure services from a consolidated data center in support of multiple projects, the following must be certified (SAM section 4832).

* The funding level is appropriate for the nature and scope of the services to be supplied;
* The services are consistent with approved Feasibility Study Reports and/or Post-Implementation Evaluation Reports; and,
* Project reporting for the various projects is current.

Click here for [4819.41](http://www.documents.dgs.ca.gov/sam/SamPrint/new/sam_master/sam_master_File/chap4800/4819.41.pdf), for the required format of the certification.