

Options to Obtain Authorization for Spend Exceeding Agency Delegated Purchasing Authority

Option 1, Ad Hoc Routing

This method may be appropriate in the following circumstance:

- Total supplier spend for the budget year using agency delegated authority is less than \$5000; however, a one-time purchase will cause the agency to meet or exceed \$5000 in current budget year. In addition, the agency anticipates no additional spend to the supplier during the remainder of the budget year.

Steps to follow:

- 1) Create a requisition (will not auto-route to OPC since under \$5,000)
- 2) Attach a Prior Authorization form with explanation and spend information (include planned spend [approved purchase orders] and actual spend not included on purchase orders [vouchers and p-card transactions] for full disclosure of supplier spend for the year)
- 3) Indicate the appropriate Prior Authorization Type code on the SMART requisition Review and Submit page
- 4) Ad Hoc routing to individual designated by the Director, OPC. (OPC will route requisition and attachments to procurement officer for review. As of November 9, 2016, the designated individual is Bridget Martinez—User ID DA00BKM.)
- 5) If requisition does not have necessary supporting documentation as noted in Step 2, OPC may reject the requisition and request agency to resubmit
- 6) OPC procurement officer approves, and requisition auto-sources to purchase order
- 7) If OPC reviews requisition and determines Option 2 is more appropriate and should be utilized, OPC procurement officer will contact agency with further instructions

Option 2, Reducing/Canceling PO & Creating Supplier Contract

This method may be appropriate in the following circumstance:

- Total supplier spend for the budget year using agency delegated authority is less than \$5000; however, the agency anticipates additional multiple purchases to this supplier during the remainder of the budget year that will equal or exceed \$5000.

Steps to follow:

- 1) Create a single requisition for anticipated remaining budget year spend for supplier that is greater than or equal to \$5,000
- 2) Attach a Prior Authorization form with explanation and spend information (include planned spend [approved purchase orders] and actual spend not included on purchase orders [vouchers and p-card transactions] for full disclosure of supplier spend for the year)
- 3) Requisition will auto-route to OPC for review
- 4) If requisition does not have necessary supporting documentation as noted in Step 2, OPC may reject the requisition and request agency to resubmit
- 5) OPC procurement officer will review and if approved, requisition auto-sources to purchase order
- 6) Agency creates supplier contract, based upon agency need, referencing the approved requisition in the comments of the supplier contract and entering the approved amount as the max for the contract. (See the **Entering Supplier Contract Training Guide** available on the SMARTWeb web site.)
- 7) Reduce or cancel PO, as appropriate
 - a. If reducing the PO, the contract created in Step 6 above should be added to the PO Contract ID field
 - b. Pre-encumbering agencies must use the 'Finalize' button on the PO
 - c. If canceling the PO, select 'No, Do Not Re-Source Reqs'
- 8) Include the Contract ID on any new requisitions created under this authority. (See the Entering Requisitions Training Guide available on the SMARTWeb web site.)
- 9) If agency is unable to determine appropriate action to be taken, a ManageEngine Service Desk ticket should be submitted