

GEORGIA DEPARTMENT OF CORRECTIONS



Standard Operating Procedures

Policy Name: Open Market Purchases

Policy Number: 405.06

Effective Date: 7/1/2020

Page Number: 1 of 3

Authority:
Commissioner

Originating Division:
Administration and Finance
Division (Purchasing)

Access Listing:
Level I: All Access

I. Introduction and Summary:

The purpose of this procedure is to provide information regarding the one-time purchase of construction, services (non-personal), equipment and goods that are not available from a Contract Release, Mandatory Source, or an Intergovernmental Agreement (another governmental source).

II. Authority:

- A. O.C.G.A. 50-5-67 Competitive Bidding Procedures;
- B. D.O.A.S. Georgia Procurement Manual: Chapter 1, Stage 1 Need Identification, 1.3.1.5 Open Market Purchases;
- C. Georgia Department of Corrections (GDC) Purchasing Manual: General Information, General Information for Open Market Purchases;
- D. GDC Standard Operating Procedures (SOPs): 405.01 GDC Purchasing Manual, 405.02 Purchase Orders, 405.03 Tax Exemptions, 405.04 Mandatory Source Purchases, 405.05 Contract Release Purchases, 405.07 PeopleSoft Financials for Purchasing, 405.11 Restricted Purchases Requiring Special Approval, and 405.12 Emergency Purchases; and
- E. ACA Standard: 2-CO-1B-09, 1-CTA-1B-02, 5-ACI-1B-14 (ref. 4-4038), and 4-ACRS-7D-25.

III. Definitions:

- A. **Delegated Purchase Authority** - Purchasing limits granted by D.O.A.S., State Purchasing Division;
- B. **Procure** - The act of obtaining or buying goods and/or services;
- C. **One-time Buy** - A single purchase;

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- D. **Open Market Purchase** - Goods and/or services that are not available from, an agency contract, a statewide contract, Mandatory Source, or an Intergovernmental Agreement;
- E. **Request for Quote** - A competitive procurement method used by state entities to solicit bids for goods and services;
- F. **Contract Release** - A purchase from an established contract that was formally bid; and
- G. **Mandatory Source** - A purchase from Georgia Enterprises and Services (GEPS) that has certain products and services which have been certified as mandatory and state entities are required by statute to purchase from that source.

IV. Statement of Policy and Applicable Procedures:

- A. Open Market Purchases occur when the goods or services procured are not available from an existing agency contract, a statewide contract, Mandatory Source, or an Intergovernmental Agreement (another government source). Thus, Open Market Purchases are made in the current market for a one-time buy or to establish an ongoing contract.
 - 1. Delegated Purchasing Authority (DPA) and Bid Solicitation Requirements:
 - a. Bidding authority is granted by the DOAS State Purchasing Division to state entities to allow them to make purchases on their own behalf. Purchases are determined by the state entity's staff, who are generally qualified to do so based on their experience, training, certification and proven ability to successfully provide purchasing services to the state entity.

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- b. Each entity is authorized to make an unlimited amount of Open Market Purchases; however, such purchases are limited to a dollar amount of \$24,999.99.
- c. For Open Market Purchases that are valued at \$25,000 or greater, they must be competitively bid using the Request for Quote process.

Note: Although purchases less than \$25,000 are not subject to the competitive bid process, the buyer must ensure that GDC is getting fair market prices for said purchases and follow the GDC Purchasing Policy (located in the Purchasing Manual under General Information).

2. The Request for Quote Process for Soliciting and Accepting Bids:

- a. Each bid must be submitted through the Team Georgia Marketplace, which is provided by DOAS State Purchasing Division and serves as an online tool to support various state purchasing functions. The Marketplace will facilitate the advertisement of procurement solicitations, electronic bidding, and contract management.
- b. To initiate the process, the state entity will submit a Request for Quote (RFQ) through PeopleSoft via Requisition.
- c. The Central Purchasing Office will then post the solicitation on the Georgia Procurement Registry for purchases exceeding \$24,999.99 (see GDC Purchasing Manual for detailed instructions regarding the appropriate request form to submit to the Purchasing Office).
- d. Once the bid has been evaluated for award, the purchases will be processed with a PeopleSoft Purchase Order or Notice of Award and/or the appropriate contract form, as applicable.

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V. **Attachments:** None.

VI. **Record Retention of Forms Relevant to this Policy:**

Records containing quotes made by vendors to supply goods or services to an agency require a retention of 11 years for Capital Improvement Projects and seven (7) years for all other records.