

Department of Buildings & General Services
Office of the Commissioner
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Agency of Administration

MEMORANDUM:

To: Agency Secretaries and Department Commissioners
From: Michael Obuchowski, Commissioner of Buildings and General Services
Date: July 1, 2016
Re: Blanket Delegation of Authority BDA-1, Direct Purchases less than \$3,500 & Emergency Purchases

Vermont statute (Title 29, Chapter 49, Section 902) states that the Commissioner of Buildings and General Services shall contract for and make all purchases, including but not limited to all fuel, supplies, materials, and equipment for the agencies of state government.

The same statute permits the delegation of authority to make certain types of purchases when the “best interests of the state” are served.

Restrictions:

- All print requirements are prohibited use and therefore excluded under Blanket Delegation of Authority #1 (BDA-1). In accordance with the directive issued February 13, 2012 by the Administration, Agencies and Departments are directed to the Print Procurement web-site at <http://bgs.vermont.gov/purchasing/print> for all requirements involving print. **Vermont Correctional Industries (VCI) and the BGS Print Shop are to be the first choice for all printing projects that involve digital or offset requirements.**
- All personal services requirements are prohibited use and therefore excluded under Blanket Delegation of Authority #1 (BDA#1). Requirements for personal services shall be procured and contracted for in accordance with Administrative Bulletin 3.5.
- IT purchases are prohibited use and therefore excluded under Blanket Delegation of Authority #1 (BDA#1). All IT purchases shall be made under an existing statewide contract, IT Retainer contract or in accordance with IT Guidelines. The Information Technology Procurement Guideline <http://bgs.vermont.gov/purchasing/forms>

In the interest of enabling agencies to maintain the continuity of everyday operations and to help avoid delays caused by unanticipated needs, the Commissioner of BGS is delegating to each Agency Secretary or Department Commissioner the authority to make direct purchases from suppliers up to \$3,500 under the following conditions:

- The item is not available under an existing state contract.
- The item is not restricted by statute or administrative bulletin (e.g. paper).
- The item is not an ongoing need of the department that is likely to be purchased on a regular basis.



The intent of this BDA is to allow for small or unanticipated purchases. The delegation limit for a single, one time purchase or an aggregate purchase of the same items is \$3,500. Invoices should not be split in an attempt to stay under this threshold.

It is not to be used for the purchase of the same or like items if those purchases exceed \$7,500 within any month or \$15,000 within a fiscal year. If requirements exceed these limits you must contact the Office of Purchasing & Contracting who will initiate either a contract or a BDA, as appropriate to meet your specific requirements.

- When processing invoices for materials purchased under this BDA please reference VISION Procedure #3: PO's, Contracts and BDA's. VISION Procedure #3 can be found on the VISIONS Home page of the Finance & Management website at <http://finance.state.vt.us/vision/>.
- It is the Department's responsibility to ensure that purchases made under this BDA comply with all applicable federal requirements including Certification Regarding Debarment. On April 1, 2007 the Commissioner of Finance & Management issued Finance & Management Policy #1: Suspension and Debarment Policies & Procedures. This policy was created to address federal requirements prohibiting purchases from vendors who have been suspended or debarred by the federal government. The policy extends the federal requirements to all purchases made by the State of Vermont (within certain thresholds), regardless of funding source. The policy requires departments to verify that a vendor has not been suspended or debarred before making a covered purchase. Policy #1 can be found on the Policies page of the Finance & Management website at <http://finance.state.vt.us/Policies.htm> and it describes the procedures that must be followed to verify and document that a vendor has not been suspended or debarred.
- It is the Department's responsibility to ensure that purchases made under this BDA comply with all applicable state requirements including Certification Regarding Debarment which requires the Agency of Administration to ensure that the state and any of its subdivisions do not contract, directly or indirectly, with employers who are prohibited from contracting by the commissioner of labor pursuant to 21 V.S.A. Sec. 692, 708, and 1314a or the commissioner of banking, insurance, securities, and health care administration pursuant to 8 V.S.A. Section 3661.
<http://bgs.vermont.gov/purchasing/debarment>
- Agency and Department heads are responsible for all actions taken under this delegation including compliance with all applicable laws and Administrative Bulletin 3.5. Managers are encouraged to require that competitive pricing be obtained whenever possible. The Office of Purchasing and Contracting is available to provide assistance and advice on sources and procedures.

Audit & Review

Purchases made under this delegation will be periodically reviewed to determine if appropriate procedures have been used and whether the "best interests of the state" have been served. The Commissioner of Buildings and General Services may revoke or modify this delegation at any time.

The Office of Purchasing & Contracting will conduct random audits to determine compliance with this BDA.

This delegation is effective until June 30, 2017, at which time it may be reviewed.

Cc: Deborah Damore, Purchasing and Contracting Director
Finance & Management
Financial Operations