



John S. Richard
Director

Brad Henry
Governor

STATE OF OKLAHOMA
DEPARTMENT OF CENTRAL SERVICES

PROCUREMENT INFORMATION MEMORANDUM 10-02

SUBJECT: Clarification and Use of Authority Orders, Procedure Guidance and Policy Change

TO: All Certified Procurement Officers

DATE: May 28, 2010

Central Purchasing, in conjunction with the Office of State Finance, is issuing these guidelines regarding the use of authority orders.

Reference: OSF Procedure Manual Chapter 200, Section 255 Authorization for Purchases also known as "AFP" or "Authority Order"

Authority Orders (AO's) are authorized for the following:

1. To encumber funds for the payment of all Purchase Cards Transactions.
2. To reserve funds for payroll; or travel claims.
3. For small dollar emergency purchases less than the competitive bid limit.

Authority Orders should be used on a very limited basis. Purchase Orders (PO's) are to be used when the vendor is known in advance of the receipt of services or products.

The use of a vendor specific PO makes the purchase to pay process much simpler in the State system. As we move to a more automated payment process it will be necessary to "receive" the products or services in the State system.

For further information contact Steve Wilson 521-4679 or Lee Johnson- 522-5395

A handwritten signature in blue ink, appearing to read "Scott Schlotthauer".

Scott Schlotthauer
State Purchasing Director

"SERVICE, QUALITY, INTEGRITY"