



John S. Richard  
Director

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Governor

STATE OF OKLAHOMA  
DEPARTMENT OF CENTRAL SERVICES

MEMORANDUM

**DATE:** June 30, 2010  
**TO:** State agency procurement officials  
**FROM:** Scott Schlotthauer, State Purchasing Director  
**RE:** Oklahoma Central Purchasing Act Revision

With the assistance of experienced procurement professionals, the Oklahoma Central Purchasing Act, 74 O.S. §85.1 et seq, has been revised by House Bill 2332, adopted by the 2010 regular legislative session. The overall effective date of HB2332 is **April 27, 2010**. Section 4 of House Bill 2332 covering the purchase of postage is effective November 1, 2010. The revisions represent DCS efforts to streamline the acquisition process by reducing processing time and paperwork for low dollar acquisitions considered to be fair and reasonable, in addition to addressing other issues related to state agency procurement.

A highlighted summary of the changes to the Oklahoma Central Purchasing Act may be viewed at the following address [http://www.ok.gov/DCS/Central\\_Purchasing/index.html](http://www.ok.gov/DCS/Central_Purchasing/index.html) and going to the "Special Announcements" section located on the right side of the page.

The Central Purchasing Division would like to thank everyone who contributed to this project.

For further information contact Keith Gentry at 405-522-4878 or [keith\\_gentry@dcs.state.ok.us](mailto:keith_gentry@dcs.state.ok.us).

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

Scott Schlotthauer  
State Purchasing Director

## HOUSE BILL NO. 2332 SUMMARY

The Department of Central Services, Central Purchasing Division, is distributing this document to certified procurement officers in order to highlight changes to the Central Purchasing Act mandated by House Bill 2332 and note any changes that may affect state agency procurement processes.

The intent of revisions to 74 O.S. §85.5(O) in Section 1 of the bill and 74 O.S. §85.22 in Section 2 of the bill is to reduce processing time and paperwork for low-dollar acquisitions based upon fair and reasonable. The revisions do not relieve a state agency of maintaining sufficient documentation to account for its acquisitions.

All sections of House Bill 2332 became effective on April 27, 2010 (Governor's approval date) except for Section 4, which is effective November 1, 2010.

### **SECTION 1. AMENDATORY - 74 O.S. 2001, Section 85.5**

**J.** The State Purchasing Director shall undertake the following:

9. Implement a policy to approve the ability of the department, agencies, boards, commissions and trusts to accept the terms of service for usage of social media services and contract for technology products and services provided the terms of service or contract contains standard language including a liability agreement which is considered customary or largely similar to terms of service agreed to or contracts entered into by other government entities and private sector enterprises.

**NOTE:** DCS in coordination with the Office of State Finance, Information Services Division, is in the process of developing this policy.

**O.** As a condition of awarding a contract in excess of the dollar amount prescribed by subparagraph 11 of subsection C of this section pursuant to The Oklahoma Central Purchasing Act, the State Purchasing Director shall verify with the Oklahoma Tax Commission that the business entity to which the state contract is to be awarded, whether subject to the procedures required by Section 85.7 of this title or not, has obtained a sales tax permit pursuant to the provisions of Section 1364 of Title 68 of the Oklahoma Statutes if such entity is required to do so.

**NOTE:** "Subparagraph 11 of subsection C of this section" means 74 O.S. §85.5(C)(11)(a), which authorizes state agencies to "*make acquisitions not exceeding Five Thousand Dollars (\$5,000.00), provided the acquisition process is fair and reasonable . . .*"

**PROCUREMENT INFORMATION:** For purposes of compliance with revisions to 74 O.S. §85.5(O), state agencies shall verify a supplier has obtained an Oklahoma sales tax permit for all acquisitions exceeding Five Thousand Dollars (\$5,000.00).

## **SECTION 2. AMENDATORY - 74 O.S. 2001, Section 85.22**

Any competitive bid submitted to the State of Oklahoma or contract executed by the state for goods or services in excess of Five Thousand Dollars (\$5,000.00) shall contain a certification, which shall be in substantially the following form:

**NOTE:** The supplier's non-collusion certification statement required to be contained in any competitive bid or contract applies to any competitive bid or contract exceeding \$5,000.00.

**PROCUREMENT INFORMATION:** For purposes of compliance with revisions to 74 O.S. §85.22, state agencies shall include a supplier's non-collusion certification statement for any acquisition exceeding Five Thousand Dollars (\$5,000.00). State agencies shall use DCS/Purchasing Form 004SA for agency-processed acquisitions and DCS/Purchasing Form 004 for Central Purchasing-processed acquisitions.

## **SECTION 3. AMENDATORY - 74 O.S. Supp. 2009, Section 85.33B**

A. On a monthly basis the Director of Central Purchasing and institutions of higher education shall provide to the Office of State Finance a complete listing in electronic format of all transactions occurring with the aid of a state purchase card. The list shall contain the name of the purchaser and purchasing agency, amount of purchase, and all available descriptions of items purchased.

**NOTE:** Higher Education is now required to provide OSF with an electronic list of monthly purchase card transactions. In 2009, DCS was mandated to provide state agency monthly purchase card transactions, which are published at OPENBOOKS.OK.GOV.

## **SECTION 4. AMENDATORY - 74 O.S. 2001, Section 90.2**

~~No money shall be expended~~ Expenditures by any agency, board, commission, department or institution of the state for postage stamps or post office box rent ~~except on vouchers shall only be made payable to United States Post Office and the warrant or check shall be endorsed by the postmaster from where the purchase is made.~~

**NOTE:** This section has not been revised since 1963 when it was originally written. Revisions are updating the language to correspond with methods of making expenditures available to state agencies now that did not exist in 1963.

**PROCUREMENT INFORMATION:** State agencies may make acquisitions for postage stamps or post office box rental with the state purchase card in accordance with the official Oklahoma Purchase Card Procedures issued by the State Purchasing Director.

## **SECTION 5. AMENDATORY 62 O.S. Supp. 2009, Section 41.5a-4**

C. The Department of Central Services shall remove all data from electronic storage media from all surplus information technology and telecommunication equipment before it is sold, donated, stored or destroyed. A state agency may remove electronic storage media from their surplus information technology and telecommunication equipment prior to sending the surplus to the Department of Central Services, so long as the agency has the technical expertise for removal and that the electronic storage media is sent for destruction or disposal pursuant to this subsection.

D. The Department of Central Services shall use existing and future funds from the sale of state surplus equipment and appropriations, as necessary, to pay for the destruction of electronic storage media of equipment processed through the Department of Central Services.

**NOTE:** Revisions to 62 O.S. §41.5a-4 clarify the responsibilities of DCS Surplus Property related to the disposal of electronic storage media (information technology equipment).

**INFORMATION:** **DCS will remove all data from electronic storage media processed by DCS Surplus Property. DCS and all state agencies shall remove data from electronic storage media (information technology equipment) in accordance with the *Information Security Policies, Procedures, Guidelines* issued by the Office of State Finance.**

## **SECTION 6. AMENDATORY - 62 O.S. 2001, Section 34.71**

The Director of the Office of State Finance shall establish a procedure to issue payment of a proper invoice for goods or services within no ~~less~~ more than forty-five (45) days from the date on which the invoice was received in the office designated by the agency to which the goods or services were sold and delivered.

**NOTE:** 62 O.S. §41.4a revision corrects a scrivener error.

**SECTION 7.** Section 4 of this act shall become effective November 1, 2010.

**SECTION 8.** It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.