



TECHNICAL BULLETIN No. 002

TITLE: **Delegation of Procurement Authority**

REVISION: **Number 10**

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I. Authority

A. Applicable Arizona Revised Statutes

A.R.S. § 41-2511 Authority of the Director

A.R.S. § 41-2512 Delegation of authority or functions by the Director

B. Applicable Administrative Code

A.A.C. R2-7-201 State Procurement Administrator: Duties and Qualifications

A.A.C. R2-7-202 Delegation of Procurement Authority to State Governmental Units

A.A.C. R2-7-203 Agency Chief Procurement Officer

A.A.C. R2-7-A301 Source Selection Method: Determining Factors

A.A.C. R2-7-208 Authorization of Electronic Transactions

A.A.C. R2-7-1301 On-line Solicitation Process

II. Definitions

- A. Arizona State Contract: A contract established or authorized by the state procurement administrator for use by state governmental units and eligible procurement units. [Source: A.A.C. R2-7-101]
- B. Agency Chief Procurement Officer (ACPO): The person within a state governmental unit, who is acting under specific, written authority from the state procurement administrator in accordance with R2-7-202 or any person delegated that authority, in writing, under R2-7-203. The term does not include any other person within a state governmental unit who does not have this written delegation of authority. [Source: A.A.C. R2-7-101]
- C. Employee: An individual drawing a salary from a state governmental unit, whether elected or not, and any non-compensated individual performing personal services for any state governmental unit. [Source: A.R.S. § 41-2503]
- D. Governor's Executive Order: An order issued by the governor of Arizona to establish boards or commissions or to authorize the performance of other functions that are appropriate to the

executive authority of the governor. [Source: AZ State Library, Archives and Public Records, Law and Research Library Div.]

- E. State Procurement Administrator (SPA): The individual appointed by the director as a chief procurement officer for a state, or a state procurement administrator's authorized designee. A different title may be used for this position. [Source: A.A.C. R2-7-101]
- F. State Procurement Office: An office that acts under the authority delegated to the state procurement administrator. [Source: A.A.C. R2-7-101]
- G. State Governmental Unit (SGU): Any department, commission, council, board, bureau, committee, institution, agency, government corporation or other establishment or official of the executive branch or corporation commission of this state. [Source: A.R.S. § 41-2503]
- H. eProcurement System: The state's electronic procurement system.

III. Policy

SPA shall delegate certain procurement authority to state governmental units in accordance with A.A.C. R2-7-202.

- A. Term: The term for all delegations of authority shall be three (3) years, unless determined otherwise by the SPA.
- B. Determining factors: The SPA shall delegate procurement authority based on the following factors as they pertain to the SGU's circumstances:
 - 1. The procurement expertise, education, certification, knowledge, experience and performance of the SGU's ACPO;
 - 2. The qualifications of the procurement personnel within the SGU (Refer to "Attachment 1: Guidelines for State Governmental Unit's Delegated Procurement Personnel"):
 - a. Procurement training and experience
 - b. Procurement certifications held by staff
 - c. Required successful completion of the required training identified in Attachment 1;
 - 3. Impact of the delegation on the SGU's procurement efficiency and effectiveness;
 - 4. The SGU's compliance with the Arizona Procurement Code, applicable Governor's Executive Orders, State Procurement Office Technical Bulletins, Standard Procedures, and Certificate of Delegated Procurement Authority;
 - 5. The SGU's administrative procurement practices, organization chart, procurement processes and procedures, and other factors deemed relevant by the SPA; and
 - 6. The business needs of the SGU.
- C. Delegation documentation. The agency director or ACPO shall maintain a file documenting successful completion of training records of each individual granted access to the eProcurement

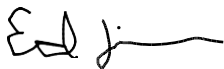
system for audit purposes. This record shall also contain dates of access restriction or termination for each individual.

- D. Delegation list. The agency director or ACPO shall maintain and provide to SPO Compliance at SPOCompliance@azdoa.gov a current list of all employees with delegated authority including subdelegation. This list shall be kept up to date in accordance with the Certificate of Delegated Procurement Authority ([SPO Form 208 - Procurement Authority Sub-Delegation Report](#)).
- E. Delegation Limits. In addition to the conditions that define a SGU's procurement authority listed in Subsection B, the SPA shall delegate procurement authority to a SGU based on the following dollar limit categories:
1. Limited: This category of delegated authority shall be issued with one of the following designated procurement dollar limits for competitive procurements. However, there is no procurement dollar limit imposed on purchases from mandatory Arizona state contracts by SGUs;
 - a. \$0 up to \$10,000, \$100,000 or \$1,000,000; or
 - b. Custom amount as specified in Certificate of Delegated Procurement Authority.
 2. Supplemental one-time only: This category of delegated authority is a one-time delegated authority granted for special procurements that exceed the SGU's delegated authority ([SPO Form 107 - Certificate of Delegated Procurement Authority Request](#)).
 3. Unlimited: This category of delegated authority has no maximum designated procurement dollar limit but may have other conditions or limitations of procurement authority.
 4. Prior to the issuance of an initial delegation of authority, the relevant training courses detailed in Attachment 1 must be completed.
- F. Retained Authority. The SPA retains all authority and duties delegated to an ACPO at the SGU pursuant to A.A.C. R2-7-202(G).
1. The SPA may revoke, suspend, or modify a SGU's delegated authority for failure to comply with A.R.S. Title 41, Chapter 23 or A.A.C. Title 2, Chapter 7, applicable Governor's Executive Orders, State Procurement Office Technical Bulletins, Standard Procedures, and Certificate of Delegated Procurement Authority ([SPO Form 107 - Certificate of Delegated Procurement Authority Request](#)).
 2. The SGU shall involve the SPA in the selection process for the SGU's ACPO. The SGU shall submit the selected candidate's resume to the SPA for review prior to making an offer of employment. The SPA may make comments regarding the expertise, knowledge and education of the candidate that may affect the SGU's delegated authority.
 3. The SGU shall report to the SPA at SPOCompliance@azdoa.gov any significant changes that may affect the SGU's compliance with the delegation criteria including changes in procurement personnel, procurement training taken and sub-delegation levels.

- G. Oversight, Monitoring and Review of Assigned Delegations. To ensure that SGUs exercise purchasing authority in accordance with their Certificate of Delegated Procurement Authority, the Arizona Procurement Code, applicable Governor's Executive Orders and State Procurement Office issued Technical Bulletins and Standard Procedures, the State Procurement Office shall perform periodic procurement compliance reviews ([Technical Bulletin 003. Procurement Compliance Reviews](#)).
- H. Continuing Education Requirements.
1. A critical component of each delegation of procurement authority is the obligation for procurement officers to continue to stay current with procurement standards and seek opportunities for education and training. The training may be from any locally or nationally recognized procurement organization, but must be relevant to procurement or contracts. With the exception of procurement ethics, classes should not be taken more than once within a three year period.
 2. Any time spent as a trainer in a training will account for three (3) times that amount of time to meet these requirements (e.g. 30 minutes of acting as the trainer will yield 1.5 hours toward meeting yearly requirements). The following are the minimum numbers of required hours of training for each level of delegated authority per year:
 - a. Delegations of procurement authority up to and including \$10,000: 10 hours/year;
or
 - b. Delegations of procurement authority over \$10,000: 20 hours/year.
 3. A procurement ethics class must be taken, at a minimum, once every three (3) years.
 4. Procurement officers are required to keep track of their training hours, which may be audited as part of their delegation renewal.

IV. Effective

This Technical Bulletin is hereby authorized and effective on 07/20/2022, unless otherwise revised or repealed.



[ED Jimenez \(Jul 20, 2022 07:30 PDT\)](#)

Ed Jimenez, State Procurement Administrator

Attachment 1: Guidelines for State Governmental Unit's Delegated Procurement Personnel (Revised 8/11/2022)

The below classes are all offered by the ADOA State Procurement Office (SPO). Equivalent training from either a state governmental unit (SGU) or an external procurement organization (i.e. NASPO or NIGP) is an acceptable substitute. Please direct any questions to SPOCompliance@azdoa.gov.

| TRAINING NAME | Credit Hour* | DELEGATION LEVELS | | | TRAINING OFFERINGS | | FREQUENCY OF COMPLETION |
|---|--------------|-------------------|-----------|------------|--|---|--|
| | | \$10,000 | \$100,000 | ≥\$100,000 | Availability | Accessibility | |
| Procurement Basics (TraCorp Course ID: ADPROCBASICS) | 1 | ✓ | ✓ | ✓ | Anytime via TraCorp (link) | See below | <ul style="list-style-type: none"> • Prior to receiving initial delegation • Additional training for APP (eProcurement system) may be added • Refresher training: as needed |
| Arizona Procurement Portal Application Basics (TraCorp Course ID: ADAPPAB100W) | 1 | ✓ | ✓ | ✓ | | | |
| Creating and Awarding Spot Bids (TraCorp Course ID: ADAPPSC310W) | 1 | ✓ | ✓ | ✓ | | | |
| \$10,000 Delegation Training | 1 | ✓ | | | See below | See below | |
| \$100,000 Delegation Training | 1 | | ✓ | | | | |
| Procurement Ethics | 2 | ✓ | ✓ | ✓ | See below | See below | <ul style="list-style-type: none"> • Within the 1st year of receiving the initial signed delegation • Refresher training: at a minimum, once every three (3) years |
| Procurement 101 | 1.5 | ✓ | ✓ | | As classes become available or scheduled via the SPO Academy Training (link) . | When available, register via TraCorp (link) . After registration, receive email notifications from SPO to access the meeting. | <ul style="list-style-type: none"> • Within the 1st year of receiving the initial signed delegation • Refresher training: as needed |
| Purchasing 101 | 1.5 | ✓ | | | | | |
| Contract Administration | 1 | | ✓ | ✓ | | | |
| Request for Quotation (RFQ) | 1 | | ✓ | | | | |
| Exceptions | 2 | | ✓ | ✓ | | | |
| Protests: Law and Best Practices | 2 | | ✓ | ✓ | | | |
| Legal Aspects of Contracting | 2 | | ✓ | ✓ | | | |
| Negotiation Planning | tbd | | ✓ | ✓ | | | |
| Request for Proposal (RFP)* | tbd | | | ✓ | | | |
| Basic Risk Management Training | 2 | ✓ | ✓ | ✓ | tbd (administered by ADOA RMD) | | |

Legend: ✓ = Required training for \$10,000 delegation ✓ = Required training for \$100,000 delegation ✓ = Required training for \$100,000 delegation □ = Not mandatory, but encouraged
 * = Number of class sessions or credits/hours may vary (e.g. more than 2 credits/hours) tbd = to be determined ADOA RMD = Arizona Department of Administration Risk Management Division