



TECHNICAL BULLETIN No. 010

TITLE: **Significant Procurement Role**

REVISION: **Number 3**

DATE(s): Current Version: **August 14, 2024**

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I. Authority

A.	Applicable Arizona Revised Statute(s)	
	A.R.S. § 41-2511	Authority of the Director
	A.R.S. § 41-2512	Delegation of authority or functions by the Director
	A.R.S. § 41-753	Unlawful acts; violation; classification
	A.R.S. § 41-2517	Procurement officers and procurement employees; violation; classification
	A.R.S. § 41-2503	Definitions
B.	Applicable Administrative Code	
	A.A.C. R2-7-201	State Procurement Administrator: Duties and Qualifications
	A.A.C. R2-7-501	Procurement of Specified Professional and Construction Services
C	Applicable Policy	
	P2000	Generative AI Policy
D	Applicable Procedure	
	2000PR	Use of Generative Artificial Intelligence (Gen AI)

II. Definitions

A. Significant Procurement Role:

1. Means any role that includes any of the following duties:
 - a. Participating in the development of a procurement;
 - b. Participating in the development of an evaluation tool;
 - c. Approving a procurement as defined in section 41-2503 or an evaluation tool;

- d. Soliciting quotes greater than ten thousand dollars for the provision of materials, services or construction;
 - e. Serving as a technical advisor or an evaluator who evaluates a procurement as defined in section 41-2503;
 - f. Recommending or selecting a vendor that will provide materials, services or construction to this state; or
 - g. Serving as a decision maker or designee on a protest or any appeal by a party regarding an agency procurement selection or decision.
2. Does not include making decisions on developing specifications and the scope of work for a procurement as defined in section 41-2503 if the decision is based on the application of commonly accepted industry standards or known published standards of the agency as applied to the project, services, goods or materials.
- B. Artificial Intelligence (AI):
1. AI means the science and engineering of making machines capable of performing tasks that are typically associated with human intelligence, such as learning and problem-solving, and includes without limitation: AI systems, classic AI, external AI, generative AI, and large language model (LLM) AI. See *also* Statewide Policy P2000 – Generative Artificial Intelligence (Gen AI) for further definitions and information.

III. Policy

- A. A.R.S. § 41-741 defines a significant procurement role as applicable for all procurements including procurements conducted under A.R.S. § 41-2503 and must address the required actions for a significant procurement role. Individuals who may simply be approving the expenditure of funds, verifying accounting codes, making phone calls to the suppliers for the quote information but do not determine the suppliers to call, or determine the awarded supplier would not be considered to have a significant procurement role.
- B. A significant procurement role activity is centered on a solicitation or quote. Therefore, contract releases, purchase orders, or task orders that are issued against an existing agency or statewide contract are not subject to the requirements of a significant procurement role for each order.
- C. Meetings which involve discussion of topics or activities for which a significant procurement role is necessary are considered confidential. Information arising from these discussions shall only be discussed or shared with those in the meeting, those outside of the meeting which have signed a Significant Procurement Role Disclosure Statement, or as specifically authorized by law.

1. It is the responsibility of the Procurement Officer to become aware if an AI tool is being utilized by any person in a meeting and to determine whether the meeting concerns topics or activities for which a significant procurement role is necessary.
 - a. An AI tool shall not be used during procurement meetings which involve significant procurement role discussions and activities, including but not limited to scope of work or specification development, evaluation tool development, evaluation criteria selection, evaluator consensus meetings, and negotiations with suppliers.
 - b. If the meeting concerns topics and activities other than those for which a significant procurement role is necessary, the Procurement Officer shall determine whether creating an automated transcription of a given meeting utilizing an AI tool is appropriate given the topics being discussed. All transcriptions are considered public records and will be subject to Arizona public records law.
 - c. Automated transcription utilizing an AI tool is not permitted in meetings where confidential information, significant procurement role-related topics or activities, or personally identifiable information is discussed.
- D. The source of the public funds involved in the procurement does not affect the applicability of the statute requirements for significant procurement role. Procurements with grant monies must also conform to grant requirements.
- E. Activities that meet the definition of a grant and the process of awarding grants is conducted under A.R.S. § 41-2701 et seq., Solicitation of Grant Awards, is not subject to the requirements of significant procurement role and no procurement disclosure form is required.
- F. Suppliers considered to be included in the definition of "potentially responding" to a solicitation include those that: Responded to a similar solicitation within the past five years; are a current contractor for similar materials/services or construction; or during the defined significant procurement role period have directly contacted the agency in writing or verbally indicating interest in the solicitation.
- G. Significant procurement role statutes are only applicable for state employees including board members and the office of the governor, lobbyists, and suppliers. Outside consultants or persons (non-state employees) that serve on evaluation committees are required to sign the general conflict of interest disclosure.
- H. Procurement disclosure statements are required at the outset of the procurement process, which is when the specifications or the scope of work is beginning to be developed, not when it is completed.

- I. Agency directors, depending on their level of involvement in a procurement and based upon the statutory definition for significant procurement role, may need to sign an annual disclosure form or the procurement specific disclosure form.
- J. Should an employee be concerned with signing the disclosure form for a particular procurement, or there becomes a question as to the potential impact of a signature, the employee and/or procurement officer should immediately inform their supervisor/manager for subsequent discussions with the State Procurement Office, Human Resources, or potentially agency upper management.
- K. Upon award of the solicitation, the unsuccessful offerors are no longer impacted by the significant procurement role no-hire restrictions.
- L. First tier subcontractors of the prime contractor named in the original offer are subject to the significant procurement role restrictions, but not subsidiaries not included in the response.
- M. Violations of the statute are applicable to state employees and lobbyists, as well as potential offerors and successful contractors.

IV. Effective

This Technical Bulletin is hereby authorized and effective on August 14, 2024, unless otherwise revised or repealed.



[David Steuber \(Aug 14, 2024 16:49 PDT\)](#)

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