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Title: Requisition for Procurement Process

Affected Agencies: All King County Executive Departments, Offices, and Agencies

Authorities: KCC 2.93

Keywords: Administrative Policies and Procedures, Requisition, Procurement

Sponsoring Agency: DES/FBOD/Procurement and Payables Section



King County

Executive signature: Dow Constant

Date signed and effective: 9/29/16

I. Purpose

To establish uniform procedures for the procurement requisitioning process.

II. Applicability and Audience

All King County Executive Departments, Offices, and Agencies.

III. Definitions

"Approval" means an on-line approval in the Oracle system of a requisition.

"BDCC" means the Business Development and Contract Compliance Unit of the Finance and Business Operations Division (FBOD).

"Draw-Down Purchase Order" means an amount based purchase order in excess of the original purchase amount. Subsequent purchases are released against this purchase order.

"Oracle EBS Auto Sourcing" means a method of automatically creating and sending a purchase order to a supplier when a contract is referenced and this feature is enabled.

"Oracle Requisition" means a request to purchase goods and/or services entered online in Oracle EBS iProcurement.

"P&P" means the Procurement and Payables Section of the Finance and Business Operations Division.

"P-Card" means a credit card issued by King County for business transactions allowed under the P-Card program.

"POETA coding" means the Project, Organization, Expenditure Type, Task and Award for financial transaction posting in Oracle EBS Projects.

"Purchase Order" means a document authorizing the purchase of goods and/or services from a specified supplier.

"Requesting Agency" means any King County Agency issuing a procurement request.

"Requisition" means a formal online request made by an agency in the Oracle system that initiates the procurement process. It includes information relevant to a proposed purchase.

"Request for Service" means an automated online system by which agencies make requests for procurement services, including solicitations, waiver and other types of assistance.

"SCS" means a Small Contractor and Supplier who is certified by the County as a business that is in a financial condition that puts the business at a substantial disadvantage in attempting to compete for public contracts.

"Specification" means a description of the physical attributes and performance requirements of the goods and/or services to be procured.

"Three Quote Process" means the process of obtaining price quotes from three suppliers for purchases between \$10,000 and \$50,000.

IV. Policy

- Procurement of all goods and/or services shall be processed in accordance with RCW 36.32.245 and .253, and Chapter 2.93 of the King County Code.
- Recommendation of the low responsible/responsive bidder and contract award shall be made by P&P as appropriate for the method of procurement employed.
- All purchases of goods and/or services shall be initiated either through an online requisition in Oracle EBS iProcurement, or another Oracle Procurement venue, such as P-Card (see FIN 10-1).
- In order to expedite the purchasing process, all county requisitioners will reference a contract whenever applicable. P&P will determine which contracts will use Oracle EBS auto-sourcing.
- Oracle EBS Requisitions will be entered on an as needed basis for each purchase and closed within sixty days of payment or receipt of goods or services, whichever occurs last. Any alternative types of requisitions must be approved by a P&P Supervisor.
- Purchase orders for goods and/or services shall be for a quantity. Draw-down purchase orders will be created only on an exception basis by P&P and may not be entered by an agency. P&P shall monitor all purchase orders and shall close all "draw down" purchase orders that are not pre-approved, and then notify the agency of such closure.
- All agencies are responsible for closing purchase orders that are partially received but on which no further activity is anticipated.
- Agency personnel will enter all receipts in a timely manner and monitor open purchase orders monthly to assure that purchase orders are closed after goods and/or services are received and the supplier payment has been made.
- Department directors are responsible for ensuring that the procurement process is followed according to this administrative procedure.
- Requesting department shall certify that adequate funds have been appropriated for a proposed procurement.

A. Procedures

1. Agency Responsibilities:

- a. For purchases less than \$10,000 in total value including tax
 - i. Review the Small Contractor and Suppliers (SCS) Directory on the Business Development and Contract Compliance web page for potential purchasing opportunities.
 - ii. Utilize a P-Card whenever possible.
 - iii. If a contract exists for the items to be purchased, reference the contract on the Oracle EBS Requisition or P-Card transaction description.
 - iv. If no contract exists and it is not possible to use a P-Card, contact P&P for assistance.
 - a. If the desired supplier is present in the Oracle EBS Supplier database, enter a requisition in Oracle EBS, or
 - b. If the desired supplier does not exist, complete a Request for Service and submit to P&P. Once the supplier has been set up, enter the Oracle EBS iProcurement Requisition.
- b. For purchases greater than \$10,000 but less than \$50,000 total value including tax:
 - i. Check the iProcurement Stores by commodity or list of available contracts on the P&P website to see if there is a contract in place for the item(s) needed. Unless specifically identified, all contracts for goods and services are available for countywide use.
 - ii. Contact P&P to locate an appropriate contract or determine whether it is appropriate to put a new contract purchase agreement in place or whether the need can be met by an alternative method.
 - iii. If it is agreed by P&P that a new contract is required:
 - a. The agency shall contact a minimum of three suppliers for price quotations, maintain a record of each quotation and award to the low responsible and responsive supplier; or request P&P assistance with contacting a minimum of three suppliers for price quotations, or
 - b. Complete a Request for Service and include the three quote information to establish a contract for purchases over a period of time. Once the three quote information has been reviewed, a Contract Purchase Agreement ("CPA") will be created; or complete a requisition to include a note to the buyer with the three quote information. Once the three quote has been reviewed, a purchase order will be created; or use the P-Card for the purchase and maintain the three quote documentation with the P-Card documentation.
 - iv. Reference the contract on the Oracle EBS iProcurement Requisition or in the description for the P-Card transaction.
- c. For purchases \$50,000 and over in total value including tax, submit a Request for Service to P&P to begin the formal solicitation process.
- d. For procurements of a special nature, proprietary or emergency, the requesting agency must use the procedures described in CON 7-2, Exemptions to the Procurement Requirements and contact P&P.

B. Responsibilities

- 1) Requesting Agencies are responsible for:

- a) Ensuring that the procurement process is followed according to this administrative procedure.
- b) Providing P&P with specifications for purchases over \$10,000 when no contract exists and where Procurement determines that a new contract is required.
- c) Ensuring that funds are available prior to approval of each requisition.
- d) Entering requisitions online in Oracle EBS iProcurement.
- e) Approving Requisitions, monitoring purchases orders, and receiving goods and/or services in the Oracle EBS system.
- f) Assuring that requisitions and purchase orders are closed in a timely manner.
- g) Checking for SCS vendors in the procurement process.
- 2) P&P is responsible for:
 - a) Providing the services necessary for a centralized procurement process for all King County agencies as set forth in RCW 36.32.240 and .253.
 - b) Providing a selection of competent, qualified, suppliers.
 - c) Entering and maintaining all supplier and contract records in the Oracle EBS system.
 - d) Creating manual purchase orders in the Oracle EBS system.
- 3) BDCC is responsible for:
 - a) Maintaining current lists of SCS vendors/contractors.

V. Implementation Plan

- A. This policy becomes effective for all King County Executive Departments, Offices, and Agencies on the date that it is signed by the Executive. The Department of Executive Services is responsible for implementation of this policy.
- B. DES/FBOD/Procurement and Payables Section is responsible for communicating this policy to the management structure within their respective agencies and other appropriate parties.

VI. Maintenance

- A. This policy will be maintained by the DES/FBOD/Procurement and Payables Section or its successor agency.
- B. This policy will automatically expire five (5) years after its effective date. A new, revised, or renewed policy will be initiated by Procurement and Payables, or its successor agency prior to the expiration date.

VII. Consequences for Noncompliance

Affected Agencies in noncompliance with this policy shall submit a letter of justification and remediation plan signed by the Department Director or designee to the Chief Procurement Officer for review and action.

Continuing noncompliance may subject the King County employee to the disciplinary process set forth in the King County Personnel Guidelines section 16 and the provisions of King County Code 3.12.270.

Appendices: See King County Code 2.93.

