

DELEGATED AUTHORITY

The Chief Purchasing Officer may delegate authority for administering the provisions of State Purchasing Law either by regulation or other mechanisms. Delegation of specific authority to carry out competitive processes and enter into contracts can be accomplished through a written request to the Chief Purchasing Officer (Director of Administration) from a state entity Director or Board Chair.

Requests will vary from agency to agency, depending upon the nature of their programs. All delegated authority is awarded to the Director of a Department or the Chair of a Board. There are no end dates. .

ITEMS TO ADDRESS IN A REQUEST FOR DELEGATED AUTHORITY:

1. **Whether the relationship between the agency and the payees is that of grantor-grantee as opposed to a purchase of services.** The fact that the payee is a nonprofit entity does not automatically make the relationship a grant. (Some hospitals from which the State purchases medical treatment are nonprofit entities.) When the source of funds is a federal grant, this does not mean that the relationship with the payee is that of a grantor- grantee (federal grant funds support DOT in hiring construction companies to build highways.)
2. **Description of a notification of a fair and open process for equal opportunity to obtain contracts. Since 1997, State Purchasing Law requires that all contracts (including grants) and purchases be advertised on the RIVIP.** All State Agencies can obtain access to the grant posting system. A secure User ID and Password is assigned to an agency by the RIVIP Technical Support Staff. (Information about access to RIVIP for posting grants is available at 222-2142 x 128.
3. **The criteria for the decisions to award contracts** (to whom, how much) and who makes those decisions (staff, appointed committees, legally constituted entities). If the awards are based on formulas instead of competition, the process by which the formulas are set should be described.
4. Whether the procedures have been published and filed per the Administrative Procedures Act.
5. Identification of who will be authorized to implement the authority.

Tips and Suggestions.

- Carrying out competitions and awarding contract for grants vs. purchases is more likely to be approved. Agencies are encouraged to explain why the relationship is that of grantor to grantee. Typically, a requirement for matching funds or a process where a formula based on population or economic statistics would be indicators of a grant relationship.
- If having a difficulty in constructing a request, send a draft and ask for feedback as to where the letter could use additional information.

IMPLEMENTATION. Where an agency has delegated authority for the award process and contracting, upon receipt of a properly prepared requisition, the Division of Purchases converts the requisition into a Master Blanket PO. Once this occurs, agencies can enter into contracts and create annual PO Releases to allow for payments. They can request time extensions and increases on any delegated authority PO using the Master Blanket Control Change Form.

STATE PURCHASING REGULATIONS REGARDING DELEGATED AUTHORITY

2.2.3 [37-2-54(1)] The Chief Purchasing Officer, except as otherwise provided by law, shall purchase, or shall delegate and control the purchase of, the combined requirements of all spending agencies of the state including, but not limited to, interests in real property, contractual services, rentals of all types, supplies, materials, equipment, and services, except where competitive bids may not be required.

2.2.3.1 Delegated Purchase Authority shall mean the transfer of Purchasing Authority from the Chief Purchasing Officer or the Purchasing Agent to another state official in accordance with the provisions and limitations of Chapter 37-2 of the General Laws of Rhode Island and the regulations set forth herein.

2.2.3.1.1 The Purchasing Agent may recommend to the Chief Purchasing Officer that purchasing authority be delegated in circumstances where cost-effectiveness and efficiency are best served.

2.2.3.1.2 The Purchasing Agent may delegate purchase authority with the written approval of the Chief Purchasing Officer.

2.2.3.1.3 Requested Delegated Purchase Authority shall be specifically justified by an agency director/chief executive and authorized by the Purchasing Agent in advance of any purchase action.

2.2.3.1.4 All delegated purchasing authority shall be specific as to:

2.2.3.1.4.1 The names and titles of individuals authorized by an agency director to commit funds on behalf of his agency

2.2.3.1.4.2 The accounts, commodities and levels of expenditures for which the agency director authorizes individuals to commit funds

2.2.3.1.5 The Chief Purchasing Officer shall transmit on an annual basis a list of officials approved to authorize delegated purchase transactions to the Office of Accounts and Control and the Budget Office.

2.2.3.1.6 The implementation of Delegated Purchasing Authority shall be monitored by the Purchasing Agent and the State Controller. If at any time a user agency is deemed to be in violation of purchasing rules, regulations, policies and procedures, the Chief Purchasing Officer or the Purchasing Agent, with the approval of the Chief Purchasing Officer, may revoke any Delegated Purchasing Authority privilege which has been previously granted.