

THE CALIFORNIA STATE UNIVERSITY
OFFICE OF THE CHANCELLOR



BAKERSFIELD

June 27, 2002

CHANNEL ISLANDS

CHICO

MEMORANDUM

DOMINGUEZ HILLS

FRESNO

TO: CSU Presidents

FULLERTON

FROM: Charles B. Reed
Chancellor

HAYWARD

HUMBOLDT

SUBJECT: Executive Order No. 824

LONG BEACH

LOS ANGELES

The attached executive order provides interim guidelines for the acquisition of goods and services obtained through the use of California Multiple Award Schedule (CMAS), State Master Agreements, and non-competitively bid acquisition methods in compliance with the intent of the Governor's Executive Order D-55-02.

MARITIME ACADEMY

MONTEREY BAY

NORTHRIDGE

In accordance with policy of the California State University, the campus president has the responsibility for implementing executive orders where applicable and for maintaining the campus repository and index for all executive orders.

POMONA

SACRAMENTO

CR:pd

SAN BERNARDINO

Attachment

SAN DIEGO

SAN FRANCISCO

cc: Executive Vice Chancellor and Chief Academic Officer
Executive Vice Chancellor and Chief Financial Officer
General Counsel
Vice Presidents for Administration/Finance
Chancellor's Office Divisional Heads

SAN JOSE

SAN LUIS OBISPO

SAN MARCOS

SONOMA

STANISLAUS

THE CALIFORNIA STATE UNIVERSITY
Office of the Chancellor
401 Golden Shore
Long Beach, California 90802-4210
(562) 951-4700

Executive Order No.: 824
Title: Competitive Bidding of Goods and Services
Effective Date: June 27, 2002
Supersedes: No Prior Executive Order

This executive order is issued to provide interim guidelines for the acquisition of goods and services obtained through the use of California Multiple Award Schedule (CMAS), State Master Agreements, and non-competitively bid acquisition methods in compliance with the policy expressed in the Governor's Executive Order D-55-02.

Until rescinded, all contracts and procurements shall comply with the interim policies contained in this executive order. In the event of a conflict between policies contained in the California State University Policy Manual for Contracting and Procurement and this executive order, this executive order shall control.

All acquisitions, including those bid using CMAS and any State Master Agreement, shall comply with the following:

1. Except as otherwise provided, all acquisitions shall be competitively bid resulting in offers from three vendors including one small business, if available. If less than three offers are received, documentation of solicitation methods must be included with the contract documentation.
2. Bid threshold for non-information technology (IT) goods and services remains unchanged at \$50,000.
3. This executive order does not apply to agreements between a public agency and a CSU auxiliary organization authorized in Section 700 et. seq. of the Policy Manual for Contracting and Procurement.

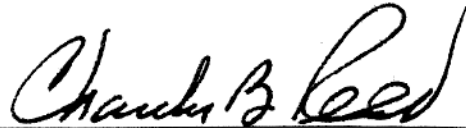
4. Sole source requests for acquisitions greater than \$100,000 must be forwarded to the Office of the Chancellor, Contract Services & Procurement, for review and approval by the Executive Vice Chancellor or designee.

Sole source requests for acquisitions \$100,000 or less must be approved by a campus authority no lower than Vice President for Administration/Finance.

5. IT goods and services purchased under CMAS or State Master Agreements are limited to purchases that do not exceed \$500,000.
6. Acquisition of non-IT goods under CMAS is limited to purchases that do not exceed \$100,000.
7. Non-IT services purchased under CMAS or State Master Agreements are limited to purchases that do not exceed \$250,000.
8. This executive order does not apply to contracts or procurements required to satisfy provisions of a settlement by the state of pending or anticipated litigation.
9. Exceptions to competitive bidding may only occur in the following instances:
 - a. State Master Agreement Orders for non-IT goods.
 - b. Orders from previously competitively bid CSU Master Enabling Agreements.
 - c. Contracts for essential services - Includes services determined to be critically necessary for the operation of the department or the delivery of services required to be provided by the department.
 - d. Contracts required for health and safety - Goods or services determined as necessary to preserve, protect or promote public health, including persons under the care or custody of the state; or necessary to preserve, protect or promote public safety.
 - e. Contracts in response to an emergency (Public Contract Code 1102) - A sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, property or essential public service.

(Note: In the event of an emergency, procurement procedures permit the immediate acquisition of necessary goods and services as needed, with necessary approvals and documentation to follow.)

- f. Avoidance of financial loss to the state - Goods and services necessary, as determined, to prevent the waste of state funds or resources, including, but not limited to:
- Failure to obtain will result in the loss of federal or other funding.
 - Failure to obtain will result in damage to or deterioration of state resources.
 - Failure to obtain will result in the interruption of essential state operations or programs.
 - Failure to obtain could expose the state to liability based on the risk of damage to the property of others.
 - Failure to obtain could expose the state to risk based on harm to the public.
 - Failure to obtain could result in the imposition of additional payments, penalties or fines.
- g. A sole source authorization has been obtained.



Charles B. Reed
Chancellor

Date: June 27, 2002