

## Administrative Policy No. 13.08

**Subject:** Operational (Purchased) Goods and Services

**Information Contact:** Director, Contracts, Legal, and Background Checks (CLBCS);  
Facilities, Finance, and Analytics Administration (FFAA)  
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**Authorizing Source:** [Chapter 39.26 RCW](#), Procurement of Goods and Services  
[State Administrative & Accounting Manual](#), Office of  
Financial Management (OFM)  
[Chapter 43.105 RCW](#), Office of the Chief Information  
Officer (OCIO)

**Resources:** [DSHS Annual Purchasing Delegation Memo](#)  
[Purchasing SharePoint Page](#)  
[TRACKS System Access](#)  
[DES Direct Buy Purchases Policy - POL-DES-125-03](#)

**Effective Date:** March 1, 1997

**Revised:** August 31, 2021

**Approved By:** Original signed by Dana Phelps  
Deputy Chief of Staff

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### Purpose

This policy provides general requirements to ensure all DSHS offices make purchases of operational goods and services in compliance with state law, Department of Enterprise Services (DES), and DSHS policy.

### Scope

This policy applies to all DSHS offices that purchase operational goods and services governed by [chapter 39.26 RCW](#) and [chapter 43.105 RCW](#).

This policy **does not** apply to contracts governed by Central Contract and Legal Services, [DSHS Administrative Policy 13.10](#), under [Chapter 39.26 RCW](#) and [Chapter 43.105 RCW](#), such as operational contracts other than purchase orders, client services, and interagency agreements.

## Definitions

**Central Purchasing Unit (CPU)** – The organizational unit within FFAA that receives delegated purchasing authority from the Department of Enterprise Services (DES) and is responsible for ensuring compliance with state procurement law (RCW). CPU delegates limited purchasing authority to DSHS offices, owns the TRACKS e-Purchasing system, sets agency-level policy and procedures, manages competitive procurements and provides consultation regarding the purchase of operational goods and services.

**Certified businesses** – The Office of Minority and Women’s Business Enterprises (OMWBE) certifies small businesses owned and controlled by minority, women, and socially and economically disadvantaged persons to increase contracting opportunities with state and local governments.

**Consolidated Business Services (CBS)** – The organizational units within FFAA that provide business services to DSHS institutions and field offices, as described in a service level agreement between the CBS and the administration.

**Cost center** – A two-digit number in the TRACKS e-Purchasing system that identifies a DSHS administration, division, CBS location, specific program, or council.

**Delegated authority** – The purchasing authority that DES delegates to DSHS with dollar amount limitations for purchasing operational goods and services.

**Department of Enterprise Services (DES)** – The authorizing state agency granted authority under [chapter 39.26 RCW](#) to set statewide procurement, purchasing, and contracting requirements and to grant delegated authority to individual state agencies.

**DES master contract** – A contract procured by DES that requires state agency usage under DES policy. Dependent upon the process outlined by DES in the master contracts, state agencies may acquire goods or services directly from the contracted vendor.

**DSHS annual purchasing delegation memo** – A memo issued by the assistant secretary of FFAA outlining the purchasing authority delegated by the CPU to DSHS offices for a specific fiscal year.

**DSHS contract** – Contract is a legally binding written agreement between DSHS and another entity, public or private, for the provision of goods or services.

**Operational goods and services** – The equipment, supplies, and services necessary to accomplish routine, continuing, and necessary day-to-day business operations.

- Examples of non-IT operational goods and services include, but are not limited to, desks, tables, chairs, office supplies, tools, consumable inventory, medical equipment, conferences, training, professional licenses, pest management services, elevator maintenance, security guard services, and courier services.
- Examples of IT operational goods and services include but are not limited to, computer equipment, software and licenses, telecommunications equipment, wireless devices, data processing, programming and analysis, equipment repair, hardware and software maintenance, and LAN support. [Chapter 43.105 RCW](#) establishes some requirements for IT goods and services.

**Physical address (location/sub-location) code** – A nine-digit alphanumeric code in the TRACKS system that represents an organizational entity at a specific geographical site.

**Purchase order (PO)** – The DSHS formal purchasing document generated by the TRACKS e-Purchasing system for the purchase of operational goods or services. A PO includes standard terms and conditions to best limit risk and protect DSHS, and becomes a legally binding contract once the vendor has accepted the PO.

**Purchase request (PR)** – A form generated from the TRACKS e-Purchasing system, used to initiate a request for the purchase of operational goods and services.

**Purchasing coordinator** – The identified person responsible for purchasing compliance within a cost center. This person acts as a liaison between the CPU and their cost center, manages purchasing activity and TRACKS e-Purchasing system access for their cost center.

**Purchasing initiator** – Initiators can create purchase requests (PR's) but cannot create PO's.

**Purchasing representative** – The DSHS employee who works with purchasing coordinator(s) to initiate PRs and generate POs, for designated locations or offices.

**TRACKS e-Purchasing** – The official electronic purchasing system used within DSHS to create purchase orders to track agency purchases and monitor compliance with delegated authorities.

## **Policy Requirements**

### **A. All DSHS offices who purchase operational goods and services must:**

1. Purchase within the DSHS limited delegated purchasing authority as set forth in the [DSHS Annual Purchasing Delegation Memo](#).
2. Use the TRACKS e-Purchasing system to process all purchases of operational goods

and services using a purchase order.

3. Submit a purchase request via TRACKS e-Purchasing to CPU for all purchases exceeding an office's limited delegated authority, as outlined in the [DSHS Annual Purchasing Delegation Memo](#).
4. Ensure all purchase orders for operational services include clear, specific, and measurable [performance-based contracting](#) requirements per [RCW 39.26.180\(3\)](#) for the service(s) requested.
5. Ensure all purchases of IT operational goods and services comply with all requirements listed in the [DSHS IT Standards Manual](#) along with a completed and approved [Information Technology Acquisition Request \(ITAR\)](#).
6. Work with the labor relations office within the DSHS human resources division to ensure compliance with [RCW 41.06.142](#) prior to contracting for any services customarily and historically provided by employees in the classified service.
7. Increase participation of OMWBE certified and noncertified businesses, small businesses, microbusinesses, minibusinesses, or veteran-owned businesses. This aligns with the DSHS value of diversity and inclusion to optimally serve our clients.
  - a. Administrations must comply with chapter 39.19 RCW by developing strategies appropriate to their programs to ensure the opportunity for a certified or noncertified business, small business, microbusiness, minibusiness, or veteran-owned business to participate in competitive solicitations and contracts.
  - b. Each administration shall keep records sufficient to document certified and noncertified business, small business, microbusiness, minibusiness, or veteran-owned business participation for any client service competitive solicitations coordinated without CCLS assistance.
  - c. In coordination with CCLS or the CPU, each administration must develop procedures to determine after the award of a contract whether the contractor qualifies as a certified or noncertified business.
  - d. Each administration may purchase goods and services up to a cost of \$30,000 directly from a vendor without competition. Administrations may also purchase goods and services up to a cost of \$40,000 (excluding sales tax) directly from a vendor and without competition if this purchase is being made from a small business or veteran-owned business. Purchases must be made in compliance with DES Policy 125-03 and RCW 39.26.125.
8. Provide notice to certified and noncertified businesses:
  - a. For all competitive solicitations, the coordinating office, whether CCLS or CPU, is responsible for:
    - i. Posting the solicitation on the Department of Enterprise Services'

Washington Electronic Business Solution (WEBS), at <https://pr-webs-customer.des.wa.gov/>.

- ii. Sending a copy of the competitive solicitation notice letter for further distribution to: the Office of Minority and Women's Business Enterprises; the governor's ethnic minority commissions; the DSHS office of diversity and inclusion; and others deemed appropriate by the administration, CCLS, or CPU. This solicitation notice letter is not required for competitive solicitations using a Department of Enterprise Services' second-tier master contract with a predetermined bidder pool.
  - iii. Posting the solicitation notice on the CCLS Procurements and Contracting website, at <https://www.dshs.wa.gov/ffa/procurements-and-contracting>.
- b. Where the administration determines it is feasible and CCLS or CPU determines that additional notice is advisable to reach a larger pool of potential vendors, CCLS or CPU may advertise in other publications, including but not limited to minority-targeted publications, community-based publications, or daily newspapers in the area being served.

**B. DSHS administrations must:**

1. Designate one or more purchasing coordinators to manage their cost center for the purchase of operational goods and services.
2. Assign purchasing coordinators at the cost center level.
3. Notify CPU within five (5) business days if a purchasing coordinator assignment changes by completing and submitting a [TRACKS system access request](#).

**C. Purchasing coordinators must:**

1. Complete required training identified on the [CPU SharePoint](#) site and listed below within 90 days of receiving purchasing coordinator level access to the TRACKS e-Purchasing system.
  - a. [DSHS Delegated Authorities and E-Purchasing Basics training provided by CPU](#).
  - b. [DES WA-State Small Purchases](#), available through The Learning Center.
  - c. [DES WA-State Procurement Ethics](#), available through The Learning Center.
2. Attend quarterly purchasing coordinator meetings, or send a designated representative.
3. Complete the annual [CPU Purchasing Refresher](#) training at least once a year, thereafter.
4. Submit a TRACKS system access request to CPU within five (5) business days of purchasing representative assignment changes.

5. Ensure new purchasing representatives complete required training listed below, within 90 days of receiving purchasing representative level access to the TRACKS e-Purchasing system.
  - a. [DSHS Delegated Authorities and E-Purchasing Basics training provided by CPU](#)
  - b. [DES WA-State Small Purchases, available through TLC](#)
  - c. [DES WA-State Procurement Ethics, available through TLC](#)
6. Ensure purchasing representatives complete the annual [CPU Purchasing Refresher](#) training at least once a year, thereafter.
7. Ensure purchasing representatives understand and comply with current purchasing rules and delegations.

**D. Central Purchasing Unit (CPU) must:**

1. Provide centralized oversight of purchasing activity and the TRACKS e-Purchasing system to ensure compliance with sections A through C of this policy.
2. Manage all TRACKS system access requests completed for all TRACKS e-Purchasing profile additions, modifications, and deletions. Initiators do not require a TRACKS system access request to establish a profile in the e-Purchasing system.
3. CPU reserves the right to require additional training for staff, remove a staff's TRACKS e-Purchasing access, or take other actions management deems necessary in response to serious or repeated non-compliance with state procurement law (RCW), OFM, DES, and DSHS policies or procedures.

**Roles and responsibilities**

**A. DSHS administrations**

1. Submit completed TRACKS System Access form to request, modify, or remove access to the TRACKS e-Purchasing system for purchasing coordinators within their cost center.

**B. Purchasing coordinators**

1. Submit completed TRACKS access request to establish, modify, or remove access to the TRACKS e-Purchasing system for users within their cost center.
2. Act as liaison between CPU and purchasing representatives within their cost center.
3. Assign PRs to purchasing representatives, if applicable.

4. Generate POs from initiated PRs upon approval by supervisor or designated program staff, fiscal officer, and division director, when appropriate.
5. Act as CPU's main point-of-contact for non-compliant issues within their cost center.
6. Understand the TRACKS e-Purchasing process.

**C. Purchasing representatives**

1. Initiate purchase requests (PRs) in the TRACKS e-Purchasing system and generate purchase orders (POs) upon approval by supervisor or designated program staff, fiscal officer, and division director, when appropriate.
2. Communicate any issues or concerns with their CBS or purchasing coordinator and keep the coordinator apprised of changes, as necessary.
3. Follow guidance provided by the CBS and purchasing coordinator.
4. Act as a resource for the field staff who initiate PRs.
5. Obtain necessary documentation to support their purchases, which includes, but is not limited to, estimates, product specifications, ITARs, meals with meetings forms, etc.

**D. Fiscal officer or division director**

1. Receives notification from CBS, HQ, or administration to review purchases for compliance and to grant program approvals or denials for the procurement of operational goods and services.
2. Can add comments into the purchase request for additional information

**E. Purchasing initiator or reviewer**

1. Initiators may create purchase requests (PRs) but cannot create purchase orders.
2. Initiators may send the PR for initial review to any staff they designate, this could be an immediate supervisor or designated reviewer for the initial approval.
3. Reviewers may review and approve a purchase request (PR) but may not create a purchase order.

**F. Central Purchasing Unit**

1. Act as the DSHS liaison with DES for the acquisition of operational goods and services as governed by [Chapter 39.26 RCW](#).
2. Collaborate with central contracts and legal services to prepare a response to the DES risk assessment to assess and determine the risk of DSHS purchasing and procurement actions.
3. Determine limited delegated authority for DSHS offices and annually release the [DSHS Annual Purchasing Delegation Memo](#).
4. Grant access to the TRACKS e-Purchasing system after receiving appropriate approvals on a TRACKS system access request. Act as a liaison with DSHS HQ IT support for TRACKS updates and modifications.
5. Ensure that purchasing coordinators and purchasing representatives complete required training within 90 days of receiving TRACKS e-Purchasing system access.
6. Act as DSHS subject matter experts regarding procurement of operational goods and services and the TRACKS e-Purchasing system. Provide intranet resources, training, technical assistance, and consultation services to DSHS offices.
7. Manage the competitive procurement of operational goods and services exceeding the limited authority delegated to DSHS offices.
8. Respond to customer inquiries on risky or complex operational goods and services and determine if an office should process the acquisition under a purchase order or a DSHS contract.
9. Monitor compliance with [chapter 39.26 RCW](#), this administrative policy, the [DSHS Annual Purchasing Delegation Memo](#), and the CPU SharePoint purchasing rules and procedures on a daily basis through order review.
  - a. Communicate to the purchasing representative or purchasing coordinator and their supervisor any non-compliance issues.
  - b. Track non-compliant purchases to monitor DSHS overall rate of compliance with [RCW](#), OFM, DES, and DSHS policies.