

1 STATE OF OKLAHOMA

2 1st Session of the 51st Legislature (2007)

3 SENATE BILL 831

By: Laster

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5
6 AS INTRODUCED

7 An Act relating to state government; amending 74 O.S.
8 2001, Sections 85.5, as last amended by Section 126,
Chapter 1, O.S.L. 2005, Section 26, Chapter 467,
9 O.S.L. 2005, and 85.7, as last amended by Section 2,
Chapter 309, O.S.L. 2004, (74 O.S. Supp. 2006,
10 Sections 85.5, 85.5a, and 85.7), which relate to the
powers and duties of the state purchasing director,
11 the state purchase card, and competitive bid or
proposal procedures; modifying certain transaction
12 amount; stating procedures; making split-purchasing
on a purchase card a felony; and providing an
13 effective date.

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15 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

16 SECTION 1. AMENDATORY 74 O.S. 2001, Section 85.5, as
17 last amended by Section 126, Chapter 1, O.S.L. 2005 (74 O.S. Supp.
18 2006, Section 85.5), is amended to read as follows:

19 Section 85.5 A. Pursuant to the provisions of Section 85.4 of
20 this title, the State Purchasing Director, under the supervision of
21 the Director of the Department of Central Services, shall have sole
22 and exclusive authority and responsibility for all acquisitions used
23 or consumed by state agencies.

1 B. The State Purchasing Director, after consultation with the
2 requisitioning state agency, shall have authority to determine the
3 particular brand, model, or other specific classification of each
4 acquisition and to draft or invoke pursuant to the Oklahoma Central
5 Purchasing Act specifications establishing the requirements for all
6 necessary contracts or purchase orders.

7 C. The Director of the Department of Central Services shall
8 have authority and responsibility to promulgate rules pursuant to
9 provisions of the Oklahoma Central Purchasing Act governing,
10 providing for, prescribing, or authorizing any act, practice, or
11 requirement for which regulatory power is delegated for:

12 1. The time, manner, authentication, and form of making
13 requisitions for acquisitions;

14 2. Inspection, analysis, and testing of acquisitions or samples
15 suppliers submit prior to contract award;

16 3. The form and manner of submission for bids or proposals a
17 supplier submits and the manner of accepting and opening bids or
18 proposals;

19 4. The conditions under which the Department of Central
20 Services shall require written contracts for acquisitions, the
21 conditions under which acquisitions may be made on an open account
22 basis, and the conditions and manner of negotiating such contracts;

23 5. Obtaining acquisitions produced by state institutions;
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1 6. Conditions under which any of the rules herein authorized
2 may be waived;

3 7. The amounts of and deposits on any bond required to be
4 submitted with a bid or contract for the furnishing of acquisitions
5 and the conditions under which such bond shall be required;

6 8. Storage and storage facilities necessary to accomplish
7 responsibilities of the Director of the Department of Central
8 Services;

9 9. The manner and conditions of delivery, which shall include
10 the designation of the common carrier of property to be used to
11 transport acquisitions whenever a common carrier is used, and the
12 acceptance, or rejection, including check of quantities, of any
13 acquisitions;

14 10. The form of any estimate, order, or other document the
15 Director of the Department of Central Services requires;

16 11. State agency acquisitions not exceeding the acquisition
17 purchase amount requiring competitive bid pursuant to Section 85.7
18 of this title to ensure competitiveness, fairness, compliance with
19 provisions of all sections of the Oklahoma Central Purchasing Act,
20 and compliance with provisions of Section 3001 et seq. of this
21 title, which relate to the State Use Committee. The rules shall
22 include separate provisions based on acquisition purchase price as
23 follows:

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1 a. state agencies shall make acquisitions not exceeding
2 Two Thousand Five Hundred Dollars (\$2,500.00),
3 provided the acquisition process is fair and
4 reasonable and is conducted pursuant to rules
5 authorized pursuant to this section, and

6 b. state agencies with certified procurement officers and
7 internal purchasing procedures found compliant by the
8 Director of the Department of Central Services
9 pursuant to this section may make acquisitions in
10 excess of Two Thousand Five Hundred Dollars
11 (\$2,500.00) as provided below:

12 (1) acquisitions with a price exceeding Two Thousand
13 Five Hundred Dollars (\$2,500.00) and not
14 exceeding Ten Thousand Dollars (\$10,000.00),
15 pursuant to rules authorized by this section, and

16 (2) acquisitions with a price exceeding Ten Thousand
17 Dollars (\$10,000.00) and not exceeding the amount
18 requiring a requisition to the State Purchasing
19 Director, pursuant to Section 85.7 of this title,
20 by telephone, facsimile, invitation to bid, or
21 solicitation by means of electronic commerce,
22 receipt of bids and bid award by the state
23 agency;

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1 12. Training by the State Purchasing Director of state agency
2 procurement officers;

3 13. Review and audit by the State Purchasing Director of state
4 agency acquisitions;

5 14. The conditions for increasing acquisition limits for state
6 agencies which have had a prior reduction in acquisition limit by
7 the Director of the Department of Central Services;

8 15. State agency use of a state purchase card to make
9 acquisitions; and

10 16. Any other matter or practice which relates to the
11 responsibilities of the Director of the Department of Central
12 Services.

13 D. The State Purchasing Director shall provide training for
14 state agency purchasing officials and other purchasing staff. The
15 training shall include principles of state procurement practices,
16 basic contracting, provisions of the Oklahoma Central Purchasing
17 Act, rules promulgated pursuant to the Oklahoma Central Purchasing
18 Act, provisions of Section 3001 et seq. of this title, which relate
19 to the State Use Committee, and any other matters related to state
20 procurement practices. State agency purchasing officials that
21 demonstrate proficiency shall be certified as "certified procurement
22 officers" by the State Purchasing Director and shall be authorized
23 to make acquisitions pursuant to provisions of the Oklahoma Central
24 Purchasing Act and rules authorized by this section. The State

1 Purchasing Director shall assess a fee to state agencies for the
2 training that does not exceed each state agency's pro rata share of
3 the costs the State Purchasing Director incurs to provide the
4 training.

5 E. The State Purchasing Director shall review state agency
6 acquisitions for the purposes of:

7 1. Ensuring state agency compliance with provisions of the
8 Oklahoma Central Purchasing Act;

9 2. Ensuring state agency compliance with rules promulgated by
10 the Department of Central Services pursuant to the Oklahoma Central
11 Purchasing Act;

12 3. Ensuring state agency compliance with provisions of Section
13 3001 et seq. of this title pertaining to the State Use Committee;

14 4. Reporting any acquisition by any state agency found not to
15 be in compliance with those sections or rules to the Director of the
16 Department of Central Services; and

17 5. Recommending that the Director of the Department of Central
18 Services reduce the acquisition competitive bid limit amount for any
19 state agency found not to be in compliance with the Oklahoma Central
20 Purchasing Act or rules promulgated thereto.

21 F. When recommended by the State Purchasing Director, based on
22 written findings by the State Purchasing Director, the Director of
23 the Department of Central Services may:

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1 1. Require retraining of state agency procurement officials and
2 other purchasing staff found not to be in compliance with provisions
3 of the Oklahoma Central Purchasing Act, or rules promulgated
4 pursuant to the Oklahoma Central Purchasing Act;

5 2. Reduce the acquisition competitive bid limit for any state
6 agency found not to be in compliance with provisions of the Oklahoma
7 Central Purchasing Act or rules promulgated pursuant to the Oklahoma
8 Central Purchasing Act;

9 3. Transmit written findings by the State Purchasing Director
10 to the State Auditor and Inspector for further investigation,
11 indicating purchasing procedures that do not conform to provisions
12 pursuant to the Oklahoma Central Purchasing Act or rules promulgated
13 pursuant to the Oklahoma Central Purchasing Act;

14 4. Transmit to the Attorney General or the State Auditor and
15 Inspector for further investigation a report made by the State
16 Purchasing Director that the Director of the Department of Central
17 Services reasonably believes indicates that an action that
18 constitutes a criminal violation pursuant to the Oklahoma Central
19 Purchasing Act or other laws has been taken by any state agency,
20 state agency official, bidder, or supplier; or

21 5. Increase the state agency acquisition purchase amount
22 requiring competitive bid, not to exceed the acquisition purchase
23 amount requiring competitive bid, pursuant to Section 85.7 of this
24 title.

1 G. 1. Pursuant to the requirements of the Oklahoma Central
2 Purchasing Act, the State Purchasing Director shall have authority
3 to enter into any statewide, multistate or multigovernmental
4 contract. The state entity designated by law, as specified in
5 Section 1010.3 of Title 56 of the Oklahoma Statutes, shall
6 participate in the purchase of pharmaceuticals available through
7 such multistate or multigovernmental contracts entered into by the
8 State Purchasing Director.

9 2. The State Purchasing Director may utilize contracts awarded
10 by other governmental agencies, including agencies of the United
11 States of America.

12 3. The State Purchasing Director may designate contracts
13 described in this subsection for use by state agencies.

14 H. The State Purchasing Director may develop and test new
15 contracting policies and procedures that hold potential for making
16 the Purchasing Division more effective and efficient.

17 I. The State Purchasing Director shall endeavor to satisfy state
18 agencies in terms of cost, quality, and timeliness of the delivery
19 of acquisitions by using bidders who have a record of successful
20 past performance, promoting competition, minimizing administrative
21 operating costs, and conducting business with integrity, fairness,
22 and openness.

23 J. The State Purchasing Director shall undertake the following:
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- 1 1. The use of electronic commerce pursuant to the Oklahoma
2 Online Bidding Act for solicitation, notification, and other
3 purchasing processes;
- 4 2. Monitoring rules promulgated pursuant to the Oklahoma
5 Central Purchasing Act to ensure that the rules, satisfy the
6 interests of the state, are clear and succinct, and encourage
7 efficiency in purchasing processes;
- 8 3. A program to identify vendors with poor delivery and
9 performance records;
- 10 4. Development of criteria for the use of sealed bid
11 contracting procedures, negotiated contracting procedures, selection
12 of types of contracts, postaward administration of purchase orders
13 and contracts, contract modifications, termination of contracts, and
14 contract pricing;
- 15 5. Continual improvement in the quality of the performance of
16 the Purchasing Division through training programs, management
17 seminars, development of benchmarks and key management indicators,
18 and development of standard provisions, clauses and forms;
- 19 6. Development of electronic means of making state agencies
20 aware of office furniture, equipment, machinery, tools, and hardware
21 available for purchase from the surplus property programs; and
- 22 7. Development of programs to improve customer relations
23 through training, improved communications, and appointment of
24 technical representatives.

1 K. The State Purchasing Director shall, in cooperation with the
2 Oklahoma Department of Agriculture, Food, and Forestry, identify the
3 needs of state agencies and institutions for agricultural products
4 grown and produced in Oklahoma.

5 L. The State Purchasing Director may authorize state agencies
6 to utilize a state purchase card for acquisitions on statewide
7 contracts issued by the State Purchasing Director with no limit on
8 the amount of the transaction. For any other transaction with a
9 state purchase card, the transaction shall not exceed ~~Two Thousand~~
10 ~~Five Hundred Dollars (\$2,500.00)~~ Five Hundred Dollars (\$500.00)
11 subject to the following:

12 1. The state agency purchase approving officer shall approve
13 all transactions made by the cardholder, including food, prior to
14 the actual transaction;

15 2. The cardholder shall provide to the approving officer a
16 receipt from the vendor giving an itemized and detailed description
17 of the purchase; and

18 3. The approving officer shall transmit an electronic report of
19 each transaction to the Office of the State Auditor and Inspector.
20 The report shall include the date, the vendor, item description,
21 amount and purpose of each transaction.

22 M. The State Purchasing Director may utilize and authorize
23 state agencies to utilize reverse auctions to obtain acquisitions.
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1 N. Prior to the award of a contract to a supplier, the State
2 Purchasing Director shall verify, pursuant to applicable provisions
3 of law, that the supplier is eligible to do business in the State of
4 Oklahoma by confirming registration with the Secretary of State and
5 franchise tax payment status pursuant to Sections 1203 and 1204 of
6 Title 68 of the Oklahoma Statutes. The provisions of this
7 subsection shall be applicable only if the contract amount is
8 Twenty-five Thousand Dollars (\$25,000.00) or greater.

9 O. As a condition of awarding a contract pursuant to the
10 Oklahoma Central Purchasing Act, the State Purchasing Director shall
11 verify with the Oklahoma Tax Commission that the business entity to
12 which the state contract is to be awarded, whether subject to the
13 procedures required by Section 85.7 of this title or not, has
14 obtained a sales tax permit pursuant to the provisions of Section
15 1364 of Title 68 of the Oklahoma Statutes if such entity is required
16 to do so.

17 P. The State Purchasing Director is hereby authorized to
18 explore and investigate cost savings in energy, resource usage, and
19 maintenance contracts and to identify and negotiate contract
20 solutions including, but not limited to, pilot projects to achieve
21 cost savings for the State of Oklahoma.

22 Q. The Department of Central Services may finance a new heat
23 and air system for the State Capitol.

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1 R. The Office of State Finance, with input from the State
2 Purchasing Director, shall promulgate payment procedure rules for
3 state agencies to adhere to regarding statewide contracts issued by
4 the State Purchasing Director.

5 S. The Office of State Finance along with the Department of
6 Central Services, Central Purchasing Division, shall promulgate
7 payment procedure rules for agencies to adhere to regarding
8 statewide contracts issued by the Division.

9 SECTION 2. AMENDATORY Section 26, Chapter 467, O.S.L.
10 2005 (74 O.S. Supp. 2006, Section 85.5a), is amended to read as
11 follows:

12 Section 85.5a The State Purchasing Director may authorize
13 personnel assigned to the Office of Global Business Services of the
14 Department of Commerce, upon a finding by the Secretary of Commerce
15 that such personnel have a legitimate need therefore, to utilize a
16 state purchase card for acquisitions for programs, functions or
17 services essential to the mission of the agency while traveling on
18 Department of Commerce business in foreign locations with
19 transaction limits not to exceed ~~Thirty-five Thousand Dollars~~
20 ~~(\$35,000.00)~~ Five Hundred Dollars (\$500.00). The purchase
21 cardholders are required to sign a purchase card agreement prior to
22 becoming a cardholder and to attend purchase card procedure
23 training. The Department of Commerce will conduct quarterly
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1 internal auditing on all purchase card transactions associated with
2 business and travel in foreign locations.

3 SECTION 3. AMENDATORY 74 O.S. 2001, Section 85.7, as
4 last amended by Section 2, Chapter 309, O.S.L. 2004 (74 O.S. Supp.
5 2006, Section 85.7), is amended to read as follows:

6 Section 85.7 A. 1. Except as otherwise provided by the
7 Oklahoma Central Purchasing Act, no state agency shall make an
8 acquisition for an amount exceeding Twenty-five Thousand Dollars
9 (\$25,000.00) without submission of a requisition to the State
10 Purchasing Director and submission of suppliers' competitive bids or
11 proposals to the State Purchasing Director.

12 2. Any acquisition a state agency makes shall be made pursuant
13 to the Oklahoma Central Purchasing Act and rules promulgated
14 pursuant thereto.

15 a. Split purchasing, including the use of a purchase
16 card, for the purpose of evading the requirement of
17 competitive bidding shall be a felony.

18 b. The State Purchasing Director may waive or increase
19 the limit of Twenty-five Thousand Dollars (\$25,000.00)
20 for a state agency acquisition by not more than ten
21 percent (10%) to perfect an otherwise valid
22 acquisition inadvertently exceeding the limit due to
23 administrative error by the state agency or
24 unforeseeable circumstances. The state agency shall

1 request a waiver upon the discovery of the error or
2 circumstance to the State Purchasing Director on a
3 form the Director requires.

4 c. The State Purchasing Director shall report all
5 requests for waivers or increases, stating the amount
6 and whether the request was granted or denied, monthly
7 to the Governor, President Pro Tempore of the Senate,
8 and Speaker of the House of Representatives.

9 3. a. Contracts for master custodian banks or trust
10 companies, investment managers, investment
11 consultants, and actuaries for the state retirement
12 systems, CompSource Oklahoma, State and Education
13 Employees Group Insurance Board, pension fund
14 management consultants of the Oklahoma State Pension
15 Commission and the Commissioners of the Land Office,
16 and other professional services as defined in Section
17 803 of Title 18 of the Oklahoma Statutes shall be
18 exempt from competitive bidding procedures of Section
19 85.4 of this title.

20 b. Contracts with financial institutions to act as
21 depositories and managers of the Oklahoma College
22 Savings Plan accounts shall be exempt from competitive
23 bidding procedures.

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1 c. A state agency that makes an acquisition pursuant to
2 this paragraph shall notify the State Purchasing
3 Director within fifteen (15) days following completion
4 of the acquisition. The Department of Central
5 Services shall compile a list of the exempt contracts
6 and send the list to a member of the Appropriations
7 and Budget Committee of the House of Representatives
8 or Appropriations Committee of the Senate, if the
9 member requests.

10 4. Requisitions pursuant to this section shall not be required
11 prior to emergency acquisitions by a state agency not exceeding
12 Thirty-five Thousand Dollars (\$35,000.00). The state agency shall
13 submit a requisition to the State Purchasing Director within five
14 (5) days following the acquisition together with a statement of the
15 emergency. The State Purchasing Director shall send the requisition
16 and a written analysis to the Governor, the President Pro Tempore of
17 the Senate, and the Speaker of the House of Representatives
18 specifying the facts and circumstances giving rise to the emergency
19 requisition.

20 5. Requisitions pursuant to this section for acquisitions to
21 alleviate a serious environmental emergency shall not be required
22 if, upon receiving a request from the Chair of the Corporation
23 Commission and after having examined the facts and circumstances of
24 the case, the Governor certifies in writing the existence of a

1 serious environmental emergency. For the purposes of this section,
2 "serious environmental emergency" means a situation within the
3 jurisdiction of the Commission:

- 4 a. in which serious damage to the environment will
5 quickly occur if immediate action is not taken and the
6 damage will be so significant that the urgent need for
7 action outweighs the need for competitive bids, or
- 8 b. a situation in which human life or safety is in
9 imminent danger or significant property interests are
10 threatened with imminent destruction.

11 6. Acquisitions for repairs of equipment in emergencies, of
12 livestock through a market agency, dealer, commission house, or
13 livestock auction market bonded or licensed under federal or state
14 law, the purchase or collection of semen or embryos, and the
15 placement of embryos into recipient livestock shall not require
16 requisitions pursuant to this section or any other provisions of the
17 Oklahoma Central Purchasing Act.

18 7. The Board of Directors of the Oklahoma Historical Society
19 shall select suppliers for the restoration of historical sites and
20 museums and shall not be subject to the requisition requirements of
21 this section or any other provision of the Oklahoma Central
22 Purchasing Act. The Board may send a requisition to the State
23 Purchasing Director and request supplier bid or proposal submission
24 procedures, but supplier and bid selection will be the prerogative

1 of the Board and will be based on contractors' documented
2 qualifications and experience.

3 8. Purchases of postage by state agencies shall be made
4 pursuant to Sections 90.1 through 90.4 of this title.

5 9. Sole source or sole brand acquisitions by a state agency or
6 the State Purchasing Director shall comply with Section 85.45j of
7 this title.

8 10. Acquisitions for the design, development, communication, or
9 implementation of the state employees flexible benefits plan shall
10 not be subject to the requirements of this section; provided, that
11 the Flexible Benefits Advisory Council shall use procedures
12 consistent with the competitive bid requirements of the Oklahoma
13 Central Purchasing Act.

14 11. a. Any acquisition of a service which the Department of
15 Central Services has approved as qualifying for a
16 fixed and uniform rate shall be made pursuant to
17 provisions of this paragraph.

18 b. The Department of Central Services shall establish
19 criteria and guidelines for those services which may
20 qualify for a fixed and uniform rate.

21 c. Fixed and uniform rate contracts authorized by this
22 paragraph shall be limited to contracts for those
23 services furnished to persons directly benefiting from
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1 such services and shall not be used by a state agency
2 to employ consultants or to make other acquisitions.

3 d. Any state agency desiring to have a service qualified
4 for a fixed and uniform rate shall make a request for
5 service qualification to the Department of Central
6 Services and submit documentation to support the
7 request. The Department of Central Services shall
8 approve or deny the request. If the Department of
9 Central Services approves the request, the state
10 agency shall establish a fixed and uniform rate for
11 the service. No contracts shall be entered into by
12 the state agency until the rate has been approved by
13 the state agency in a public hearing. The proposed
14 rate shall be clearly and separately identified in the
15 agenda of the state agency for the hearing and shall
16 be openly and separately discussed during such
17 hearing. The state agency shall notify the Director
18 of the Department of Central Services of its pending
19 consideration of the proposed rate at least thirty
20 (30) days before the state agency is to meet on the
21 proposed rate. The state agency shall deliver to the
22 Director of the Department of Central Services a copy
23 of the agenda items concerning the proposed rate with
24 supporting documentation. The Director of the

1 Department of Central Services shall communicate any
2 observation, reservation, criticism, or recommendation
3 to the agency, either in person at the time of the
4 hearing or in writing delivered to the state agency
5 before or at the time of the hearing. The Director of
6 the Department of Central Services shall specifically
7 note in the written communications whether the
8 Director of the Department of Central Services has
9 determined the rate to be excessive. Any written
10 communication presented in the absence of the Director
11 of the Department of Central Services shall be
12 presented orally during the public hearing. Whether
13 made in person or in writing, any comment made by the
14 Director of the Department of Central Services shall
15 be made a part of the minutes of the hearing in full.

16 e. Within two (2) weeks after the convening of the
17 Legislature, the administrative officer of the state
18 agency shall furnish to the Speaker of the House of
19 Representatives, the President Pro Tempore of the
20 Senate and to any member of the House or Senate, if
21 requested by the member, a complete list of all of the
22 types of services paid for by uniform fixed rates, the
23 amount of the rate last approved by the agency for the
24 service, and the number of contracts then in existence

1 for each type of service. Any rate which has been
2 determined to be excessive by the Director of the
3 Department of Central Services shall be specifically
4 identified in the list by the state agency.

5 f. At any time, the Director of the Department of Central
6 Services may review, suspend, or terminate a contract
7 entered into pursuant to the provisions of this
8 paragraph if the Director of the Department of Central
9 Services determines the contract is not necessary, is
10 excessive, or is not justified.

11 12. Specifically prescribed nonmedical adaptive technology-
12 related acquisitions for individuals with disabilities who are
13 clients of the State Department of Rehabilitation Services and which
14 are prescribed by a physician, rehabilitation engineer, qualified
15 rehabilitation technician, speech therapist, speech pathologist,
16 occupational therapist, physical therapist, or qualified sensory
17 aids specialist, and other client acquisitions, shall not be subject
18 to the requisition requirements of this section. The Commission for
19 Rehabilitation Services shall develop standards for the purchase of
20 such acquisitions and may elect to utilize the Purchasing Division
21 for an acquisition. The standards shall foster economy, provide a
22 short response time, include appropriate safeguards, require written
23 records, ensure appropriate competition for economical and efficient
24 purchasing, and shall be approved by the State Purchasing Director.

1 13. The Department of Human Services shall develop procedures
2 for acquisitions of specifically prescribed nonmedical assistive
3 technology-related items not exceeding the acquisition purchase
4 amount requiring a requisition pursuant to this section for
5 individuals under sixteen (16) years of age who are recipients of
6 Supplemental Security Income which are prescribed by a physician,
7 qualified sensory aids specialist or qualified special education
8 instructor. The procedures shall reflect standards for the
9 acquisition of such nonmedical assistive technology-related items,
10 may provide for utilization of the Purchasing Division when
11 appropriate, shall foster economy, provide a short response time,
12 shall include appropriate safeguards and written records to ensure
13 appropriate competition and economical and efficient purchasing, and
14 shall be approved by the State Purchasing Director.

15 14. a. Structured settlement agreements entered into by the
16 Attorney General's office in order to settle any
17 lawsuit involving the state, the Legislature, any
18 state agency or any employee or official of the state
19 shall not be subject to the competitive bidding
20 requirements of this section if:

21 (1) prior to entering into any contract for the
22 services of an entity to administer a structured
23 settlement agreement, the Attorney General
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1 receives proposals from at least three entities
2 engaged in providing such services, and

3 (2) the selection of a particular entity is made on
4 the basis of the response to the request which is
5 the most economical and provides the most
6 competent service which furthers the best
7 interests of the state.

8 b. A list of any such structured settlement agreements
9 entered into by the Attorney General with summary
10 thereon for the previous calendar year shall be
11 submitted to the Speaker of the House of
12 Representatives and the President Pro Tempore of the
13 Senate on January 31 of each year.

14 15. Acquisitions a state agency makes pursuant to a contract
15 the State Purchasing Director enters into or awards and designates
16 for use by state agencies shall be exempt from competitive bidding
17 procedures.

18 16. The Commission on Marginally Producing Oil and Gas Wells
19 shall be exempt from the competitive bid requirements of this
20 section for contracts with local vendors for the purpose of holding
21 special events and exhibitions throughout the state.

22 17. Agreements entered into by any state agency with the United
23 States Army Corps of Engineers in order to provide emergency
24 response or to protect the public health, safety, or welfare shall

1 not require requisitions and shall not be subject to competitive
2 bidding requirements of this section.

3 B. Acquisitions shall be awarded to the lowest and best, or
4 best value, bidder at a specified time and place, which shall be
5 open to the public.

6 C. Bids for professional service contracts for an amount
7 requiring submission of requisitions to the State Purchasing
8 Director shall be evaluated by the State Purchasing Director and the
9 state agency contracting for such service. Both cost and technical
10 expertise shall be considered in determining the lowest and best, or
11 best value, bid. Further, the state agency shall present its
12 evaluation and recommendation to the State Purchasing Director. A
13 documented evaluation report containing the evaluations of the State
14 Purchasing Director and the state agency contracting for such
15 service shall be completed prior to the awarding of a professional
16 service contract and such report shall be a matter of public record.

17 D. When requested by CompSource Oklahoma, the State and
18 Education Employees Group Insurance Board, or the governing board of
19 a state retirement system authorized to hire investment managers,
20 the Department of Central Services shall assist the requesting body
21 in the process of selecting investment managers. When requested by
22 the Flexible Benefits Advisory Council, the Department of Central
23 Services shall assist the Council in the process of selecting

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1 contracts for the design, development, communication, or
2 implementation of the state employees flexible benefits plan.

3 E. Except as otherwise specifically provided by law, the
4 acquisition of food items or food products by a state agency from a
5 public trust created pursuant to Sections 176 through 180.56 of
6 Title 60 of the Oklahoma Statutes shall comply with competitive
7 bidding procedures pursuant to the provisions of this section.

8 SECTION 4. This act shall become effective November 1, 2007.

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