



Guam Power Authority

Standard Operating Procedure


Title: REQUISITION PROCESSING PROCEDURE
Number: SOP- 058
Effective Date:
Supersedes: 3/06/2014
Policy Owner: Procurement/Materials Management
Keywords:

Prepared by:  5/2/2024

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1.0 PURPOSE:

To provide the procedures to be followed in processing requisitions for purchases of material, supplies and services.

1.1 In general and as a policy, the procurement function of the Authority is regulated for practical purposes by the General Services Administration's procurement procedures. However, the Consolidated Commission on Utilities (CCU) holds Procurement Authority delegated to the GPA General Manager the procurement authority to serve as purchasing officer for the Authority pursuant to Public Law 26-76 upon the creation of the CCU and of the Guam Administrative Regulations (GAR).

2.0 SCOPE:

This procedure applies to all requisitions originating from all business/branch plants, end users' and/or sections within the Guam Power Authority.

3.0 **GENERAL:**

- 3.1 Purchase commitments shall not be made unless it has been determined (by the delegating procurement officer) that good procurement practices, consistent with applicable Guam Procurement Regulations are met. Under no circumstances shall any division manager/section head, outside of GPA Procurement, directly place an order with any vendor for equipment, materials, supplies, services, and construction.
- 3.1.1 Orders placed by the Procurement Division shall only be made after the review by the requesting division manager and/or designee that quotes received are true, correct and meets requirements.
- Below \$25,000 “Small Purchase” (equipment, materials, supplies, and services) **(ref. P.L. 34-35, 2GAR § 3111 (c))**
 - Below \$100,000 “Construction” (small purchase) **(ref. P.L. 34-35, 2GAR 3111 (d))**

NOTE: Procurement over 500k threshold shall be submitted to Office of Attorney General (OAG), all phases of procurement for acquisitions: **(ref. P.L. 30-072, P.L. 30-157, 5GCA 5150)**

- Phase I- Planning and Drafting
- Phase II- Solicitation and Bidding
- Phase III- Opening and Evaluation Bids
- Phase IV- Decision to Award and Contract Signing

- 3.2 In good practice, information shall not be released Authority Wide to the general public, prior to Advertisement of issuing Invitation for Bid (IFB), Multi- Step Invitation for Bid (MS-IFB), Request for Proposal (RFP), Invitation to Bid, Request for Information (RFI).
- 3.2.1 All inquiries from potential suppliers must be received in writing and addressed appropriately to the purchasing officer and/or designee, in care of Supply Management Administrator (SMA).
- 3.3 Business/Branch Plants, Unit, End-User and/or Section:



All Guam Power Authority personnel tasked with generating an order requisition must be Module I- “Fundamentals and Principals of Procurement”, certified. **(ref. P.L. 32-131)**

Must provide specifications that are:

Enter a complete description of the goods and services as possible, include model numbers, part or catalog numbers, amps, voltage, horsepower, brand, size, catalog reference, color, equivalent substitute data, and dimensions. **BE GENERIC AS POSSIBLE**

Use specific descriptions, name plate date, etc. If equivalent substitute is allowable, specify (i.e., or equal) after applicable commodity description.

NOTE: Reference a minimum of two (2) - three (3) manufacturers and part/catalog Number. From time to time urgent requirements will arise for immediate processing, End-user shall generate requisition using the JDE E1 Procurement Module. The request is then electronically forwarded to the immediate supervisor and division manager for approval.

End-users' are urged to make every effort to properly plan and project its needs to minimize rush and urgent requirements.

NOTE: The Procurement Supervisor shall oversee requisition for immediate processing.

3.3.1 It is vital to the organization that the procurement functions and issuance of purchase orders be processed in a timely manner.

Denote "**URGENT**" shall be dictated by Executive Management, Procurement Materials Management Supply Management Administrator and/or Buyer Supervisor.

4.0 EMERGENCY PROCUREMENT:

In accordance with **5GCA-§5215 & 2GAR-§3113** (*reference section 5.2.11*)

5.0 PROCEDURES:

A properly completed and approved requisition is required for all purchases of equipment, materials, supplies, services, and construction initiated by the end-user using the JDE E1 Procurement module.

5.1 Buyer Supervisor Responsibility:

5.1.1 Incoming requisition shall be screened for all incoming requisitions twice daily for processing. Upon satisfactory review, assigns requisitions to respective buyer within twenty-four (24) hours for timely processing.

5.1.2 Incoming emergency order requisition shall be screened and assigned same business day.

5.1.3 Each assignment should be conditioned on the type, availability, source, of the material sought and workload of the buyer. The objective being to monitor productivity to improve procurement processing time consistent with the end-user's required need date and achieve the best possible turn-around time.

5.1.4 Submits monthly report stating numbers of requisitions received and purchase orders processed.

5.2 Buyer Responsibility:

5.2.1 Upon receipt of requisition, the assigned Buyer shall determine promptly if a procurement problem exists within twenty-four (24) hours. Problem requisitions shall require that end-users be notified immediately via phone and email. The end-user shall make the necessary corrections within twenty-four hours.

5.2.2 Assign Buyers shall identify potential suppliers and immediately process the request for quotation by via phone, facsimile, and/or email.

NOTE: For small purchases and to foster open competition for equipment, materials, supplies, and services sufficient requests for quotation shall be generated, to at least six (6) but not less than three (3) in cases where limited sources are known. **(ref. 2GAR §3111 (c) (1))**

Construction request for quotation shall be generated, to a minimum of ten (10) sources. **(ref. 2GAR §3111 (c) (1))**

5.2.3 Buyers shall specify required response (closing) time by which quotes must be received to be considered responsive. The expected closing date should be responsible and sufficient to allow vendors fair time to prepare responsive quotes. This time should not exceed (3) working days "local" and five (5) working days "off-island", unless the complexities require a longer period in preparing quotes. The time limitation may be provided by the requestor if available.

NOTE: It is essential that complete and detailed information be included in the request for quotation. Lack of sufficient information may delay receipt of quotes or result in "no response" possibly delaying procurement of scheduled need.

5.2.4 Buyers shall monitor response due dates and make courtesy follow-up to ensure timely preparation of purchase order within the required processing timeline.

5.2.5 If additional technical information is required by potential suppliers, Buyer shall work with respective end-user to obtain said information. Information shall be issued to all solicited suppliers. **No price information** shall be disclosed.

5.2.6 All quotations shall be received in writing via fax, email and/or hand delivery.

5.2.7 Upon receipt of three (3) positive quotes, if the quotation exceeds \$25,000.00, the requisition is prepared as a formal tender.
(ref. 2GAR 3108)

- Over \$25,000 for equipment, materials, supplies and services
- Over \$100,000 for Construction

Shall be processed as a formal, Invitation for Bid (IFB), Multi- Step Invitation for Bid (MS-IFB), Request for Proposal (RFP), Invitation to Bid, Request for Information (RFI).

5.2.8 Buyers shall complete the analysis of all quotes received within one (1) day after due date to prepare the purchase order. Quotes received other than “as specified”, respective Buyer shall forward all quotes received, no less than three (3) for end user review and/or approval.

5.2.9 Conditions for use of Sole Source Procurement.

A sole source procurement is not permissible unless a requirement is available from a single supplier. A requirement for a particular propriety item does not justify a sole source procurement if there is more than one potential bidder or offeror for that item. **(2GAR §3102 (b))**

NOTE: Purchases using the “Sole Source” procurement shall be accompanied by the End-user’s justification letter, identifying:

- Who
- What
- When
- Where
- Why

signed by the General Manager (GM) and/or delegated/designee, along with the Manufacturer exclusive letter and price quotation, supporting the decision to award without the need for competition.

P.L. 36-70, 5GCA §5214 (e)- The purchasing agency shall publish a notice in a newspaper of general circulation on Guam, and on it's website, within fourteen (14) calendar days of awarding any contract under this Section, in excess of Fifty Thousand Dollars (\$50,000). The notice shall include names of the purchasing agency and awardee(s), the contract award amount, term, and the nature of the contract.

- 5.2.10 Purchases using Emergency Procurement shall be accompanied by the Governor's Declaration of Emergency. **(ref. 5215.5 GCA)**

EMERGENCY PROCUREMENT:

In accordance with **5GCA-§5215 & 2GAR-§3113** shall be used when the Governor of Guam declares an emergency situation. In the event that an emergency procurement arises, the following procedures shall be followed.

Emergency Definition: 5GCA §5030 (x) Emergency means a condition posing an imminent threat to public health, welfare, or safety, or the health and safety of the environment, which could not have been foreseen through the use of reasonable and prudent management procedures, and which cannot be addressed by other procurement methods of source selection. **2GAR Div.4 §1106, #47** Emergency means a condition posing an imminent threat to public health, welfare, or safety which could not have been foreseen through the use of reasonable and prudent management procedures, and which cannot be addressed by other procurement methods of source selection.

A **Declaration of Emergency** shall be made by **Executive Order** duly issued by the Governor, and expressly authorizing emergency procurement of supplies, services, or emergency construction works as authorized by this Section, and pursuant to a Determination of Need for Emergency Procurement, which shall be appended thereto.

A **Certificate of Emergency** shall be made, under penalty of perjury, by the **Chief Procurement Officer**, or Director of Public Works, **or by head of a purchasing agency, or a designee of either officer having requisite authority to procure supplies, services or emergency construction works.**

The **Certificate of Emergency** shall have appended thereto a complete and true and correct copy of Determination of Need for Emergency Procurement and contain the following:

- A. A statement expressly incorporating by reference the entire unaltered contents of the appended Determination of Need for Emergency Procurement; and
- B. an affirmation that the contents of the Determination of Need for Emergency Procurement are true, correct, and complete to the best, informed knowledge, and good faith belief of the person making the Certificate of Emergency.

➤ **Planned Procurement/Determination of Need (PP/DON) memorandum (ref. Exhibit 1)**, shall accompany Order Requisition and concurred by respective:

Assistant General Manager (AGM):

- AGM-Operations
- AGM-Administration
- AGM-Engineering Technical Services
- Chief Financial Officer

and approved by the Procurement Officer/General Manager and/or delegated/designee.

The Procurement Officer/General Manager and/or his delegated/designee shall prepare a Declaration of Emergency for the Governor's approval.

Upon Buyer Supervisor assigned, Order Requisition shall be processed within the same business day.

All goods, services and/or construction with the time of delivery, expiration date and/or completion time are necessary to address the emergency for a ninety (90) day period, immediately following the date for the emergency procurement. There shall be no limit on the number of emergency procurement of supplies, services, and emergency construction works,

BUT no emergency procurement shall be made for an amount or construction greater than the amount of such supplies, services, or emergency construction works that are necessary to address the emergency for a ninety (90) day period immediately following the date of the Determination of Need for Emergency Procurement, in accordance of **5GCA-§5215 and 2GAR-§3113**.

5.3 Supply Management Administrator (SMA):

5.3.1 Review requisition processing practices to ensure compliance to purchasing regulations and take necessary steps to improve processing standards. (5GCA and 2GAR)

- specifications and thoroughness/completeness
- the end-user urgency of need
- vendor selection
- timeliness of purchase order generated

5.3.2 Review Performance Objectives for compliance and direct improvements where necessary.

5.3.3 Maintain a Performance Based operation to improve customer service and instill organizational teamwork concept.

6.0 DISTRIBUTION: ALL GPA EMPLOYEES

Exhibit 1



GUAM POWER AUTHORITY

ATURIDÁT ILEKTRESEDÁT GUÅHAN
P.O.BOX 2977 • HAGÁTÑA, GUAM U.S.A. 96932-2977

MEMORANDUM

TO: General Manager

FROM: _____

DATE: _____

SUBJECT: Planned Procurement / Determination of Need

REF.: OR No.: _____ For: _____

With respect to the above described Guam Power Authority (GPA), I have made the following determinations:

Invitation For Bid (IFB) ☐ Multi-Step Bid (MSB) ☐ Request For Proposal (RFP) ☐

Emergency Procurement ☐

o Description of Equipment / Service: _____

o Why is the procurement required: (please explain in detail) _____

o Term of Contract: _____

o What is the funding source: CIP: _____ Revenue: _____ Account No.: _____

o What is the government estimated cost: _____

Ref: 5GCA §5249(e)
GPA Procurement Form-Record of Planning and Determination in Need
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o If GRANT Funded, identify Grant Number:

Expiration Date:

 [Signature]



Name of Division Manager/Signature

CONCURRED BY:

 
Assistant General Manager - DATE

☐ APPROVED

☐ DISAPPROVED

 
JOHN M. BENAVENTE, P.E. DATE
General Manager