



Policies and Procedures

Procurement Delegation

PURPOSE

To establish conditions under which the Chief Procurement Officer (CPO) may delegate authority to State Agencies to issue, manage, and award procurements. To provide Agencies with procedures for requesting additional delegated procurement authority.

AUTHORITY

- (1) Annotated Code of Maryland
[STATE FINANCE AND PROCUREMENT \(SFP\) §12-107\(b\)\(2\)](#)
- (2) Code of Maryland Regulations (COMAR) Title 21 State Procurement Regulations
[COMAR 21.02.05.01](#)

GENERAL DELEGATED AUTHORITY

The Department of General Services (DGS), subject to the authority of the Board of Public Works (BPW), controls the procurement of leases of real property, supplies, services, construction and construction-related services, architectural and engineering services, leases of motor vehicles, and information technology. Additionally, the Secretary of the DGS or the CPO may grant delegated authority to individual agency procurement officers to conduct agency specific procurements.

This delegation of authority is subject to statutes, regulations, standards, policies, and procedures which each agency must follow in order to maintain the ability to conduct procurements with oversight. These standards, policies, and procedures have been developed by the DGS Office of State Procurement (OSP) and can be found as part of the Maryland Procurement Manual.

DGS OSP has established and published a **General Delegation of Procurement Authority** that grants limited procurement authority to agencies based upon the purchase type, procurement method, and dollar threshold.

ADDITIONAL DELEGATED AUTHORITY TYPES COVERED BY THIS POLICY

- (1) **Level 1 Delegated Activity** – The Agency is authorized to conduct a procurement with DGS OSP oversight throughout the procurement process (review and approval of the solicitation prior to publication and the award recommendation) with final approval and award through DGS OSP and submission on its agenda to the BPW, if required; or
- (2) **Level 2 Delegated Activity** – The Agency can conduct a procurement completely on its own, including approval and award of a contract as authorized in the DGS OSP Procurement Delegation Authority Memo up to \$200,000 with DGS OSP procurement oversight through periodic agency compliance checks performed by DGS OSP Policy Compliance Unit; or
- (3) **Level 3 Delegated Activity** – The Agency can conduct a procurement completely on its own with DGS OSP procurement oversight through periodic agency compliance checks performed by DGS OSP Policy Compliance Unit and submission (DGS OSP review and approval of the award recommendation) for final approval and award through DGS OSP's agenda to the BPW, if required.

POLICY

DGS OSP may delegate a specific procurement authority threshold to an Agency above the published authority, or lower or rescind the published authority threshold to an Agency.

Procurement authority above the general delegation authority must be authorized by the CPO for agencies to conduct their own procurement prior to publishing the solicitation. This additional delegation may be issued based on the agency Procurement Officers' levels of experience, training, and certification from the DGS OSP Maryland Procurement Academy. Variations of Procurement Delegation may be authorized as specified in the Additional Delegated Authority Types section of this document.

Delegation beyond what is included on the **General Delegation of Procurement Authority** shall be authorized by the **DGS OSP Procurement Delegation Authority Memo**. All agencies with procurement delegation above the general delegated authority must maintain a copy of the memo in its procurement files. Each agency is responsible for requesting DGS OSP to authorize this additional delegation by procurement type, procurement method, and dollar threshold. This delegation authorization remains in effect unless rescinded by the CPO.

All agencies must create internal documentation for the procurement delegation to its procurement officers and/or purchasing staff within the Agency. This internal documentation should be kept on file at the Agency and be available upon request.

Any procurements between \$50,001 and \$200,000 that do not require BPW approval must be submitted to DGS OSP for inclusion on the Procurement Agency Activity Report (PAAR).

In determining the value of a procurement for delegation and award purposes, the total value of the base contract period plus all potential renewal option periods to a contract must be considered. Before requesting authority to conduct any procurement, agencies shall obtain goods and services through an available Statewide contract.

All delegations are subject to any other limitations from the BPW (e.g., emergency procurements, sole source, one bid or proposal received situations, and contract modifications).

This delegation of authority would **require additional approvals prior to conducting** any procurement that would result in a contract that would be available for use by any other public entity in the State of Maryland (Statewide Contracts), Intergovernmental Cooperative Purchasing Agreements, vehicle purchases and leases, non-transportation capital construction projects, non-transportation architectural & engineering services, and telecommunications procurements. These procurements are all reserved exclusively to the authority of the DGS OSP.

The Agency shall comply with State or federal law, or with DGS OSP rules, policies, and procedures; otherwise, their approved delegated authority will be revoked.

PROCEDURES

OPTION 1: Level 1 Delegated Activity for a Specific Procurement Delegation.

When an agency is planning an agency specific procurement above the small procurement or other delegated threshold, the Agency Procurement Officer must contact the DGS OSP Procurement Operations Bureau via DGS.OSP-Requisition@maryland.gov to request Level 1 delegated procurement authority. The Agency Procurement Officer shall submit the draft solicitation or sole source contract documentation to DGS OSP to assist in determining if procurement delegation will

be authorized. A DGS OSP Procurement Officer will be assigned to oversee or provide guidance for the agency procurement. Two possible scenarios could occur:

- (1) If delegation is not authorized, DGS OSP will work with the agency to conduct the procurement on its behalf.
- (2) If **Level 1 Delegated Activity** is authorized, DGS OSP will provide a copy of the approval by signature on the **DGS OSP Procurement Delegation Authority Memo** for the procurement file. The Agency Procurement Officer is responsible for conducting the entire procurement. However, DGS OSP is available to assist at any time throughout the procurement process and has explicit oversight to review and approve definitive steps within the procurement process:
 - A. The Agency Procurement Officer must submit the draft solicitation to DGS OSP for approval prior to publishing on eMMA following the **DGS OSP Requisition and Solicitation Review Policy**, and
 - B. The Agency Procurement Officer must submit the award recommendation packet to DGS OSP for approval and award following the **DGS OSP Procurement Contract Approval and Award Policy**.

*(All agencies have **Level 1 Delegated Activity** for services and IT procurements through the **General Delegation of Procurement Authority**.)*

OPTION 2: Level 2 or Level 3 Delegated Activity for a Specific Procurement Delegation.

When an agency is planning an agency specific procurement above the small procurement or other delegated threshold and is seeking Level 2 or Level 3 delegation, the Agency Procurement Officer must contact the DGS OSP Procurement Operations Bureau to request level 2 or 3 delegation.

Send an email to DGS.OSP-Requisition@maryland.gov with the subject line: “[**Agency Name**] **Procurement Delegation Request**”.

The **Procurement Delegation Request** email should include: (1) the name of the contract; (2) the procurement method to be used; (3) the term of the contract; (4) the estimated dollar value of the contract award; and (5) the name of the procurement officer conducting the procurement. Three possible scenarios could occur:

- (1) If delegation is not authorized, DGS OSP Procurement Operations Director or higher will notify the agency to submit the procurement to DGS OSP Procurement Operations Bureau via DGS.OSP-Requisition@maryland.gov to either grant **Level 1 Delegated Activity** or conduct the procurement on the agency’s behalf.
- (2) If **Level 2 Delegated Activity** is authorized, DGS OSP will provide a copy of the approved **DGS OSP Procurement Delegation Authority Memo** for the procurement file.
 - a. The Agency Procurement Officer is responsible for conducting the entire procurement. However, DGS OSP is available to aid at any time throughout the procurement process, if requested.
 - b. The Agency Procurement Officer and Agency Head or designee may approve and award the contract if no other limitations from the BPW apply.
 - c. Procurement awards between \$50,001 and \$200,000 that do not require BPW approval must be submitted to DGS OSP for the inclusion on the PAAR.

- (3) If **Level 3 Delegated Activity** is authorized, DGS OSP will provide a copy of the approved **DGS OSP Procurement Delegation Authority Memo** for the procurement file.
- a. The Agency Procurement Officer is responsible for conducting the entire procurement. However, DGS OSP is available to help at any time throughout the procurement process, if requested.
 - b. The Agency Procurement Officer must submit the award recommendation packet to DGS OSP for approval and award following the **DGS OSP Procurement Contract Approvals and Awards Policy**.

OPTION 3: Level 2 or Level 3 Agency-wide Delegation.

An Agency may seek authority to obtain Level 2 or 3 Delegated Activity for all agency specific procurements conducted by the Agency, rather than on a procurement by procurement basis. This request should be submitted through the DGS OSP Policy Compliance Unit for review. Send an email to dgs.osp-policycompliance@maryland.gov with the subject line: “[Agency Name] **Procurement Delegation Request**”. If approved, the CPO will delegate procurement authority as deemed appropriate, and a **DGS OSP Procurement Delegation Authority Memo** will be issued to the Agency. This memo is to be kept on file for all agency specific procurements, except those restricted by the BPW or requiring additional DGS OSP approvals as stated above.

RELATED POLICIES & GUIDANCE

- [Individual Agency Requests for Intergovernmental Cooperative Purchasing Agreements](#)
- [Procurement Review Group PRG](#)
- [DGS OSP General Delegation of Procurement Authority](#)
- [DGS OSP & BPW Approval Authority Chart](#)
- [Agency Submission to DGS OSP for BPW Agenda Policy](#)

Version Number	Published Date	Reason for Change
2	July 20, 2022	Efficiency Updates