

## **Part II Chapter 24 DGS Change Orders**

**A. Requirements.** This procedure shall be used by Agencies when a correction or a change is required to a Purchase Order (PO) or statewide requirements contract generated by the Department of General Services (DGS) Bureau of Procurement (BOP).

**B. General.**

- 1.** Change(s) to POs are required when any of the following occur:
  - a.** Change of shipping address.
  - b.** Change of supplier's address.
  - c.** Change if F.O.B. destination.
  - d.** Change in discount.
  - e.** Change in delivery date.
  - f.** Change in unit of purchase.
  - g.** Correction of price.
  - h.** Correction in quantities.
  - i.** Correction of method of shipment.
  - j.** Cancellation of purchase.
  - k.** A voluntary price reduction is offered by the supplier.
  - l.** The supplier assigns its rights to payment to another party.
  - m.** There is a requirement to increase or decrease the quantities resulting from variations between estimated quantities and actual quantities.
  - n.** There is a requirement to make changes to the material within the scope of the contract that does not require an amendment.
  - o.** There is a requirement to exercise an option to purchase or early payment option.
  - p.** There is a requirement to modify the time of performance or to extend the completion date in accordance with the terms of the contract or PO.
  - q.** POs may also be changed as authorized by provisions in the contract.
- 2.** Change orders shall not be used:

- a.** To correct an error made by an Agency in the preparation of a purchase requisition.
  - b.** To change the name of the supplier when the supplier assigns the purchase order or statewide contract (with the approval of the purchasing Agency) to another party.
  - c.** To make corrections and changes on statewide contracts and purchase orders created by DGS, BOP.
- 3. Changes to DGS generated POs.** Agencies shall take the following actions to make a change to a purchase order created by DGS:
  - a.** Reviews PO generated by the DGS Bureau of Procurement for accuracy and completeness.
  - b.** Contacts the commodity specialist shown on the PO if an error is discovered and requests a change to correct the error.
  - c.** If verbal contact was made, sends a written notice promptly to the commodity specialist confirming the conversation.
  - d.** If a change is required to increase the purchase order and a second invoice is required from a supplier, a partial payment is processed for items properly received and approved based on the original invoice amount. In such an event, the Agency notifies the supplier that the supplier will receive a partial payment and requests a second invoice for the amount of the increase over the original invoice amount.
- 4. Changes to DGS Statewide Requirement Contracts.**
  - a.** Agencies should contact the commodity specialist identified on the statewide contract if a correction or change is required on a Statewide contract.