Procurement

Internal

2-18-2025

Contents

SERVICE OKLAHOMA

Revision History

Effective Date of SOP: 2/18/2025	**SOP Number:** M.01
Functional Area Name: Internal	**Division Name:** Finance
Last Review Date: 2/6/2025	**Last Reviewer:** Rebecca Thompson, Finance Manager
Next Review Date: 2/6/2026	**Next Reviewer:** Finance Manager
Executive Approval Date: 2/18/2025	**Approved By:** Ron Spilman, Chief Financial Officer

Overview

These standard operating procedures (SOPs) outline the procurement process for Service Oklahoma (SOK) departments to purchase goods or services from external vendors. The procedures address how department representatives make requests, how Procurement Officers execute and document purchases in PeopleSoft Financials and Bank of America Works, and how different types of purchases are expected to be escalated for approval.

Purpose

The purpose of this SOP is to document the flow of a purchase from request to receipt and the recordkeeping required to pay the supplier and to articulate relevant requirements and resources.

Policy Statement

This SOP is most relevant for department supervisors and Finance department staff, but all SOK employees will benefit from understanding the purchasing process should they be asked to request a purchase.

Compliance

The procurement process is governed by many state statutes, policy and regulations. Some of the most essential to understand include the Central Purchasing Act, State Travel Reimbursement Act, Office of Management and Enterprise Services (OMES) Central Purchasing codified rules, State of Oklahoma Policy and Procedures for Purchase Card, and the Statewide Accounting Manual. Construction and Properties are governed separately under Title 61. A more complete list of statutes can be found on OMES' Purchasing Statutes page, and the most recent updates are available under Procurement Information Memorandum.

Systems

The three key systems supporting purchasing are PeopleSoft Financials, Bank of America Works, and Comdata
- *PeopleSoft Financials is the state's system of record for procurement, accounting and financial reporting*
- *Bank of America Works is a web-based application used for managing purchase cards*
- *Comdata is a fleet management software used for purchases related to fleet vehicles*

Roles

List the roles and functions of anyone involved in the operations described within this document.

Role	Responsibilities
Requesting Department	Submit purchase request via email, send packing slip back to finance within one business day of receiving goods
Procurement Officer (P-card Holder)	Clarify purchase details with requesting department, decide whether to use P-card or purchase order, execute P-card transactions and Peoplesoft Financials purchase orders, send confirmation email to requesting department, distribute goods that come to headquarters, run monthly report in Bank of America Works for P-card purchases
Budget Analyst (P-card Administrator)	Conduct budget validation, review and approve monthly Bank of America Works report, conduct accounting validation, communicate with the state about procedural changes
Finance Manager	Support all tasks assigned to Budget Analyst, and Agency Fleet Manager, lead communication with approvers and suppliers as necessary
OMES Transaction Processing	Batch P-card transactions, build voucher and transfer to PeopleSoft Financials
Accounts Payable	Creates vouchers to pay supplier invoices and attaches required documentation in Peoplesoft Financials
Business Owner	Verify all purchase orders and invoices; approves vouchers to confirm the purchase was received and satisfied expectations
Chief Strategy & Operating Officer	Approve purchases over $10,000
OMES Central Purchasing	Approve purchases over $50,000
OMES Capital Assets Management	Approve real estate and capital asset purchases

Agency Fleet Manager	Review and approve Driver Responsibility Forms, issue PINs, help troubleshoot issues with Comdata cards, review and approve fleet vehicle maintenance, manage Comdata invoices, manage fleet management Excel sheet, communicate with SOK leadership
Authorized SOK fleet driver	Complete Driver Responsibility Form, make vehicle-related purchases with Comdata card, manage regular and ad hoc vehicle maintenance
Accounts Payable Manager	Final agency review and approval before a voucher is sent to OMES for payment
OMES Transaction Processing	Final reviewer and approver to ensure state-required chartfields and supporting documentation are included as required.

Background

All purchases from external suppliers must be encumbered prior to receiving the goods or services. It is a violation of the law to do otherwise. The Oklahoma Constitution and state statutes require state agencies operate the procurement activities using an encumbrance. To comply with this requirement **a purchase order must be in place before a good or service is received from an external vendor**.

Procedures

Procurement

1. The department requiring a purchase submits an email request to SOKProcurement@service.ok.gov, copying their department supervisor. If the request is for a large or non-routine good or service, the email must include a proper business justification for the purchase. Specifying details such as size, model, and quantity for goods and supplier, pricing, and dates for services helps accelerate the process. The request is directed to the inboxes of the Finance Manager and Procurement Officers.
    a. Procurement Officers are assigned purchase requests based on assigned coverage areas. The assigned Procurement Officer is responsible for responding to the request with any questions or concerns within two business days.
2. The Procurement Officer determines whether to make the purchase on a purchase card (P-card) or submit a purchase order. Typically, P-cards are used for small or routine purchases, such as office supplies, maintenance, or monthly software renewals, and purchase orders are submitted for more unique requests.
3. P-card transactions and purchase orders require different software and approvals.
    a. **P-card transactions:** P-card transactions are completed in Bank of America Works, and all approvals are performed by the Finance Department directly in Bank of America Works.
        i. The Procurement Officer, who serves as the P-card holder, makes the purchase on the P-card in the same way they'd make a purchase on a credit card. *(Note: there are a few P-card holders at SOK that are not Procurement Officers. Those P-card holders follow the same steps to document their purchases.)*
        ii. Between the time of the purchase and the end of the monthly billing cycle, the P-card holder uploads documentation and enters transaction details in Bank of America Works. Documentation should include a screenshot of the original purchase request, the invoice from the supplier, the packing slip, and a signed travel request as relevant. All P-card holders receive training on identifying and entering account numbers, fund types, program codes, and other key chartfields.
    b. **Purchase Orders:** Purchase orders are created in PeopleSoft Financials and require a series of approvals. All requisitions go through the Budget Analyst for budget validation and the business owner for verification of purchase validity, and some require additional escalations. PeopleSoft Financials determines the route of approvals based on the chartfields entered and automatically emails notification to the necessary approvers.

i. The Procurement Officer is responsible for creating the requisition, managing approvals, and completing the purchase in PeopleSoft Financials. The approvers are responsible for reviewing the requisition in PeopleSoft Financials and deciding whether to approve, deny, or hold it. The OMES COR452 eProcurement Requisition Manual provides a step-by-step guide to each of these subprocesses.

4. Once the purchase has been made, the Procurement Officer sends a confirmation email to the requesting department notifying them of the goods or services purchased, the purchase method, and the expected time and place of delivery.
   a. A purchase order must be in place before a good or service is received from an external vendor.
   b. For items purchased on P-card, the requestor can expect to receive purchases within 5-10 business days of request.
   c. For purchase orders, the requestor can expect to receive non-IT purchase orders under $25,000 within 5 business days of submitting all necessary documentation and IT purchases or purchases over $25,000 within 10 business days of submitting documentation.

5. Physical goods are typically shipped directly to the requesting department, who sends the packing slip back to SOKProcurement@service.ok.gov within one business day. If a packing slip is not available, the receiving department sends a photo of the goods, and if that is not possible, a written email is acceptable. Goods purchased by headquarters are sent directly to the Finance Department, so the Procurement Officer documents the arrival and distributes them to the relevant department.
   a. The person who receives the goods should verify that they are an exact match to the items in the confirmation email. If they are not an exact match, the receiver should contact the Finance Manager and specify whether the difference is acceptable and whether a refund, return, and/or reorder is necessary. The Finance Manager will then communicate with the supplier.

6. All purchases are consolidated and tracked in PeopleSoft Financials.
   a. At the end of every monthly billing cycle, P-card transactions are posted to PeopleSoft Financials.
      i. Transaction information will be stored in the state record for approximately seven years should anyone need to review it further.
      ii. The Budget Analyst, who serves as the P-card Administrator, reviews the transaction information and documentation, asks the Procurement Officer to make any revisions, and approves the monthly report.
      iii. The Procurement Officer downloads a report of all transactions to save documentation to a state-operated environment.
      iv. OMES Transaction Processing batches the month's transactions, builds a voucher, and enters it in PeopleSoft Financials.
   b. The Accounts Payable team enters the invoices for purchase orders and any supporting documentation for P-card vouchers processed in PeopleSoft Financials.
   c. The Budget Analyst conducts a final accounting validation to confirm all information has been properly entered in PeopleSoft Financials.
   d. Business Owner approves vouchers related to non-P-card purchases to confirm the purchase was received and satisfied expectations.

e. Accounts Payable Manager serves as the final agency check before a voucher is approved to be paid.

f. OMES Transaction Processing is the final reviewer and approver to ensure state-required chartfields and supporting documentation are included as required.

Fleet-Related Purchases

1. Purchases related to fleet vehicles are made on unique purchase cards (P-cards) associated with the vehicle rather than with an employee. The cards are marked with a vehicle's fleet unit number, and transactions are tracked in Comdata, the software of the State's fleet management payment processor. Only authorized employees can make purchases on Comdata cards. To become an authorized driver, an employee's supervisor must validate that driving is necessary for the employee to fulfill their duties, and the employee must submit a completed Driver Responsibility Form to the Agency Fleet Manager.

2. If the Agency Fleet Manager approves the form, the Agency Fleet Manager issues a Comdata Personal Identification Number (PIN) to the driver. The driver is responsible for storing their PIN securely and will not share it with anyone else, including other SOK employees.

3. Once the driver has been assigned a PIN, they can make vehicle-related purchases on the Comdata card as needed. If a driver has trouble accessing their pin at the point-of-purchase, they should contact the Agency Fleet Manager.

    a. Comdata cards are to be used for purchases directly related to the vehicle, such as fuel and monthly carwashes. Transactions with irrelevant merchant category codes will be automatically denied at the point-of-purchase. If a valid purchase is denied, the driver should contact the Agency Fleet Manager.

4. The driver (or teams of drivers) assigned to a SOK fleet vehicle are responsible for scheduling and completing regular and ad hoc maintenance. The Agency Fleet Manager must pre-approve all vehicle maintenance services and may ask the driver to provide multiple quotes in advance. The Agency Fleet Manager also coordinates services for pool vehicles kept at headquarters.

    a. The driver must submit a maintenance receipt to the Agency Fleet Manager at fleet@service.ok.gov within one business day of service.

5. Under enacted legislation, Service Oklahoma is exempt from sales tax.

    a. The driver is responsible for presenting state sales tax exemption information to the maintenance service provider before making a purchase on the Comdata card. If state sales tax is charged, the driver is responsible for getting a refund.

6. All purchases are consolidated and tracked in PeopleSoft Financials.

    a. The Agency Fleet Manager reconciles invoices in Comdata throughout the month and validates all transactions at the end of the billing period. These invoices, along with invoices for PIKEPASS and OMES Fleet fees should be sent to accountspayable@service.ok.gov, and are tracked in an Excel spreadsheet.

        i. The Agency Fleet Manager is responsible for all ad hoc and annual reporting to SOK leadership and OMES Capital Asset Management.

b. The Accounts Payable team, who receives invoices directly, enters the invoices in PeopleSoft Financials.

c. The Budget Analyst conducts an accounting validation to confirm all information has been properly entered in PeopleSoft Financials. Transaction information will be stored in the state record for approximately seven years should anyone need to review it further.

d. Business Owner approves vouchers to confirm the purchase was received and satisfied expectations.

e. Accounts Payable Manager serves as the final agency check before a voucher is approved to be paid.

f. OMES Transaction Processing is the final reviewer and approver to ensure state-required chartfields and supporting documentation are included as required.

References

Compliance

1. State Statutes
    a. [Purchasing Statutes](#)
        i. [Oklahoma Central Purchasing Act](#)
        ii. [State Travel Reimbursement Act](#)
        iii. [Title 61: Public Buildings and Public Works](#)
2. OMES Policies
    a. [Statewide Accounting Manual](#)
    b. [Procurement Information Memorandum](#)
    c. **[OMES Central Purchasing Administrative Rules](#)
    d. [State of Oklahoma Policy and Procedures for Purchase Card](#)
    e. **[OMES Accountholders and Accountants Guide](#)
    f. [OMES PeopleSoft System Manuals](#)
        i. [COR452 ePro Requisition Manual](#)

SOK Resources

1. **[SOK Procurement FAQ](#)
2. ** [SOK Internal Purchasing Procedures](#)
3. ** [SOK Purchase Card Procedures](#)
4. ** [SOK Food Policy](#)