


MEMORANDUM

To: State Governmental Units (SGUs)
From: David Steuber, State Procurement Administrator 
Date: April 23, 2025
Subject: Interim guidelines for Task Order development, review, and approval

This memorandum serves as interim guidance for developing and reviewing Task Orders under indefinite delivery/indefinite quantity Statewide Contracts that require the use of a Task Order.¹

SGU End User Actions

SGU End Users shall use the following process for Task Order development, review, and approval, before signing any Task Orders and requesting purchase orders. As a reminder, SGUs cannot pay for services or commodities until the services are completed or the commodities are received.

SGU End Users shall:

1. Thoroughly review the applicable Statewide Contract to determine if it includes a detailed Task Order process, such as a template Task Order that is required.
 - a. If the Statewide Contract includes a detailed Task Order process, SGU End Users shall develop the task order in accordance with the process outlined in the Statewide Contract.
 - b. If the Statewide Contract does not include a detailed Task Order process, SGU End Users shall draft a written Task Order that, at a minimum, includes:
 - i. The contract number(s).
 - ii. A scope of work that clearly and with sufficient detail describes the work to be performed, including clear objectives and clear expected results.

¹ This memorandum shall serve as interim guidance to SGUs from the State Procurement Office until the State Procurement Administrator issues a Technical Bulletin or Standard Procedure that supersedes this memorandum or otherwise rescinds this memorandum.

- iii. Any required performance standards that will be used to determine whether requirements were met, including but not limited to, any service level agreement (SLA) requirements (if applicable).
 - iv. Due date or estimated completion date (Note: SGU End Users should consider whether this should be a firm, fixed time or a range of times which are acceptable).
 - v. Price, including any labor and materials costs, maintenance, equipment, travel, and customer service. Ideally, this should be the fully-burdened cost or not-to-exceed (NTE) price, or match the cost structure outlined in the contract.
 - vi. Attachments the supplier may need to respond to, as applicable, including any aforementioned requirements that are unknown when the SGU is drafting the task order.
2. Send the Task Order to the suppliers on contract (Contractors) with a due date. Upon receipt of Contractor's responses, select the Task Order that best meets the SGU's needs. During this process, SGU End Users shall not accept any terms and conditions.
 3. Submit task orders for review and approval to the applicable reviewer before signing the Task Orders and requesting purchase orders. SGUs whose Chief Procurement Officer (CPO) or equivalent holds a certificate of Delegated Procurement Authority:
 - a. Less than or equal to (\leq) \$100,000, shall submit the Task Order to their Enterprise Procurement Services (EPS) liaison.
 - b. Greater than ($>$) \$100,000, shall submit the Task Order to the SGU Procurement Office or CPO.

Reviewer Actions

The following review steps are applicable to EPS or SGU Procurement Officers with Delegated Procurement Authority greater than ($>$) \$100,000 reviewing Task Orders (Reviewers) received from SGU End Users. If during the review, Reviewers have any questions or concerns about Statewide Contracts, they should contact the Statewide Contract Owner for more information.

Reviewers shall:

1. Thoroughly review Task Orders. At a minimum, Reviewers should ensure that the Task Order:
 - a. Is an appropriate method for the purchase. Reviewers should consider whether a separate procurement may be more appropriate based on the:
 - i. Task order dollar amount.
 - ii. Insurance requirements on the Statewide Contract.

NOTICE: This Memorandum is provided as a resource to the Procurement Officers of the Agencies, Boards and Commissions of the State of Arizona. While this Standard Procedure is an example of a legally compliant, procedurally efficient and fiscally prudent process, it is not intended to represent the only such process allowable under the Arizona Procurement Code, A.R.S §41-2501, et. Seq. Depending on the circumstances surrounding a given procurement, deviation from this Standard Procedure may be necessary and/or preferable. Procurement Officers should consult with their Agency Chief procurement Officer and/or the State Procurement Office if they have any questions regarding the application of this Memorandum.

- b. Is within the scope of the Statewide Contract and complete with the requirements outlined under SGU End User Actions.
 - c. Pricing structure matches the pricing structure awarded in the Statewide Contract, such as hourly rates, material reimbursements, equipment costs, catalog discounts, etc., and does not exceed the Statewide Contract's awarded pricing.
 - d. Does not have any terms and conditions that are inconsistent with the Statewide Contract (Note: If a supplier adds or modifies contract terms and conditions in a Task Order, this language should be stricken or the issue should be escalated to legal counsel).
- 2. If the Task Order is for an applicable Information Technology Project, determine whether the SGU has started or followed the Project Investment Justification process and related reviews.
- 3. Document the review and approval of the task order, such as sending an email approving the task order or following SGU-specific routing processes.
 - a. If Reviewers determine that a Task Order needs to be modified, they should communicate this information to the SGU End User and help the SGU End User negotiate the changes to the Task Order with the Contractor, as appropriate.