

EXPENDITURE REGISTRATION SYSTEM (ERS)

The Expenditure Registration System (ERS) has been established to recognize those situations in which the requirements of chapter 34, RSMo, for competitive bidding are negated by another state statute, federal regulation or court order.

While the goods or services being purchased would normally be subject to bid, the nature of the program precludes the use of competitive procurement methods. An example of this type of expenditure is payments to providers that are made on behalf of a department's client, when the client has sole discretion in selecting the provider (e.g., Medicaid Services, WIC Food Program). Payments that are ordered by a court are another example.

In order to establish an ERS, the department submits a request in accordance with the following procedures to the DPMM.

EXPENDITURE REGISTRATION SYSTEM (ERS) REQUEST PROCEDURES

Departments (agencies) must officially request and justify a new ERS to the DPMM. DPMM no longer automatically renews an ERS. Instead, departments must officially request and justify the continuation of the ERS prior to expiration; however, the prior granting of ERS authority does not guarantee future granting of ERS authority.

In submitting a request for a new ERS or continuation of an existing ERS, the department should complete the Expenditure Registration System (ERS) Request Worksheet (available on the Agency Information page on DPMM's website) or similar document containing the same information to address each of the following factors. These factors will be considered by DPMM in determining whether to allow the requested ERS(s).

- **DESCRIPTION:** For each ERS being requested, please identify (1) the current ERS number, if applicable, (2) the description of the product/service area for which the ERS is being requested, and (3) the period for which the ERS is being requested (e.g., July 1, 2004 through June 30, 2007). Departments may request a maximum three-year period for an ERS request, however, should your authority provided under statute, regulation, etc. restrict your authority for making payments to a shorter time period, please identify the period being requested.
- **JUSTIFICATION:** Please identify and attach a copy of the statute, regulation, etc. that mandates your department to make payments for specified expenditures rather than DPMM handling as a normal procurement under RSMo. 34. Please also identify the approximate number of annual payments required for each ERS being requested.
- **UTILIZATION:** What total dollars were expended by your department under each ERS for FY2006 (i.e., does last year's usage support re-issuance of the ERS)?
- **COMPLIANCE:** Did your department follow ERS procedures, including the requirement for soliciting competitive bids and advertisement requirements, when it has previously been given ERS authority?

Upon receipt of an ERS request, DPMM management reviews the request and a recommendation is made to the Commissioner of Administration. If the ERS request is approved, DPMM will prepare a formal ERS document which contains a number of mandatory provisions. DPMM's granting of any ERS shall be contingent upon the department's agreement to comply with these provisions. Some, but not all of the ERS provisions, are outlined below. The department's director agreement to comply with the provisions of the ERS must be indicated on the signature page of the ERS document prior to returning it to DPMM for final approval.

Sampling of Mandatory ERS Provisions:

- Expenditure Registration System Request Procedures must be followed (see State of Missouri, Division of Purchasing and Materials Management, Department Procurement Authority Delegation and Procedures).
- ERS payments must be processed using a Special Payment Voucher (PVS) document with an “E” and the three-digit ERS number as the document number prefix. If the department desires to encumber money for ERS expenditures, they may do so by issuing a SAM II purchase order. However, in doing so, the Commodity/Accounting Linking field on the purchase order document must be set to “No” so that an Automatic Payment Voucher (PVA) will not be generated. The department must also enter the ERS number in the Blanket Number field (PDQ) or Comment field (SCS) of the purchase order document.
- The department shall notify OA/Information Technology Services Division to establish automatic numbering for the ERS on the Automatic Document Numbering (ADNT) table to facilitate the payment of expenditures pursuant to the ERS.
- Be sure to use the Master ERS number in all related correspondence and on all applicable SAM II order and payment documents. You do not have to submit sub-contracts to the DPMM for acknowledgement.
- If requested by DPMM, the department must be able to provide a listing of all purchase orders and/or payments issued under the ERS.
- Should there be a change to the statute, federal regulation, or court order which negates the authority for this ERS, please notify DPMM in writing immediately so that DPMM may cancel the ERS.