

PURCHASING – Section 6

- 1.0 [Optional Use of Purchase Orders, Confirming Purchase Orders, and Increase Change Orders](#)
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SUMMARY OF PURCHASING

The State Bureau of Procurement, Department of Administration, purchases goods and services for the State through direct or delegated authority and establishes policy and procedures for the purchasing function. The State Procurement Manual is the official publication for disseminating policy on the State's procurement function. The State Procurement Operational Bulletin (a numbered series) describes procedures for specific commodities and services. Additional Department of Health and Family Services (DHFS) purchasing policies are published by the Department Purchasing Section as addenda to the State Procurement Manual.

Questions regarding procurement should be directed to the DHFS Purchasing Section. Procedures which impact on accounting and preaudit areas are developed by the Bureau of Fiscal Services (BFS) and include the following:

- DHFS does not require purchase orders for most procurements under \$5,000. All purchase orders should be entered into the fiscal management system at least weekly and prior to the release of the purchase order to the vendor. All purchase orders should be updated monthly after reviewing the outstanding purchase order reports. See **PURCHASING 1.0**.
- Approval of "after-the-fact" purchase orders over \$5,000 is delegated to Department purchasing agents and institution business managers. Increase change orders should be authorized only for valid reasons and are to be signed by the person who authorized the original encumbrance. See **PURCHASING 1.0**.
- Adequate internal controls for encumbrance processing are discussed in **PURCHASING 1.2**.
- All new vendors must complete a substitute W-9 Form before the vendor can be added to FMS and WiSMART. A vendor must be set up in WiSMART to be paid. See **PURCHASING 2.0**.
- Purchase Requisition forms are required for all non-Purchasing Card acquisitions over \$100. A Bid Solicitation form may be required for all purchases over \$1,500. The

Printing, Creative Services and Legal Notice Requisition is required for all printing requests. See **PURCHASING 3.0**.