

ACCOUNTING PROCEDURE

TOPIC: Section 6--Purchasing 3.0	EFFECTIVE DATE: 7/23/97
TITLE: Purchasing Processes	REVISION DATE: 03/27/08
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POLICIES

Purchasing is governed by statutes and policies that are designed to assure an open and competitive process in the acquisition of goods and services for the Department. State procurement policies are documented in the State Procurement Manual at <http://vendornet.state.wi.us/vendornet/procman/index.asp>.

Employees making purchases must assure that procurements are conducted in a manner that prohibits the use of in-State or local geographic preferences. They must also assure that vendors who have developed or drafted specifications, requirements, requests for bids, or contract terms and conditions do not compete for those procurements. Typically, each bureau or institution business office designates a specific employee(s) who is authorized and trained to conduct purchasing transactions for the work unit. The office manager or business manager should be contacted to determine requisition and authorization requirements.

Employees are cautioned not to commit funds or begin any purchasing procedure before receiving instructions from their office manager, purchasing manager or business manager. State statutes allow that any employee who purchases materials or service contrary to established regulations may be liable for the cost.

Requisition: The Department of Health and Family Services (DHFS) **Purchase Requisition (DMT-806)** is to be used for purchases over \$100 when use of Purchasing Card (P-Card) is not feasible. Use of the form is optional for most purchases by institutions/centers of the Divisions of Long Term Care and Mental Health and Substance Abuse Services (DLTC & DMHSAS). Its use is required for all other units of the Department if the purchase is not made via a Purchasing Card (P-Card). A completed purchase requisition is required for all division and institution/center purchases from the Bureau of Information Technology Services (BITS) and for all lease agreements over \$100. See also **Purchase Requisition Instructions (DMT-806I)**.

The **Printing, Creative Services and Legal Notice Requisition (DMT-913 - Attachment 1)** is a separate process used to document and define printing specifications. Contact your Division forms and publications manager or a Department printing manager [Dan Jackson, (608)266-6967] prior to initiating a request for printing services.

Purchasing Transactions:

- **\$5,000 and under:** Goods and services at this level can be purchased from contracts that are already in place or from the vendor judged best able to furnish the items. With some exceptions, these "low dollar" purchases can be made without soliciting bids from vendors. Exceptions to this "best judgment" category include:
 - ✓ Printing, which must be bid regardless of the dollar amount.
 - ✓ Legal services which are statutorily required to be approved by the Governor.
 - ✓ Vehicles, which require Department of Administration (DOA) approval.

- **Over \$5,000 through \$25,000:** Purchases of both commodities and contractual services at this level require documentation of "simplified bidding" to verify that the proper type and level of competition was conducted. This documentation can be entered on the **Bid Solicitation Results** Form [DMT-806A](#). In exceptional cases and with proper justification, the purchasing agent may waive the bidding requirement. Purchases of **contractual services** over **\$5,000 through \$25,000** must include the justification outlined at <http://dhfs.wisconsin.gov/bfs/pdf/app/purc/PROCMANI-1.pdf>

- **\$25,000 and over:** Purchases of commodities and contractual services at this level require an Official Sealed Bid, a Request for Proposals, or a Governor's Waiver of Bid. Program staff should contact their BFS Purchasing Agent to determine the proper procurement methodology and to develop the solicitation and justification required. Purchases of **contractual services** at this dollar level and above also require additional justification and approval processes described at <http://dhfs.wisconsin.gov/bfs/pdf/app/purc/PROCMANI-1.pdf>

Attachment 2 shows a Summary of the Purchasing process.

Attachment 3 shows the Lead Accountant or person having delegation to approve Purchase Orders at the third level.

ATTACHMENTS

1. Printing, Creative Services and Legal Notice Requisition (Form DMT-913)
2. Purchasing Processes Summary
3. Level 3 Approval Sheet
4. Purchasing Staff

FORMS

If you experience difficulties downloading the forms, please visit the DHFS Forms Library at <http://dhfs.wisconsin.gov/forms/index.htm?nav=mon>. On the left column under Numeric Form Lists, choose DMT and then select the appropriate form.

1. Bid Solicitation Results (Form DMT-806A)
<http://dhfs.wisconsin.gov/forms/DMT/dmt0806a.doc>

2. Purchase Requisition (DMT-806)
<http://dhfs.wisconsin.gov/forms/DMT/dmt0806.doc>

3. Purchase Requisition Instructions (DMT-806I)(2 pages)
<http://dhfs.wisconsin.gov/forms/DMT/dmt0806i.doc>

REFERENCES

State Procurement Manual

<http://vendornet.state.wi.us/vendornet/procman/index.asp>

DHFS Procurement Manual

<http://dhfs.wisconsin.gov/bfs/pdf/app/purc/PROCMANI-1.pdf>

CONTACTS

See Attachment 4 for a list of Purchasing contacts and their areas of expertise

Elizabeth Garland, Chief

Strategic Sourcing and Contract Administration Section

608) 266-1682

PRINTING AND CREATIVE SERVICES REQUISITION

INSTRUCTIONS: Complete appropriate sections. List ALL SPECS OR CONTACT Agency Printing Manager for consultation.

Name - Requestor				Division / Institution		Unit		Area Code / Telephone Number	
				Street Address and Room Number - Requestor					
Job Title (if a form or publication, list number first)				Asking Delivery Date (do not use ASAP)		Delivery Point (1 st door receiving)			
						<input type="checkbox"/> DHFS Forms Center		<input type="checkbox"/> DHFS Mailroom	
%	Customer Use Code	Customer Optional Data	%	Appro.	Acct / Class	Center	FY	Amount	

A. PRINTING SERVICES

Request Type <input type="checkbox"/> New <input type="checkbox"/> Revision <input type="checkbox"/> Exact Reorder		Previous Order Number or Fiscal Year Ordered		Item to be Printed <input type="checkbox"/> Book <input type="checkbox"/> Brochure <input type="checkbox"/> Form <input type="checkbox"/> Other- specify:		Quantity to be Printed		Finished Printed Size	
Print (check all that apply) <input type="checkbox"/> One Sided <input type="checkbox"/> Head to Foot <input type="checkbox"/> Head to Head <input type="checkbox"/> Other		Paper Type (Example: Bond, Card Stock, NCR) 1. 2. 3. 4.		Weight(s)		Color(s)		Camera Copy - Total Pages	
Finishing <input type="checkbox"/> Folded (provide sample) - Finished Folded Size _____ <input type="checkbox"/> Staple - Location <input type="checkbox"/> Upper Left <input type="checkbox"/> Saddle <input type="checkbox"/> Side Stitch <input type="checkbox"/> Other - specify: _____ <input type="checkbox"/> Other Binding - Method / Location _____ <input type="checkbox"/> Collate Only <input type="checkbox"/> Shrink Wrap or <input type="checkbox"/> Band in packages of _____ <input type="checkbox"/> Pad - Number of sheets per pad: _____ <input type="checkbox"/> With Cardboard <input type="checkbox"/> Without Cardboard		Production of Camera Ready Copy <input type="checkbox"/> Produced In-House <input type="checkbox"/> Produced by Outside Vendor - Vendor Name: _____		Other Specifications		<input type="checkbox"/> Punch _____ holes on _____ edge. <input type="checkbox"/> Perforate _____ inches from: <input type="checkbox"/> top <input type="checkbox"/> left. Number of Vertical Perforations _____ Number of Horizontal Perforations _____			
Enclosures Needed for Production <input type="checkbox"/> Camera Copy <input type="checkbox"/> Flats (film negative) <input type="checkbox"/> Other - specify:		Enclosures to Guide Printer <input type="checkbox"/> Previous Sample <input type="checkbox"/> Dummy <input type="checkbox"/> Page Sequence (for book) <input type="checkbox"/> Fold Sample <input type="checkbox"/> Other - specify:							

B. CREATIVE

Vendor Name		Request Type <input type="checkbox"/> New <input type="checkbox"/> Revision		Previous Order Number or Fiscal Year Ordered	
Service(s) Requested <input type="checkbox"/> Consultation <input type="checkbox"/> Typesetting <input type="checkbox"/> Complete Camera Copy <input type="checkbox"/> Original Artwork <input type="checkbox"/> Design Work <input type="checkbox"/> Other - specify:		Desired First Proof Date		Desired Completion Date	
Note: All proofs are routed from and to the creative service vendor through the agency printing manager.					

C. APPROVALS AND PURCHASE ORDER INFORMATION

Bureau Signature - 1 st Level	Date Signed	PURCHASE ORDER INFORMATION (To be completed by Department Print Manager)		
Bureau Signature - 2 nd Level	Date Signed	Purchase Order Number	Scheduled Delivery Date	Vendor
DMT / Division Fiscal Signature - 3 rd Level	Date Signed	Bureau Number	Cost Out	Estimate Only
Division Forms / Publication Signature - 4 th Level	Date Signed	Comments		

DEPARTMENT PRINT MANAGER AUTHORIZATION
Signature - Print Manager

Date Signed

ATTACHMENT 2

PURCHASING PROCESSES
(Non-Printing Transactions)

- **\$100 AND UNDER**
 - No requisition required
 - No purchase order required
- **OVER \$100 through \$5,000**
 - Requisition Required, retained by requestor
 - Best Judgment or state contract
 - Purchase order optional
 - Direct charge process or Purchasing Card if no purchase order
- **OVER \$5,000 through \$25,000**
 - Requisition required
 - Documented simplified bid or state bulletin
 - Contact at least 3 vendors
 - phone quotes, faxes, current catalogs
 - Purchase Order
 - Encumbrance
- **OVER \$25,000**

Contact Purchasing Agent

INVOICES:

Invoices, approved by the requestor as "OK to pay" and sent to Accounts Payable, should fit into one of the following categories:

1. Invoices referencing a Purchase Order Number.
2. Invoices over \$100 through \$5,000 attached to either an approved requisition or a Direct Charge Order showing the FMS number, the coding, and the encumbrance information, if applicable.
3. Invoices under \$100 (No requisition required.).
4. "Utilities" and other items such as phone bills, General Service Billings, Interagency transfers, and other non-procurement transactions. These items can have a direct charge number but it is not required.

ATTACHMENT 3

LEVEL 3 APPROVAL - ROUTE TO LEAD ACCOUNTANT

<u>DIVISION</u>	<u>LEAD ACCOUNTANT OR PERSON HAVING DELEGATION</u>	<u>ROOM</u>	<u>PHONE</u>
DCFS	CINDY SCHULTZ	756	608-266-7295
DPH	ELSIE JANE MURPHY	756	608-267-7309
DLTC	MARY JANE KRZEWINA	756	608-266-5396
DMHSAS	MARY JANE KRZEWINA	756	608-266-5396
DQA	MARY JANE KRZEWINA	756	608-266-5396
DHCF/MA UNIT	CATHERINE LORENCE	756	608-267-7130
NON-MA UNIT	LAUREL CHALLONER	756	608-267-3629
OSF/DEPT WIDE EXEC LEGAL	AMY MCDOWELL (Interim)	756	608-266-2708
DES / ADMIN	Delegated to:		
DES / BPER	Delegated to: EILEEN SCHEY	672	608-266-9768
DES / BITS	Delegated to: LORI BINDL-ZAHORIK	756	608-266-8584
DES / BFS	Delegated to: CINDY FREIDEL (Interim) or the following designees:	736	608-266-0662
	JENNIFER STONE - PRINTING	736	608-266-7306
	KATHY ALBRECHT - TRAVEL	750	608-266-7870
	ESTELLA WALCZYK - PURCHASES	736	608-266-8447

ATTACHMENT 4

PURCHASING STAFF

Elizabeth Garland	Procurement authority, Granting authority Purchasing Poicies, Training	608-266-1682
Bernadette Connolly	DLTC, DMHSAS, DQA, State/County Contract	608-266-1138
Joni Fletchall	P-card, All division POs under \$25,000	608-266-1161
Dan Jackson	Printing/Parking	608-266-6967
Sue McKercher	DLTC, DMHSAS, DCFS and DQA	608-267-7637
Jacqueline Sommers Smith	DHCAA, DPH and DES	608-266-0509