

Received
4/30/14

TO: Elected Officials/Department Heads
FROM: County Commission
SUBJECT: Amendment to 1996-97 Purchase Order Procedure
DATE: April 15, 2014

PURCHASE ORDER POLICY

1. The County Commission can require a purchase order system and may set a limit that must be met before a purchase order is required.
2. Purchase orders are used to encumber budget line items.
3. As long as proper budgetary control is exercised, purchase orders are not needed for certain routine purchases such as payroll expenses, utilities, etc. The policy should state what expenditures will be excluded from a purchase order requirement.
4. Purchase orders should be approved by department heads and the County Commission.
5. The auditing staff looks for the following items when analyzing purchase order policies:
 - a. A written policy or procedure for the purchasing function.
 - b. Through inquiry and substantive testing, we determine if the county's procedures and policies are reasonable and provide an adequate level of control.
 - c. If the policies and procedures are effective in achieving purchasing objectives.

PURCHASING PRACTICES AND PROCEDURES

Effective April 15, 2014 the Pleasants County Commission is hereby establishing the following Purchasing Policy. This policy has been directed by the Office of the State Auditor, Chief Inspector Division, and the Accounting System as prescribed by that office.

The Pleasants County Commission hereby designates the County Clerk's Office to act on behalf of the Pleasants County Commission in the issuance and assignment of purchase orders.

PURCHASES EXCEEDING \$25,000

Purchases exceeding \$25,000 will be subject to competitive, sealed bids. Advertisement for these bids shall be by public notice inserted in local newspaper (s) at least 10 days prior to the date of submission.

Departments and /or agencies are responsible for writing the specifications for such purchases prior to the approval of the Commission before publication.

The County Commission reserves the right to accept/reject any/all bids or proposals. Bids, in most cases, unless otherwise justified will be awarded to the lowest bidder.

PURCHASES EXCEEDING 15,000.00 – 25,000.00

Purchases over \$15,000 – \$25,000 must be accompanied by two written quotes documented on a Request for Quotation form, or comparable document and a purchase order signed by a quorum of Commissioners. Each Elected Official/Department Head must be able to provide an invoice showing the vendor's name, the department in which the purchase is being made and a description of the purchase showing the total cost.

The County Commission will then approve the payment of the purchase order in a County Commission meeting.

PURCHASES EXCEEDING \$3000-\$15,000

Purchases between the amounts of \$3000 to \$15,000 must be accompanied by two verbal bids documented on a Verbal Bid Quotation Summary form and a purchase order signed by a quorum of Commissioners.

Each invoice submitted to the commission must bear the signature of the department head, elected official or designate.

The County Commission must have a record of that designation on file, along with the signature of designee.

Each elected official/department head is responsible for approving invoices prior to payment. Invoices must be signed with the statement "APPROVED FOR PAYMENT". The elected official/department head is responsible to see that goods and/or services are actually received.

PURCHASES BETWEEN \$500 TO \$3000

Any purchases made in the amounts between \$500 and \$3000 will not require verbal or written quotes unless deemed so by the commission but must have a purchase order attached.

PURCHASES BELOW \$500

The County made a change in the Purchase Order Procedures at the August 17, 2013 commission meeting concerning any purchases under the \$500 limit that is not a routine purchase such as a shredder, calculator laptop, ect must have a purchase order.

OPEN PURCHASE ORDERS

Open purchase orders will/may be issued by the County Commission, at its discretion, for a fixed time frame or fixed amount, whichever deemed to be more appropriate to accommodate the department's specific needs, eliminate unnecessary volume of purchase order issues, and avoid delays in purchasing incidentals.

This activity must be coordinated with the County Commission:

EMERGENCY PURCHASES

All emergency purchases must be requested through the County Commission, unless otherwise provided for at times when the Courthouse may be closed such as weekends or holidays. At such time, the County Commissioners may be called at home.

AVAILABILITY OF FUNDS

Any and all purchases are dependent upon whether or not sufficient funds are available.

APPROVAL OF COUNTY COMMISSION

All purchase orders must bear the signature of the County Commission. No purchase order received by the County Commission for approval of payment will be processed without the Department Head, Elected Official, or designee signature.

Any purchase made without following proper procedures and authorization may be subject to non-payment.

All void or cancelled purchase orders must be returned to the County Clerk's Office to account for all numbered purchase orders.

The white and yellow copies will be retained in the County Clerks office and the pink copy can be retained for your files.

State of West Virginia
Purchasing Division

WV-49 (REV. 10/04)

VERBAL BID QUOTATION SUMMARY

Agency _____

S.A. P.O. Number _____

Date _____

WVFIMS Account Number _____

Purpose _____

Delivery Requirements:			Quotes Received By:					
Vendor:			1.		2.		3.	
Telephone Number:								
Contact Person's Name:								
Shipping Date:								
Terms:								
Item	Quantity	Description	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount
TOTAL:								

Reason for Award (No Bids Reason): _____

HIPAA Business Associate Addendum - The West Virginia State Government HIPAA Business Associate Addendum (BAA), approved by the Attorney General, and available online at the Purchasing Division's web site (<http://www.state.wv.us/admin/purchase/vrc/hipaa.htm>) is hereby made part of the agreement. Provided that, the Agency meets the definition of a Covered Entity (45 CFR §160.103) and will be disclosing Protected Health Information (45 CFR §160.103) to the vendor.

WVFIMS Vendor #: _____
 TEAM Vendor #: _____

Purchase Authorized By: _____
 Title: _____

REQUEST FOR QUOTATIONS

THIS IS NOT AN ORDER

Return by _____
on _____

Req. No. _____

Date _____

Acct. No. _____

Return to:

To Be Delivered To:

Vendor ◆

Address ◆

Telephone Number ◆

PLEASE NOTE DELIVERY REQUIREMENTS AND QUOTE DEFINITE DELIVERY IN NUMBER OF DAYS AFTER RECEIPT OF ORDER.

QUOTATIONS TO BE BASED ON TERMS AND CONDITIONS PRINTED HEREON.

Delivery Requirements		FEIN	Terms	Delivery Date	F.O.B.
Item Number	Quantity	Description		Unit Price	Amount
				TOTAL	\$

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Vendor - Authorized Representative and Title (Please Print)

Authorized Vendor Signature