



Title:	<b>General Purchasing Requirements</b>
Procedure #:	<b>40-FIN-01-01</b>
Policy Reference:	40-FIN-01 Purchasing
Legal Reference:	ORC 9.312, 102.01 to 102.09, 123.152, 125.01 to 125.02, 125.023, 125.035, 125.05 to 125.06, 125.081, 125.25, 125.60 to 125.602, 127.16 to 127.162, 153.02 (D), 2921.42, 3304.16; OAC 123:5-1-01 to 123:5-1-12; Executive Orders 2011-12K; 2008-12S; 2008-13S; DAS Directive GS-D-12
Effective Date:	August 30, 2021
Approved:	Kevin L. Miller, Director 
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History:	N/A
Review/ Implementation	Begin Review – 02/13/23 Implement Revisions By – 08/14/23

## I. PURPOSE

The purpose of this procedure is to provide direction for general purchases (excluding case services) in accordance with appropriate federal (e.g., Code of Federal Regulations [CFR]) and state law (i.e., Ohio Revised Code [ORC], Ohio Administrative Code [OAC]), Governor directives and executive orders, other governing agency (e.g., DAS, OBM) policy or guidance, and/or Director expectations.

Specific direction is provided in subsequent procedures issued in conjunction with this policy.

## II. APPLICABILITY

This procedure applies to all OOD employees and contractors who are involved in making a purchase for OOD.

## III. DEFINITIONS

Refer to "Purchasing" (40-FIN-01) for all applicable definitions.

## IV. PROCEDURES

### A. General

1. OOD does not discriminate against a supplier because of race, color, religion, national origin/ancestry, disability, age (40 years or older), sexual orientation, gender or sex, military status and/or genetic information or in any other manner prohibited by law. Favoritism in the selection or use of a supplier resulting from considerations unrelated to cost, quality, or other criteria outlined in this policy is prohibited.

2. In addition to the guidance in "Purchasing" (40-FIN-01) and direction in this procedure, additional procedures (also issued in conjunction with the purchasing policy) provide specific direction in the areas listed below.
  - a. "Payment Card" (40-FIN-01-02)
  - b. "Formal Competitive Process for Purchasing" (40-FIN-01-03)
  - c. "Information Technology Purchases" (40-FIN-01-04)
  - d. "Purchasing for Hosting Meetings and Other Events" (40-FIN-01-05)
  - e. "Vocational Rehabilitation Purchases" (40-FIN-01-06)
3. If a legal agreement is required for a purchase, the purchaser shall comply with guidance in "Legal Agreements" (70-CM-01).
4. The purchase of various assets, depending on their value or type (e.g., \$500 value, sensitive in nature) must be inventoried. Refer to "Asset Management" (40-FAC-02) for guidance.

#### 5. Vocational Rehabilitation Case Service Purchases

- a. The majority of the requirements in this procedure refers to non-case services purchases. Refer to "Vocational Rehabilitation Purchases" (40-FIN-01-06) for specific direction on case service purchases.

### B. OOD Purchasing Oversight

1. The Division of Fiscal Management (DFM), Finance Manager, or designee, shall be responsible for ensuring that employees and contractors adhere to the items listed below prior to or after a purchase.
  - a. Conforming to guidance and direction in "Purchasing" (40-FIN-01) and all subsequent procedures issued under this policy.
  - b. Ensuring competitive pricing is being achieved for supplies and services to maximize OOD's purchasing power.
  - c. Maintaining standards of efficient and fair business practices and that maximum competition is generated.
  - d. Confirming opportunities to purchase from MBE and EDGE suppliers are being maximized.

### C. Procurement Requirements

1. Requisite Procurement Programs
  - a. Refer to "Purchasing" (40-FIN-01), Section C.1. for initial guidance. Additional direction is provided below.
  - b. Ohio Penal Industries (OPI)
    - i. OPI, a division of the Ohio Department of Rehabilitation and Correction (ODRC), offers a variety of products and services, which include, but may not be limited to: furniture; seating; office systems; signage; auto repair; moving services; janitorial services; and custom design.

- a) The purchaser is required to visit the OPI on-line catalog via [www.opi.state.oh.us](http://www.opi.state.oh.us) to search for the needed item.
- b) If the item is available, the purchaser shall complete and submit a "Purchase Order Request" (40-FIN-01-01.A), with any special delivery instructions, to the Division of Fiscal Management (DFM), via email at OOD.Finance@ood.ohio.gov.

c. Community Rehabilitation Programs (CRP)

- i. CRPs are companies which provide not less than 75% of all direct labor by individuals with disabilities. The companies provide supplies or services which include, but are not limited to: banners, drug screening kits, remanufactured printer cartridges, custodial services, lawn/landscaping services, document destruction and data entry.
- a) The purchaser shall view items available through CRP contracts by searching the procurement web site via <https://procure.ohio.gov/proc/currentContracts.asp> and choosing "Community Rehab. Program (CRP) Contracts" from the "Contract Type" dropdown.
- b) Purchases totaling \$2,500 or under may be made utilizing the State of Ohio Payment Card.
- c) Purchases exceeding \$2,500 generally require a Purchase Order.
  - 1) The purchaser shall complete and submit a "Purchase Order Request" (40-FIN-01.C), listing the items needed and clearly identifying the contractor, to the DFM, via email, at OOD.Finance@ood.ohio.gov.

d. DAS, Office of Information Technology (OIT)

- i. OOD is required to utilize DAS, OIT for all telecommunication and computer service and supply purchases.
  - a) DAS, OPS normally grants an annual Blanket Release and Permit at the beginning of each fiscal year for state agencies to purchase telecommunication and computer services and supplies which are less than \$25,000. There are some exceptions which are not allowed under this Blanket. Refer to "Purchasing" (40-FIN-01), Section C.4. for these exceptions.
  - b) If a purchase reaches or exceeds \$25,000 or if the item is an exception (as noted in a) above, DAS, OIT shall make the purchase unless they grant OOD a Release and Permit to make the purchase.
  - c) Refer to "Information Technology Purchases" (40-FIN-01-04) for specific direction on these purchases.

e. DAS, Office of State Printing and Mail Services (SPMS)

- i. OOD is required to utilize DAS, Office of State Printing and Mail Services (SPMS) for all printing needs. DAS, SPMS operates four (4) copy centers that offer printed stationery, business cards, pamphlets, and brochures, as well as bulk copy orders.

Contact Office of Communications prior to making any printing purchase, in order to verify if the service needed is available.

- a) Printed stationery shall be ordered as follows:
  - 1) DDD orders shall be placed with DDD's mail room;
  - 2) Central Office orders shall be handled through Office of Communications; and
  - 3) Field office orders shall be handled through the appropriate Administrative Professional.
- b) Business cards shall be ordered directly online through DAS, SPMS. Refer to the OOD's Intranet, Fiscal, click on "Documents Dashboard", Finance Documents, then "Guidance for Ordering Business Cards" for detailed instructions.
  - 1) Staff are required to submit a copy of their order receipt to DFM, Finance.

## 2. State Contracts

- a. Refer to "Purchasing" (40-FIN-01), Section C.2. for initial guidance. Additional direction is provided below.
- b. Mandatory Contracts
  - i. The following types of contracts are, in most cases, mandatory. As stated in Section C.2.b. it will be indicated on the first page of the contract whether or not it is mandatory.
    - a) General Distribution Contracts (GDC) can be found at the link listed in 2.b. above by choosing "GDC" in the "Contract Type" and then clicking "Search".
    - b) Limited Distribution Contracts (LDC) can be found at the link listed in 2.b. above by choosing "LDC" in the "Contract Type" and then clicking "Search".
    - c) Agency Specific Contracts (ASC) can be found at the link listed in 2.b. above by typing in "RSC" in the "Index Number" field and clicking "Search".
  - ii. Purchases made from DAS mandatory contracts, no matter the amount, do not require Release and Permit from DAS, OPS or Controlling Board approval.
- c. DAS Optional Contracts
  - i. DAS optional contracts include both Master Maintenance Agreements (MMA) and State Term Schedules (STS). These contracts include multiple suppliers for similar types of supplies and services.
    - a) All prices in these contracts are "not-to-exceed" and therefore agencies are encouraged to negotiate prices downward as often as they can.
    - b) As stated in Section C.2.b, these contracts can be searched via the following link by choosing "STS" or "MMA" in the "Contract Type" and then clicking "Search".

ii. Master Maintenance Agreements (MMA)

- a) If purchasing from a MMA, the purchaser is strongly encouraged to solicit quotes as outlined in Section C.5.
- b) Release and Permit and Controlling Board Approval for MMA Purchases
  - 1) Non-IT purchases from MMAs do not require DAS, OPS Release and Permit or Controlling Board approval.
  - 2) IT purchases are not exempt from DAS, OPS Release and Permit (i.e., must reference the Blanket R&P or a specific R&P) but are exempt from Controlling Board approval.

iii. State Term Schedules (STS)

- a) All purchases referencing STS contracts require receipt (not just solicitation) of at least three (3) quotes which may include non-STS suppliers.
- b) As long as the criteria below are met, the STS contract may be referenced on the purchase and therefore DAS Release and Permit and/or Controlling Board approval will not be needed:
  - 1) three (3) quotes are received;
  - 2) the lowest, most responsive and responsible quote is from a supplier on the STS contract; and
  - 3) the respondent with the lowest, most responsive and responsible quote is awarded the purchase.
- c) If any of the above criteria are not met, the only way the STS can be referenced is for DFM, Finance to obtain a DAS, OPS Release and Permit and then Controlling Board approval prior to creating a purchase order.
- d) The other option would be to not reference the STS and use OOD direct purchase authority (DPA) to make the purchase.
  - 1) All DPA requirements and thresholds must be followed (refer to Section C.5.)

iv. Purchases which appropriately reference any of these contracts, no matter the amount, do not require DAS, OPS Release and Permit or Controlling Board approval.

3. VR Fee Schedules

- c. Refer to "Purchasing" (40-FIN-01), Section C.3. for guidance.

4. DAS Prior Approval

- a. Refer to "Purchasing" (40-FIN-01) Section C.4. for guidance.

5. Direct Purchase Authority (DPA)

- a. Refer to "Purchasing" (40-FIN-01) Section C.5. for initial guidance. Additional direction is provided below.
- b. Receipt of Quotes
  - i. Upon receipt of quotes, the purchaser shall:
    - a) carefully review all received quotes to ensure that they meet the specifications provided and if not, the respondent shall be considered non-responsive and shall be eliminated from consideration (the quote may, however, be counted toward the number of bids required (if not referencing STS);
    - b) if needed, solicit additional quotes from other suppliers to guarantee sufficient competition;
    - c) if quotes vary significantly, ensure the specifications were clearly defined and if so, solicit quotes from additional suppliers to better identify the best value; and
    - d) once all quotes have been reviewed and non-responsive quotes eliminated, award the purchase to the supplier with the lowest, most responsive and responsible quote.
  - 1) Justification to select another supplier must be reviewed and approved by DFM, Finance Manager, or designee.

c. Purchase Documentation

- i. The purchaser shall maintain the original documentation for purchases for two (2) fiscal years (i.e., the fiscal year in which it was purchased and the following fiscal year) for audit purposes.
  - a) DFM, Finance may routinely select a random sample of purchases for review to ensure purchasing rules are being followed.

6. Written Contracts for Purchases

- a. Refer to "Purchasing" (40-FIN-01), Section C.6. for guidance.

7. Emergency Purchases

- a. Refer to "Purchasing" (40-FIN-01), Section C.7. for guidance.

D. Procurement Methods

- a. Refer to "Purchasing" (40-FIN-01), Section D. for specific guidance.

E. Documenting Receipt of Purchase

- 1. Refer to "Purchasing" (40-FIN-01), Section F.

G. Violation of Procedure

An employee who violates this procedure may be subject to discipline up to and including removal.

## FORMS AND ATTACHMENTS

- N/A

## RESOURCES

- State of Ohio Procurement Handbook for Supplies and Services  
[http://procure.ohio.gov/pdf/PUR\\_ProcManual.pdf](http://procure.ohio.gov/pdf/PUR_ProcManual.pdf)
- Initial guidance for Ordering Business Cards
- 40-FIN-01-02 Payment Card
- 40-FIN-01-03 Formal Competitive Process for Purchasing
- 40-FIN-01-04 Information Technology Purchases
- 40-FIN-01-05 Purchases for Hosting Meetings and Other Events
- 40-FIN-01-06 Vocational Rehabilitation Purchases
- 70-CM-01 Legal Agreement Processing
- 40-FAC-02 Asset Management
- 40-FIN-01 Purchasing

## REVIEW

It is the responsibility of the Deputy Director, or designee, to review this procedure, on or before, the date listed in the header and if applicable, make any necessary revisions. The Deputy Director or designee shall document the review as required in “Policy and Procedure Process” (10-ADM-01).