

Current WVEMS Procurement Policy

Purchase Orders and Procurement

Purchase Orders are not used on a regular basis for small purchases. As requested by an appropriate staff member, the Administrative Assistant will produce a Purchase Order. Purchases, excluding expenses pre-approved by the Treasurer, exceeding \$5,000 but less than \$10,000, require three competitive quotes before purchase. Vendor is chosen at the discretion of the Executive Director. If the Executive Director chooses to forgo the quote process because a vendor is the sole source of an item, the Treasurer will be asked to approve the purchase. Purchases exceeding \$10,000 or more are put to competitive bid (excluding NSPA purchases for which competitive bids are not required by state and/or federal guidelines). **Exception: Purchases made from the State Contract Purchasing System (eVA) or pricing based on the state contract price have been pre-negotiated and do not require competitive bidding.**

Proposed WVEMS Procurement Policy

These policies are applicable to the purchase of all goods and services. Generally a sufficient number of sources must be solicited in order to identify the best source and cost for council purchases.

Intermediate and major purchases utilizing State contract pricing (or seeking equivalent state contract pricing), or “piggybacking” on existing local government purchasing contracts are considered pre-negotiated and are exempt from the policies listed below.

Taking advantage of “club” discounts, tax-exempt purchasing, and giving preference to small, women-owned and minority (SWAM) business are expected. Tax-exempt purchasing can be facilitated by using Commonwealth of Virginia [Retail Sales and Use Tax Exemption](#) letter and furnishing it to the vendor once per year. SWAM status of vendors can be obtained by visiting the state eVA purchasing website.

“Small purchases” refer to purchases of goods and services of less than \$5,000.00. “Intermediate purchases” refer to purchases greater than \$5,000.00 but less than \$10,000. “Major purchases” refer to purchases of \$10,000.00 or more.

Any staff member may be considered a “buyer” of goods and services. Any small purchase must be approved by the buyer’s supervisor or program manager, in accordance with Employee Handbook policy 8.96 (Purchasing-Credit Limits). Any intermediate or major purchase must be additionally approved by the Executive Director.

All purchases exceeding \$500.00 require the issuance of a purchase order. Purchase orders may be requested from and prepared by the administrative assistant or business manager by submitting an approved requisition.

1. **Small purchases.** Small purchases do not require competitive process or obtaining proposals or bids from multiple vendors. However, even small purchases should be researched by the buyer to determine the best source and cost for the council. Multiple prices may be obtained as reasonably needed to achieve the best sources and cost.
2. **Intermediate Purchases.** Intermediate purchases should be planned in advance to ensure sufficient funds are available. The buyer will obtain quotes from at least (3) vendors for any single item/expenditure or a combination of like-items or expenditures expected to exceed \$5,000.00 in one fiscal year. Quotes may be obtained from legitimate on-line sources or local vendors.
3. **Major purchases.** Major purchases should be planned in advance to ensure sufficient funds are available. The buyer will post a solicitation for bids on the council’s website and will seek written proposals or bids from a minimum of three (3) vendors, allowing at least 15 calendar days for response, for any single item/expenditure or a combination of like-items or expenditures expected to exceed \$10,000.00 in one fiscal year. Price quotes and sources should be submitted to the Executive Director for approval along with reasons for purchase and recommended vendor. Generally the lowest cost and responsible vendor will be selected. However the Executive Director has discretion to select another vendor based on extenuating factors that must be documented. Upon issuance of a purchase order to the selected vendor, all unsuccessful bidders shall be notified.

4. **Sole source purchases.** From time-to-time, it may be necessary or required to purchase from a sole-source vendor. Any recommendation for a “sole source” purchase by the buyer, approved by the buyer’s supervisor or program manager, with approval by the Executive Director, must be accompanied by sufficient justification and documentation. Upon approval by the Executive Director, the buyer shall request from the administrative assistant or office manager and issue a purchase order to the selected vendor.
5. **Compliance with council budget.** All purchases, small, intermediate and major, should fall within the available budget approved by the Board of Directors. Purchases outside the approved budget require prior board approval.
6. **Professional services.** In the event of a purchase of professional services, the buyer shall ensure the vendor possesses appropriate licensure, certification, and insurance prior to the start of work.
7. **Receipt and completion.** The buyer or buyer’s supervisor shall receive materials, ensure same is undamaged, in proper working order and is in accordance with specifications as prescribed in purchase or lease agreement. In the event of professional services, the buyer shall document completion of services, along with evaluations, program results, etc. as applicable. The professional services vendor must be directed to provide an invoice for services along with a federal W-9 form, Request for Taxpayer Identification Number, prior to any payment for services.

A running inventory of furniture/equipment/durable item purchases, together with identifying product numbers/description, serial numbers, purchase date and purchase price shall be entered and maintained by council staff. Furniture/equipment/durable items are also marked with an inventory tag. Depreciable assets are identified as durable assets with an anticipated lifespan of at least five years and a value of \$5000 or greater and will be noted as such using the appropriate (asset) accounting code when paid. All equipment should be inventoried annually.