



Purchasing and
Payment Processes in
the
State of Ohio

Introduction to Course



The purpose of this training is to provide the state employees who are responsible for procurement with guidelines for the acquisitions of goods and services. When used with good judgment and common sense, the policies and procedures conveyed within will allow an Agency to obtain required supplies and services efficiently, economically, and in accordance with ordinances established by the State of Ohio.

The Purchasing and Payment Processes eLearning is divided into modules discussing various purchasing policies and procedures for the State of Ohio. Employees can take the complete course or just specific modules depending on their level of purchasing within an agency, board, or commission.

This eLearning is designed to be a fluid document and will be modified from time to time to conform to changes in legislation, technology and actual practice. Although it may not answer every question related to purchasing activities, it is considered to be a comprehensive guide. Employees who need help dealing with specific situations not covered by the manual should contact their Accounting or Procurement Office personnel for assistance. We hope you find it useful in your daily routine.

Introduction to Course



State of Ohio Agencies are required to purchase in accordance with the Ohio Revised Code (O.R.C.), Administrative Code (O.A.C.), and State of Ohio directives and policies, as well as strict ethical standards. All personnel who purchase on behalf of an Agency are obligated to purchase goods and services through a competitive quote process. Requests to vendors are conducted in a manner that provides, to the maximum extent possible, open and free competition. Purchasing of goods and services are determined solely on the merits of each transaction. Value to the State of Ohio is the overriding factor when choosing a vendor through the purchasing process.

Table of Contents



Module 1 – Responsibilities Prior to Purchasing

Module 2 – Contracts

Module 3 – Non-Contract Purchases

Module 4 – Information Technology Purchases

Module 5 – Voucher Payments

Module 6 – Payment Card Program

Module 7 – Ethics/Compliance

Module 1: Responsibilities Prior to Purchasing

A good procurement system balances fairness, value, accountability, and flexibility. Vendors competing for state business want equal opportunity and fairness in the awarding of contracts. State agencies stretching their budget dollars want the best value and lowest price. Taxpayers want accountability to ensure that their hard-earned tax dollars are spent wisely and ethically. Purchasers want the flexibility to use their best judgment and experience to accomplish all of these.



Purchasing Checklist – Questions to ask First



1. **What types of supplies, services or equipment are being requested?**
 - You may have resources available to you within the agency (i.e. office supplies or small IT equipment. Check with your procurement team first)
 - Some services may dictate the requirement of a personal service agreement
 - Certain supplies or equipment may dictate different pre-approval requirements
 - i. IT purchases – *refer to Module 4*
 - ii. Pre-approval process for copiers or vehicles

Purchasing Checklist - Questions to ask First



2. What is the time frame for providing the supplies or services to meet the need?

- Plan ahead – processing time may take longer than anticipated if additional approvals are needed
- The purchase may require quoting or a contract, DAS/OIT Release and Permit (R&P), or personal service agreement
- When in doubt, seek assistance from your purchasing professionals and/or the DAS Office of Procurement Services

Purchasing Checklist - Questions to ask First



3. Is this a one-time purchase or will it be a recurring purchase? If so, how often?

- A contract may need to be awarded through DAS Office of Procurement Services
- Quotes may be required following your agency quote guidelines

[Click here to go to the DAS Office of Procurement Services Forms Page](#)

Click the "A Request to Purchase" link under Agency Forms

Purchasing Hierarchy



1. Is it available from an internal source?

- e.g., Mail Room, Parts Room, Another District

2. Is it available from a mandatory State resource such as Ohio Penal Industries (OPI), Community Rehabilitation Program (CRP), Office of Support Services (OSS), Opportunities for Ohioans with Disabilities (OOD), or DAS State Printing, etc.?

- The Ohio Revised Code (O.R.C.) section 5147.07 requires use of OPI, O.R.C. section 125.60 requires use of CRP followed by first consideration to OSS, OOD, or DAS Printing on certain types of supplies and services. Use of these resources is mandatory before seeking out other vendors for purchase.

Purchasing Hierarchy



3. **Is it available from an Agency specific purchasing contract, a DAS contract, or Ohio Marketplace?**
 - Use of an Agency Contract or DAS contract is the next step in the purchasing process. Note: Only items listed on a contract price list are considered contract items. *Refer to Module 2*

4. **Is this a non-contract purchase that requires quotes?**
 - *Refer to Module 3* for Quoting guidelines

5. **Is it available from a Minority Business Enterprise (MBE)/Encouraging Diversity, Growth and Equity (EDGE) vendor?**
 - See MBE section in *Module 1*

[Certified MBE/EDGE vendors](#)

Purchasing Resources

Ohio Penal Industries (OPI)



OPI is a required program – state agencies must give first consideration to products and services offered by OPI

- OPI is a Division of the Department of Rehabilitation and Correction (DRC). It employs inmates and teaches work skills while assisting the State of Ohio by providing commonly used products
- Reference contract for purchases from OPI
- Products/Services provided can be found on the OPI website listed below
 - Common items include: desks, chairs, janitorial supplies, binders, flags
- If an item is offered by OPI and you wish to purchase it from a different source you must obtain a written waiver

[OPI website](#)

Purchasing Resources

Community Rehabilitation Program (CRP)



Ohio's CRP program is administered through the DAS Office of Procurement from Community Rehabilitation Programs (OPCRP).

This program consists of non-profit organizations that employ people with work-limiting disabilities and offer goods and services.

- Legislation passed in July 2005 mandates the State of Ohio and its political subdivisions support the products manufactured and services provided by Ohio's CRPs
 - [Products and Services provided](#)
- Must reference CRP contract, purchase order is required for services
 - Waiver is required in writing prior to purchasing from a non-CRP vendor
 - Example: If CRP cannot meet the required specifications, then a waiver can be requested to purchase from another vendor

[CRP website](#)

Purchasing Resources

DAS State Printing



All printing needs must be purchased through DAS State Printing

- Printing Request Order (PRO) is necessary for jobs
- The DAS Print Shop will provide an estimate of cost. Management must sign off on PRO to approve all expenses.
- State Printing will advise the requestor if the project will be bid out or completed by DAS in-house. Purchaser may request MBE set aside.
- If the project is bid out, the requestor will be notified of the cost. If the requestor approves the cost, a requisition will be entered into OAKS.
- Jobs completed in-house by DAS will be billed by Intra State Transfer Voucher (ISTV)

[State Printing and Mail Services website](#)

Purchasing Resources

Opportunities for Ohioans with Disabilities (OOD)



OOD's Bureau of Services for the Visually Impaired (BSVI) assists people who are blind or have a visual impairment by creating employment in food service areas. This provides Ohioans with opportunities to operate cafeterias, snack bars, convenience stores, and vending locations.

- Whenever any state agency determines a need for vending or concession services in their facility, they must first contact OOD to determine if such services can be provided through the BSVI program

[OOD BSVI website](#)

Purchasing Resources

Office of Support Services (OSS)



The Office of Support Services (OSS) within the Department of Mental Health and Addiction Services provides institutional agencies with various supplies and services

- Common products and services
 - Cleaning supplies
 - Pharmaceuticals and pharmaceutical services
 - Medical supplies

[OSS website](#)

Minority Business Enterprise (MBE)



MBE is a business owned and controlled by a member of an economically disadvantaged group identified in O.R.C.

- Vendor must be certified with DAS Equal Opportunity Division (EOD)
 - All applications are required to be completed online at:
www.mbe.ohio.gov
- There is a 15% Agency MBE Set Aside requirement of all eligible purchases per O.R.C. §125.081
- MBE Set-Aside
 - Purchases that are “set- aside” for quoting or bidding by minority vendors only earn set- aside MBE credit.
 - A selective competition of MBE Vendors must be solicited from a minimum of 3 MBE vendors to qualify the purchase as Set Aside.
 - MBE participation (MBEP) does not count towards your agency’s 15% set- aside credit.

Encouraging Diversity, Growth, and Equity (EDGE)



EDGE program participants are small socially and economically disadvantaged business enterprises owned and controlled by U.S. citizens who are Ohio residents.

- 5% Agency goal. Should not be using EDGE for goods and services unless the vendor is not an MBE.

*When shopping for goods or services, your agency's guidelines for MBE purchases must be considered. Contact your Agency Procurement Officer for more information.

[Certified MBE/EDGE vendors](#)

Responsibilities Prior to Purchasing: Purchasing Resource



1. **Purchasing Resource: Contract, Personal Service, or Quote**

- Service-related purchases using a personal service contract require review and signatures appropriate to your agency
- Purchases relying on quotes should follow DAS quote guidelines - *refer to Module 3*

Responsibilities Prior to Purchasing: Vendor Eligibility



2. Vendor Eligibility

- Vendor status should be "Active" in OAKS
- New and existing vendors must complete and submit the vendor form(s) to Ohio Shared Services (OSS) to update any company information
 - The link to the online form(s) can be found on the [Ohio Shared Services website](#)
- Verify existing vendor limits on the \$50,000 threshold
 - \$50,000 limit pursuant to O.R.C. 127.16
 - Related vendors with common tax ID numbers spending limits are linked together
 - Cannot make a purchase from a vendor who is at \$50,000 or if your purchase will take the vendor over \$50,000 within the current fiscal year
 - Contact your procurement office regarding information on the \$50,000 list

O.R.C. §127.16 Purchasing by Competitive Selection: (B) Except as otherwise provided in this section, no state agency, using money that has been appropriated to it directly, shall: (1) Make any purchase from a particular supplier, that would amount to fifty thousand dollars or more when combined with both the amount of all disbursements to the supplier during the fiscal year for purchases made by the agency and the amount of all outstanding encumbrances for purchases made by the agency from the supplier, unless the purchase is made by competitive selection or with the approval of the controlling board; C) any person who authorizes a purchase in violation of division (B) of this section shall be liable to the state for any state funds spent on the purchase, and the attorney general shall collect the amount from the person

3. Pre-Approvals

Contact your Purchasing Office for assistance for all Pre-Approvals listed below:

- Release and Permit Numbers (R&P #): A Release and Permit is required for specific purposes. Ensure you check [OBM Account Code Search](#) to identify requirements of the purchase.
- Quotes must be reviewed and approved by the Agency Purchasing Office prior to encumbering funds for non-contract/Direct Purchasing Authority.
Refer to Module 3
- Fleet purchases are approved by DAS Fleet Management
- Printer and Copier purchases are approved by DAS. [Click here for approval forms](#).
- Agencies must seek Controlling Board approval when the cumulative amount to be spent with a single vendor will exceed \$50,000 per fiscal year and purchase does not follow competitive bids. For these purchases, the agency must obtain a release and permit from DAS .

Responsibilities Prior to Purchasing: Sole Source



4. Sole Source

Sole Source: no other vendor possesses the unique ability or capability to meet the particular requirements for a specific purchase

- Examples of true sole source: Software that is only provided by manufacturer, replacement parts that must be provided by the vendor where the original purchase was made
- If using a different vendor would void your warranty, it is acceptable to use the original vendor considered Single Source
- Any sole source purchase will require quotes as established by your agency to verify that no new vendors can provide the sole source item
- Provide detailed sole source explanation and/or justification on appropriate purchase documentation
 - The vendors statement that they are sole source is not justification. We cannot accept the vendors own statement regarding sole source availability. Verify with some research yourself.
 - Exception: IT Requests can accept vendors letter of sole source. *Refer to Module 4.*

*For certain agencies un-bid contracts are not considered sole source. When in doubt contact your Purchasing Office.

Responsibilities Prior to Purchasing: Payment Methods for Your Purchase



5. Payment Methods for Your Purchase

- Payment Card
 - Up to \$2,500 per vendor per day
- Debit Voucher
 - Up to \$500 when no payment card is available
 - Non-contract purchases
 - Cannot use for purchases requiring pre-approval numbers
- Purchase Order
 - Used for any purchase not eligible for payment card or debit voucher
- EDI (Electronic Data Interchange)

Refer to Module 5 for more information regarding payment methods

Knowledge Check

Module 1



1. What is the fiscal year spending threshold per agency for vendors without a contract?
\$_____
2. Ohio Penal Industries (OPI) is an optional program because it is a state agency.
 True
 False
3. Do we have to request quotes from sole source vendors?
 True
 False
4. Community Rehabilitation Programs (CRP) are required state resources. Before items provided by the CRP vendor can be ordered from another vendor, the following item is needed:
 Controlling Board Number
 DAS R&P
 Waiver

Module 2: Contracts

Module 2 will discuss the various contracts that are available for use when purchasing goods or services. Contracts offer a more efficient purchasing process and do not have constraints such as the annual \$50,000 spend limits. You will review the mandatory state contracts as well as the optional State Term Schedule, Multi Award contracts and Agency Specific contracts. You will have information on where to find the Contracts and how to search for goods or services.

Department of Administrative Services Responsibilities



1. Award DAS contracts on behalf of the agencies
2. Provide Release & Permit
 - Some IT contracts require additional Release & Permit – *refer to Module 4*
3. Approve agency requests to purchase
4. Provide direction for purchasing rules and guidelines
5. Centrally approves all purchase orders for vehicles and copiers
6. Provides oversight for MBE/EDGE requirements through EOD office

Department of Administrative Services Responsibilities



7. DAS is comprised of three major procurement divisions:
 - Office of State Printing & Mail Services
 - Office of Procurement Services
 - Office of Information Technology

DAS Contracts



Within any DAS contract there is Agency responsibility as well:

- Understand terms and conditions
- Understand scope of work to be performed
- Verifies compliance of vendor awarded contract

The Ohio Revised Code (O.R.C.) authorizes DAS to oversee and/or make purchases of supplies and services for use by state agencies. O.R.C. does provide exemptions from DAS procurement authority for some organizations under certain conditions. The services DAS offers include:

- Development and/or interpretation of the bid
- Manage online price lists, bids and awards
- Amends contracts
- Oversee Complaint to Vendor (CTV) process
- Monitors vendor relationships
- Handles any legal aspects during the contract period

Contract Administration



With the use of every DAS contract, It is important to review:

- Contract terms and conditions
- Pricing requirements of contract - ensure costs align with the approved pricing
- Invoice requirements
- Vendor responsibilities
- Deliverables within the timelines established by the contract
- Service Level Agreements
- Reporting as required by contract

Contract Administration



When using a DAS contract...

1. **No additional signatures are required by the purchaser**

- Contract provides requirements for all vendors
- Vendors cannot require additional paperwork be signed that would override contract terms and conditions

2. **No dollar limitation**

- Some contracts do have minimum purchasing requirements
- No additional requirements are necessary
- No quotes, release and permit, or Controlling Board
- Does not contribute to the \$50,000 threshold
- Funding must be available

3. Review contracts at each new award

- Read intent, scope, and minimum purchasing requirement information
- Make no assumptions about contract content based on previous awards
- Important information may be in bid request document or RFP, rather than award
- Vendor requirements
- Minimum order requirements
- Freight requirements
- Documentation requirements
- Sublet/contractor vendor mark-up

4. Invoice requirements

- Refer to *Module 5* for proper invoice requirements
- Itemized charges per contract specifications

5. Vendor Expectations

- Assure goods are provided in accordance with the terms of the contract
- Make sure the method of delivery is in compliance with the contract
- Substitutions are not permitted
- Adhere to terms and conditions
- Notify State of any personnel changes
- Contractor will preform and amendments to contract
- Contractor/Vendor is responsible for resolving any performance issues

6. Problems must be reported to vendor within 30 days of receipt of product for most contracts

- Always attempt to work with the vendor first
- Ongoing concerns should be reported to DAS Office of Procurement using the Complaint to Vendor (CTV) process
- Forms are found on the DAS website and Accounting website:
 - Complaint to Vendor (CTV) Form
 - Use when the current issue is unresolved. Complaint to vendor files are the primary source used by DAS to protect agencies against vendor performance. CTV files also assist the buying staff when awarding future contracts.
 - Vendor Performance Survey
 - Use when issue is resolved, but need to document the issue

Purchasing Options

Department of Administrative Services Contracts



Mandatory DAS contracts - General Distribution Contracts (GDC), Limited Distribution Contracts (LDC) & Agency Specific Contracts (ASC) – Requirement Contracts

- To assist agencies in meeting their needs, DAS maintains a number of requirements contracts for many types of supplies and services. Requirements contracts are term contracts that are effective for an extended period of time, usually one to three years. Agencies may purchase any dollar amount from a requirements contract without the need for any further competitive process, providing that approved funds are available to cover the purchase.
- Supplies and/or services provided by these contracts must be procured from the awarded vendors listed on the contract. Failure to do so may place the State in breach of contract.

General Distribution Contracts (GDC's)



- Contain popular items utilized by many agencies
- Available to all agencies
- Examples: vehicles, gasoline, clothing
- Agencies may find GDC's on the State Procurement web site by following this path: www.ohio.gov/procure
 - Select "Current Contracts"
 - Under "Search by Contract Type," use right down arrow to select "GDC"
 - On "Search for GDC" page, further refine your search, or click on "Search" to view all contracts
- Examples of GDC Contracts:
 - GDC138 - Refuse Pickup
 - GDC004 - Temporary Services

Limited Distribution Contracts (LDC's)



- Address specific needs of multiple named agencies
- Available to only named agencies
- Examples: elevator maintenance, laundry services
- Agencies may find LDC's on the State Procurement web site by following this path: www.ohio.gov/procure
- Select "Current Contracts"
 - Under "Search by Contract Type," use right down arrow to select "LDC"
 - On "Search for LDC" page, further refine your search, or click on "Search" to view all contracts
- Examples of LDC Contracts:
 - LDC104 – Professional Pest Control Services
 - LDC004 – Dairy Products
 - LDC106 – Gases, Welding, Medical and Analytical; Miscellaneous Supplies

Multiple Award Contracts (MAC's)



- MAC is a contract that includes multiple suppliers for the same or comparable supplies or services
- Check the contract language to verify whether use is mandatory or optional
 - MAC prices should be considered not-to-exceed figures, and agencies may accept better prices than those listed on the MAC.
- Agencies may find MAC's on the State Procurement web site by following this path: www.ohio.gov/procure
 - Select "Current Contracts"
 - Under "Search by Contract Type," use right down arrow to select "MAC"
 - On "Search for MAC" page, further refine your search, or click on "Search" to view all contracts
- Examples of MAC Contracts:
 - MAC069 – Bus Repair and Maintenance Services
 - MAC018 – Office and Classroom Related Supplies and Accessories

Agency Specific Contracts (ASC's)



- Address specific needs of a given agency
- Available to a single agency
- Examples: training services, call center services, food services
- Agencies may find contracts specific to their agency on the State Procurement web site by following this path:
www.ohio.gov/procure
 - Select “Find It Fast”
 - Under Step 2, type in the first three-digits of your agency business unit
 - Click on “Find It Fast”
- Examples of ASC Contracts:
 - DEVOCDP13044 - Federal Section 106 Historical Reviews
 - OT9000014 - Law Enforcement Uniforms for the Ohio Department of Natural Resources

Master Maintenance Agreements (MMA's)



- Optional contract available for maintenance and service of equipment that is no longer covered under a manufacturer's warranty
- MMA's are available for computer hardware, software, copiers, vending machines, and other equipment used for remedial maintenance and preventative maintenance inspections
- Agencies may find MMA's on the State Procurement web site by following this path: www.ohio.gov/procure
 - Select "Current Contracts"
 - Under "Search by Contract Type," use right down arrow to select "MMA"
 - On "Search for MMA" page, further refine your search, or click on "Search" to view all contracts
- Examples of MMA Contracts:
 - MMA721 – Carpet and Flooring
 - MMA511 – Electrical Hardware and Services

State Term Schedules (STS)



- STS is a non-competitively awarded contract that offers most-favored pricing to the state
- STS contract expectation is that the price should be the same or lower than what is offered on the STS pricelist for that item
- Recommended but not mandatory
- To ensure best pricing, quoting is required on STS contracts
- Agencies may find STS' on the State Procurement web site by following this path: www.ohio.gov/procure
 - Select “Current Contracts”
 - Under “Search by Contract Type,” use right down arrow to select “STS”
 - On “Search for STS” page, further refine your search, or click on “Search” to view all contracts
- Examples of STS Contracts:
 - STS581 – Audio Visual Equipment
 - STS033 – Computer Hardware, Software, and IT Services

Purchasing Options

Ohio Marketplace



Ohio Marketplace eCatalog

- Ohio Marketplace eCatalog modernizes and improves the procurement process for state agencies. Ohio Marketplace eCatalog is a web based application that allows State agency users to procure basic goods and services from DAS State Contracts/Schedules. Through contracted vendors, purchasers are able to search and compare catalog pricing on many commonly used items. It simplifies the purchasing process for the shopper and completes the transaction directly to OAKS at the time of purchase. If an agency plans to purchase from a DAS contract that is set up in Ohio Marketplace, they are expected to use Ohio Marketplace for the purchase.
- Agencies are encouraged to avoid directing significant amounts of business to a limited number of vendors or suppliers. Compare prices and use competition when possible.

DAS Contracts Vendor/Dealer Relationship



Payments may only be made to vendor listed on contract

- **Caution:** When reviewing dealer information, a lack of vendor ID or OAKS contract number indicates no payments can be made to this dealer. The contracts may also include "*This dealer does not accept POs*". Review the contract language to identify these dealers.
 - Parts or equipment may be picked up from the dealer, but all payments must be made to the contract vendor
 - Service may be provided by the dealer, but all payments must be made to the contract vendor
 - Status can change at any time
 - Contract numbers will only be provided for vendors able to accept purchase order and/or payment

DAS Procurement Request to Purchase (RTP)



- DAS assists agencies in contracting for a specific service or item(s) when no existing contract is available
- When the value of the purchase exceeds \$50,000 for supplies or services, discuss with your agency procurement office as law requires that DAS review the request and make a determination as to whether or not DAS can solicit the bid. If DAS determines that it is not practical or advantageous for DAS to assist in the purchase, the agency may be granted a Release & Permit to make the purchase under their direct authority with approval from the Controlling Board. (Non-IT purchase)
- Involve DAS in the new procurement at the first stages of development. This will reduce the potential for unnecessary delays in drafting specifications and determining the best method to make the purchase.

DAS Procurement One-time Purchases



When requesting a One-Time Purchase Bid, the agency will enter a requisition in OAKS including all funding information, specifications, and selecting State Purchasing as the vendor. After the requisition receives all agency approvals it will route to State Purchasing as part of workflow.

Additional recommendations the agency should consider when preparing their requisition include:

- Agency contact person and phone number placed in the justification field
- Estimated cost, most current
- Ship to/Bill to address
- Indicate if you want this as a minority business enterprise (MBE) set aside bid in the justification field
- Proper category code
- Complete specifications. Copies of catalog pages may be attached
- Enter additional vendors—names, address, city, state, zip, contact person, e-mail address in the justification field
- If assembly (construction) is required as part of the purchase, agency will need to provide prevailing wage schedules before the bid is issued

DAS Procurement



DAS will review specifications and edit as necessary to remove restrictive requirements (agency will be advised of any changes). The specifications will be typed in bid format and notices will be emailed to registered bidders. Final determination of specifications will reside with DAS. Requisitions may be delayed for a number of reasons.

Following is a list of the most common reasons:

- Insufficient definition of need
- Failure to list contact person and phone number
- Overly-restrictive specifications: sole source, brand specific
- Failure to provide suggested manufacturer's name and model number

Knowledge Check

Module 2



1. When using a contract, there is a spending limit.
 True
 False

2. If your purchase is valued over \$50,000, you need to:
 Submit a Request to Purchase (RTP) form to DAS
 Discuss with your agency's procurement office
 Make a direct purchase
 1 and 2 are both correct

3. Should you check all contracts for minimum purchasing requirements?
 Yes
 No

Module 3: Non-Contract Purchases

Module Three will discuss how and when to use the Agency Direct Purchasing Authority. This module will outline when and how to obtain quotes. It will also discuss how those purchases relate to a vendor's \$50,000 limit annually. By Law, agencies are not permitted to spend more than \$50,000 per fiscal year with any single vendor for non-contract purchases.

Direct Purchase Authority

When do I use it?



When purchase is not required to be from state required resources, DAS contracts, or specific agency contracts and is less than \$50,000.

- All Agencies in the State of Ohio are committed to purchasing in accordance with the Ohio Revised Code, Administrative Code, and State of Ohio directives and policies, as well as ethical standards. All Agency personnel who purchase on behalf of their Agency are obligated to purchase goods and services through a competitive quote process. Requests to vendors are conducted in a manner that provides, to the maximum extent possible, open and free competition. Purchasing of goods and services is determined solely on the merits of each transaction. Value to the State of Ohio is the overriding factor when choosing a vendor through a documented quote process.
- State Agencies that purchase supplies or services are to post all state contract opportunities exceeding \$25,000.00 and all of their current contracts exceeding \$25,000.00, on the [DAS Procurement Portal](#).
 - Pursuant to [Executive Order 2008-12S](#)

Direct Purchasing Quote Requirements



- Current DAS policy calls for agencies to obtain a minimum of two verbal quotes for purchases up to \$500. For purchases over \$500, policy instructs agencies to obtain a minimum of three written quotes and maintain a record of the suppliers contacted, the quoted price, and the supplier selected.
- Agencies may determine their own quoting threshold. Please contact your agency procurement professionals to obtain quoting requirements.

Requesting Quotes



1. **Clearly define the item or scope – A quote provides protection and ensures that all vendors receive the same information**
 - Do not quote brand specific
 - If a brand name is identified in the quote specifications, the language “*or approved alternate*” must also be included
 - An exception for quoting brand specific items is when the use of a different brand will void a warranty on the original equipment or product
 - If quote form has been modified by the vendor, it may be necessary to go back and re-quote
 - If the vendor added an item that was not requested and is not needed, ask the vendor to re-quote without that particular item
 - If a vendor added an item that will be needed, a new quote request will need to be sent out to all vendors, with the additional item included Use your agency guidance to determine valid quote expiration dates
 - A new quote is required when:
 - There is a change in scope
 - Set terms on quotes have expired
 - Items are added that original quote did not cover

Requesting Quotes



- 2. To obtain MBE Set-Aside credit when requesting quotes, a minimum of 3 quotes from certified MBEs must be solicited**
- 3. All direct purchasing, regardless of the payment method, contributes to the \$50,000 limit**

Review the [Executive Order 2011-12K](#) for Offshore Companies

4. Unacceptable Quoting Practices

- Avoid conflicts of interest, such as obtaining quotes from family or friends
 - The key is to remove oneself from the transaction. To avoid conflict of interest, delegate the quote request to someone else. When in doubt, contact your agency Legal Office or the Ohio Ethics Commission for clarification
- Guiding a purchase in any way that may be viewed as improper
- Helping vendors fill out quotes or bids
- Obtaining quotes after submission deadline is prohibited
- Paying a fee for quotes
 - This is very uncommon, but if it does occur, contact the Purchasing Office for guidance

Agreements



- 1. If using a DAS or Agency contract as the basis of your purchase, you should not have to sign any additional paperwork from the vendor**
 - If asked to sign anything that would alter, amend, or modify the terms and conditions of the DAS or Agency contract, contact the DAS Office of Procurement Services, DAS Office of Information Technology, your agency Procurement Office, or your agency Legal Office

- 2. Direct Purchasing through Quotes**
 - If direct purchasing through quotes, use a standard quote form with Agency specific terms and conditions attached. Work with your Purchasing Office on specific quoting requirements.

- 3. Purchasing from Sole Source**
 - If purchasing a sole source item the vendor, as with all vendors, must agree to the State of Ohio Terms and Conditions

Prior to Contract Execution



1. **Agreements are written promises and should be easily understood**

- Agreements should not be difficult to read or understand. If any part of the agreement is unclear, rephrase it to state simply and clearly what you intend. The clearer the agreement is, the less likely it is that the parties will later disagree about what a particular provision means.

2. **Always send drafts to your Legal Office for review prior to sending them to the other party**

- Agreements are written promises and, as such, are seemingly simple. Yet poorly written agreements regularly result in unhappy and dissatisfied customers. Occasionally, such agreements can result in huge unexpected costs.
- Anticipating unexpected events complicates the drafting of a good agreement. If you have any doubts about whether the agreement correctly and completely reflects the promises made by the parties or contains all the necessary and appropriate terms and conditions, please contact your Legal Office.

- 3. After you have read the agreement, one should be able to easily answer the following questions:**
- Who are the parties?
 - All contracts should be in the name of the State of Ohio and your Agency, per O.R.C.
 - Whenever possible, use an approved State of Ohio contract, not the contract or form provided by the Vendor
 - If it is not possible, you should include the State of Ohio standard addendum form with the Vendor's form for consistent terms and conditions
 - What have each of the parties agreed to do?
 - A well drafted Scope of Work is essential to good contract administration. Make sure that all deliverables or tasks are clearly set forth and that dollar values are assigned to each deliverable and task.

Prior to Contract Execution



3. **After you have read the agreement, one should be able to easily answer the following questions (cont.):**
 - When will the contract commence and terminate?
 - No contract may extend beyond the end of the State's biennium, which is June 30 of any odd-numbered year
 - No contract should commence before the date that the Agency signs it
 - No work should commence before the purchase order is finalized in OAKS

 - How much will the Agency owe under the contract?
 - Any un-bid contract for supplies and services that exceeds \$49,999 must be approved by the State Controlling Board
 - Exceptions: contracts with other state agencies, including public universities and colleges, Lease-Purchase Agreements (LPA), contracts with public utilities

3. **After you have read the agreement, one should be able to easily answer the following questions (cont.):**
 - How is risk allocated? Clauses to watch out for:
 - Indemnification – it's unconstitutional
 - Attorney fees or collection fees – the State does not pay
 - Liquidated damages – the State does not pay
 - Governing law – only Ohio law should apply
 - Is the contract complete?
 - Are all exhibits attached?

Personal Service Contracts



Personal Services Contracts should be used when the Department seeks to purchase services, from an individual, nonprofit organization, business, or other entities if the following criteria are met:

- The scope of work contains measurable standards for the performance of the contract
- The Department has established a contract monitoring process to measure contract performance costs, service delivery quality, a set of deliverables, and other contract standards
- Requires proof of Workers Compensation on behalf of the vendor
- Simple examples of personal services include expert witnesses for litigation, accounting services, consultants, etc. These types of contracts are often under \$50,000, are not competitively bid, and are typically governed by the Ohio Revised Code section 5526.01 et seq. Personal Services contracts should be used rarely because of their unbid nature. All personal service contracts should be reviewed for necessity and purpose by the Director or designee.

Direct Purchasing Requisition



It is important to remember that by State Law, funds must be encumbered prior to purchasing and/or obtaining services

- See O.R.C. Chapter 3.12 and 126.07

O.R.C. §3.12 Personal liability of officer making contract without authority: “An officer or agent of the state or of any county, township, or municipal corporation who is charged or entrusted with the construction, improvement, or keeping in repair of a building or work of any kind, or with the management of or providing for a public institution, shall make no contract binding or purporting to bind the state, or such county, township, or municipal corporation, to pay any sum of money not previously appropriated for the purpose for which such contract is made, and remaining unexpended and applicable thereto, unless such officer or agent has been authorized to make such contract. If such officer or agent makes or participates in making a contract without such appropriation or authority, he is personally liable thereon, and the state, county, township, or municipal corporation in whose name or behalf the contract was made shall not be liable thereon.”

O.R.C. §127.06 Certification of balance statement in all contracts: “...no contract, agreement, or obligation involving the expenditure of money chargeable to an appropriation, nor any resolution or order for the expenditure of money chargeable to an appropriation, shall be valid and enforceable unless the director of budget and management first certifies that there is a balance in the appropriation not already obligated to pay existing obligations, in an amount at least equal to the portion of the contract, agreement, obligation, resolution, or order to be performed in the current fiscal year.”

Emergency Purchases



The Ohio Administrative Code Chapter 123:5-1-01 (g) defines an emergency condition as:

- “Emergency condition means a situation which creates a threat to public health, welfare, safety, which arise by reason of epidemics, riots, equipment failure or such other reasons as may be proclaimed by the governor; or which interrupts the operation of production facilities maintained by Ohio Penal Industries in its program for employment of prisoners.”

Operational Need Purchases



- Work with your manager to document Operational Need
 - It is very important not to act on one's belief of an emergency, but to have the support of a manager. If the direct supervisor is not available, a member of management needs to be involved in the purchasing decision
 - Poor planning does not justify an emergency
- Work with Purchasing Office to obtain quotes

Knowledge Check

Module 3



1. Direct Purchasing Authority is used when the purchase is not required to be from state required resources, DAS contracts or agency contracts.

True
 False

2. Which situations below constitute an emergency that would allow an emergency purchase?

Mudslides and Flooding
 Poor Planning
 Wildfires
 All the above
 All the above EXCEPT poor planning

Module Four: Information Technology Purchases

Module Four will discuss how to purchase IT related items or services. These include laptops, cell phones and software packages. It is important to understand the difference in the purchasing process for IT vs. operating items. You will review the online forms necessary to get these purchases approved at the agency level and DAS level.

[DAS OIT website](#)

How Agency IT can Assist in the Purchasing Process



Purpose of DAS Office of Information Technology (OIT)

- Purpose is to provide the highest quality technology based services in a cost-effective manner

Agency IT Functions

- Oversee IT Purchasing
- Recommend MBE and non-MBE vendors from which to purchase, if needed
- Submit request to OIT for Release and Permit
 - OIT will provide OIT R&P number if approved

Quote Requirements



1. Use Quote Form sending out, Letterhead quote for return quote
2. Determine quoting thresholds

STS Contract Purchase

Under \$25,000	One letterhead quote needed. However, if applicable, the preferred method is the MBE set-aside process.
Over \$25,000	Three letterhead quotes needed. However, if applicable, the preferred method is the MBE set-aside process.

Non-Contract Purchase

Under \$2,500	No quote needed, use State Pay Card if possible for purchase. Payment card cannot be used for Microsoft Purchases, must be done on a PO or debit voucher.
\$2,500 to \$50,000	A minimum of three letterhead quotes. If applicable, preferred method is MBE set-aside process.

Quote Requirements



3. Controlling Board request

- Non-contract vendor over the \$50,000 spend limit means that the agency has to submit a request into the Controlling Board system to obtain Controlling Board number

4. Sole Source request

- Include a current sole source letter with letterhead quote
- Product from sole source vendors must be quoted one time per year to ensure no other vendors carry product
- Software or Software Maintenance not on Contract - Provide a signed Software License Agreement (SLA)

Helpful Hints

- Printer requests: include estimated monthly usage for both black & white and color if applicable
- Copier requests: work with DAS directly to process order through Cost-Per-Copy

Refer to Module 1

OIT Release and Permit



DAS/OIT wishes to support your agency's business needs through the creation of an IT Business Plan. The IT Business Plan, driven out of the agency's IT Planning process, will be tied directly to supporting the agency's business needs and assisting in fiscally sound technology decisions.

To accomplish this goal, OIT has developed the Information Technology Applications Lifecycle Planning System (IT ALPS). IT ALPS is a critical part of a large enterprise change in how we will look at IT planning and procurement. As an enterprise, we are focusing on long-term lifecycle planning for IT applications in support of the agency's business plan.

1. An OIT Release and Permit is required for any IT purchase. Your agency may have a Blanket Release and Permit available for low dollar purchases or you may need to submit a request to OIT for a Release and Permit Number that approves your purchase. Check with your Agency IT department first on all Release and Permit information.
2. IT Purchase procedures will be individual to your agency. Work with your agency IT Department or Finance Office on the best practice for IT purchases within your agency.

[IT ALPS](#)

Examples of Product Requests



1. Hardware - Any type of physical device or component

- Computers
- Monitors
- Digital camera
- Printers
- Projectors (when connected to a computer)

2. Software - Any type of application or program requiring installation

- Google Earth Pro

Examples of Product Requests



3. Telecommunications

- Network Contract Management Services procures computer network-delivered information services, including but not limited to, voice, data, and video cloud services for state and local government. The unit assists DAS in superintending service providers' contracted services under O.R.C. §125.04. By combining all the service needs of Ohio's public agencies, Network Contracts lowers or avoids rising costs of telecommunications and cloud computing delivery for governments, schools, libraries, and higher education institutions.
- The Telecommunication Service Request system (TSR) has been replaced with the Ohio ServiceNow Customer Service Portal for convenience in ordering IT and Telecommunication services. The portal is located at customer-service.ohio.gov and can be accessed by your State of Ohio User ID# and password.

[Telecommunications](#)

Examples of Service Requests



1. Hardware maintenance

- Support, warranties, and/or maintenance on devices or components
- Physical devices and/or components should not be listed under this category

2. Software maintenance

- Support, warranties, and/or maintenance on an application or program

3. Other

- Consulting, training, services, web based subscriptions etc. that pertain to technology
- When submitting for an IT purchase, it is important to categorize the different types of purchases correctly. There have been instances where components have been placed under the wrong category which distorts end of year reporting.
 - If a replacement component is being ordered, that should fall under hardware maintenance, however, if a new component is being ordered that should fall under hardware instead of hardware maintenance. An example would be batteries or cables placed under hardware maintenance instead of hardware.

Knowledge Check

Module 4



1. If you are purchasing software on an STS contract costing approximately \$10,000, how many quotes do you need?
 1
 2
 3
 4

2. For a \$3,500 purchase of non-contract Hardware items, how many quotes need to be requested from vendors?
 1
 2
 3
 4

Module Five: Voucher Payments

Module Five will discuss the payment options for your purchase. There are several different types of voucher payments that allow your finance office to pay an invoice. When receiving an invoice for your purchase there are a few common sense rules to follow to verify the accuracy of the invoice and when it is appropriate to pay. Additionally it will discuss the use of the State of Ohio Payment Card. The state credit card allows for quick and easy purchases of everyday items.

Payment Types



1. Intra State Transfer Vouchers (ISTVs)

- Used to process transactions between state agencies

2. Petty Cash Vouchers

- Used for small incidental expenses excluding services and utilities
- Requires completed and approved petty cash request

3. Debit Voucher

- Used for payment under \$500 where a pay card cannot be used
- Exceptions that can exceed the \$500 limit
 - Utility/Telecommunications
 - Tuition Reimbursement
 - Miscellaneous Reimbursement to Employee
 - Postage (US Postal Service)
 - Tax payments

4. Purchase Order Voucher

- Payments Over \$500 require a Purchase Order
 - Exceptions previously noted in Debit Vouchers section



Payment Types

5. Payment Card (Pcard)

- Used primarily for the purchase of equipment, materials, and supplies
- Daily limit is \$2,500 per vendor unless otherwise approved. A monthly limit of \$15,000 also applies.
- For specific details on Pcard use, see the Pcard Manual

6. Electronic Data Interchange (EDI)

- Primarily designed for vendors capable of transmitting invoices and purchase orders electronically with the agency
- Intended to:
 - Simplify and streamline the procurement process
 - Lower overall transaction costs
 - Pay vendors within 4-5 days
 - Reduce errors
- Follows same purchasing and payment guidelines as Debit and Purchase Order payments

Proper Invoices



Proper Invoice can be referenced in Ohio Revised Code 125.01(B)
and the State of Ohio Financials Process Manual

- A proper invoice must contain the following elements:
 - Agency Name
 - Agency Billing Address
 - Delivery location of goods or services
 - Vendor Information that must be included:
 - Vendor Name
 - Vendor Address
 - Unique Invoice Number
 - Transaction Information
 - The date that services were provided or that items were shipped
 - Itemization of goods or services provided, including cost
 - Clear statement of total payment expected

**Invoices are paid once the goods and services are received
and the invoice is considered a "proper invoice"**

Invoice Payment Process



1. Date Stamp Invoice upon arrival
2. Verify the vendor's invoice as a proper invoice as defined by OBM
3. Apply appropriate coding strip, label, or stamp
4. Obtain signature approval
 - Determine who is responsible for the payment verification. The responsible person is indicated by signature and approval to pay on the stamp, label, or invoice .
5. Send to Accounts Payable/Fiscal Office/Ohio Shared Service for processing
 - Ohio Shared Services(OSS), a division of the Ohio Office of Budget and Management, is a business processing center that processes common administrative transactions for state agencies and business vendors
 - Check with your Agency Purchasing Office to determine if you are working with OSS

Knowledge Check

Module 5



1. You need a purchase order for invoices over \$500 where the vendor does not take a pay card.
 True
 False
2. An intrastate transfer voucher (ISTV) is a payment to another state agency.
 True
 False
3. When do you pay an invoice?
 Immediately
 After 30 days
 When the goods or services have been received
 When my boss hands it to me to pay



Module Six: Payment Card Program

The State of Ohio's Payment Card (Pcard) Program is designed to empower state employees to make small dollar purchases for goods and services. The program allows employees to acquire goods and services as they are needed for operations without undue delay. It is designed primarily for the purchase of tangible materials, equipment, supplies, and services that cost less than \$2,500.

- Cardholders have standard single transaction limit of \$2,500 per vendor per day
- OBM establishes monthly limits of \$15,000 for individual pay cards by agency

Security



1. **The only person authorized to use the Pcard is the person whose name appears on the face of the card. The Pcard shall not be loaned to another person in the agency under any circumstances.**
 - If a cardholder is absent for a period of time, the agency should seek to obtain another card for a different designated employee, either temporarily or permanently
 - The purchases made with the Pcard are the sole responsibility of the cardholder

2. **Each cardholder is responsible for the security of his/her card**
 - All precautions should be used to maintain confidentiality of all information relating to the card, such as the cardholder account number, card security code, and expiration date. The account number should never be left in a conspicuous place.
 - Each cardholder should examine all receipts and packing slips to make sure that their account number is not documented

Unauthorized Purchases



Pcard holders are not authorized to purchase the following:

- Gift Cards
- Pre-paid debit cards
- Any type of travel expenses including hotels, car rentals, meals, gasoline, etc.
- Within each agency, there may be an assigned hotel and airline pay card for travel
- Gasoline purchases are allowed using a Voyager Card only
- Cash advances
- Inter-agency purchases - ISTVs
- Debt service, judgments, or settlements
- Any good/service for personal use or gain

Split Pcard Purchases



- Do not split a purchase of like supplies and/or services in order to circumvent getting quotes
 - Non-contract items >\$2,500 need quotes
- Example of split purchases would be:
 - Same vendor
 - Same day
 - Consecutive invoice numbers
 - Same or like items

Tax Exempt



The State of Ohio is not required to pay State sales tax. The Pcard itself should be sufficient identification to allow tax-free purchases.

However, there are merchants who want a Sales and Use Tax Blanket Exemption Certificate, or similar form on file. Providing a tax ID number should not be necessary, but if required, use 31-1334820. This the only tax ID for the State of Ohio.

- If a cardholder has been charged tax and are still at the place of purchase, they must ask the vendor to correct the problem. If they have left the place of purchase and the tax is more than \$10, the cardholder must return and ask them to correct it.

State of Ohio is tax exempt for Ohio Sales Tax. Purchaser must verify at point of sale that sales tax is not being charged.

Adjustments/Credits



- Occasionally, the merchant will issue a refund/credit for a Pcard transaction. The transaction will appear in OAKS on the Reconcile Statement Page with a (-) before the dollar amount shown in the Billing Amount column of the Reconcile Statement page.
- Refund/Credit transactions must be processed on the same business day as a debit transaction(s) of a greater total dollar amount for the same cardholder. During the OAKS nightly batch process, Pcard vouchers are created per cardholder. The voucher amount is the total of approved transactions minus any credits.

Disputes



- If there is a problem with a charge or an item purchased, the cardholder should try to reach a resolution with the merchant that provided the item; in most cases, disputes can be resolved directly between the cardholder and the merchant. When the resolution to a problem involves a refund or credit, the merchant shall issue a credit to the account. Cardholders shall not accept cash, a rain check, or agree to lower a future bill when receiving a credit from a vendor.
- Vendors are prohibited from billing for goods before they are shipped. Back-ordered goods should be billed when they are shipped. Vendors who bill before shipping goods should be advised that the State will not continue to purchase where this practice is followed.
- If there is a dispute that cannot be resolved with the merchant, the cardholder should contact their Agency Payment Card Administrator
 - Disputes must be flagged in OAKS to avoid the card being shut off from purchasing
 - US Bank will issue credit when justified
 - Process original and credit voucher

Security Requirements

- Agencies must have an Agency P-Card Approver (P-Card Reconciler is optional)
- OAKS Approvers must be independent of cardholders
- Agency Pcard Administrators and Back-up Pcard Administrators must have the Pcard Approver role, which will allow them to approve payments in OAKS if necessary

1. **Payment Card Approver**

- Approves Pcard transactions
- Adds coding to Pcard transactions
- Track/Resolve disputed Pcard charges
- Attaches back up documentation to the Pcard transaction

2. **Payment Card Reconciler**

- Sets Pcard transactions to verified
- Attaches back up documentation to the Pcard transaction
- Track/Resolve disputed Pcard charges

3. **Payment Card Viewer**

- Read-only access to Pcard transactions

Cardholder Responsibilities



- Follow established purchasing procedures
- Know how to obtain and use the Pcard Manual, contracts, dispute forms, etc.
- Seek best value for the State
- Do not make personal purchases

Cardholder Agreement



All Pcard holders are required to have Pcard training from the Pcard Administrator in advance of purchasing. The Pcard holder will be required to sign off on training as verification that they understand the responsibilities of the State Pcard. All state purchasing rules and guidelines are to be followed when using the Pcard.

[OBM Pcard Manual](#)

Knowledge Check

Module 6



1. What is the daily limit for a Pcard per swipe per vendor?

- \$500
- \$750
- \$1000
- \$2000
- \$2500

2. You are leaving for vacation and there will be purchasing that will need to be done in your absence. I should:

- Leave my bank card with the clerk
- Tell someone else to use their card
- Authorize someone else to use it while out
- None of the above

Knowledge Check

Module 6

continued



3. Can you use your Pcard to purchase gasoline?

- Yes
- No

4. I need to purchase something over my card limit of \$2500 and the purchase declines. The vendor says they can split the transaction to fall under my limit to allow it to process. Is this permitted?

- Yes
- No

Module Seven: Ethics/Compliance

Module Seven will discuss the basic principles of ethics during the purchasing process. As a government employee, there must be complete transparency in the purchasing process to not imply or demonstrate partial treatment to a vendor. It will outline the rules that all State employees must follow when dealing with the public.

Ethical Conduct

- Ethical conduct means that all potential vendors are given a fair and equal opportunity to offer their supplies and services to the agency. Any action on the part of the agency, indicating that a particular vendor is being treated differently than others, gives rise to unethical conduct by the agency.
- Innocent lunches, small gifts and tickets to sporting events could lead to accusations of impropriety toward the agency and possible violation of Ohio's ethics laws.
- Proper ethical conduct is a crucial element of a successful purchasing program. Anything less is not acceptable to the purchasing professional.

Ethical Conduct (cont.)

- In Ohio, all employees involved with any aspect of the procurement process, including their spouses, are subject to the ethics laws found in Ohio Revised Code. Employees should read and fully understand the requirements of these laws and how their conduct in the procurement processes could affect their professional and personal lives.
- Remember: PERCEIVED unethical conduct can have the same impact as actual violations. As a purchasing professional, you hold the trust of the public you serve. Do not place yourself, your agency, and the state into a position of jeopardizing that trust.

Perceived unethical conduct can have the same impact as actual violations

Should You Sign?



Signature Authority Best Practice

- Do not sign if you do not have the appropriate signature authority; you may be personally liable for the agreement
- Before signing any agreement on behalf of the Director, you should make sure you have the appropriate Director's Signature Authority. If you do not have the appropriate signature authority to sign a particular agreement on behalf of the Director, or are unsure of the extent of your authority, contact your agency's Legal Office.



Knowledge Check

Module 7



1. I have a local dealer who I like and feel deserves the business from my agency. Can I purchase from them first?
 Yes
 No
2. I just purchased 5 trucks from my local dealer; he wants to take me to lunch to thank me for the order. Is it okay to go for a quick lunch?
 Yes
 No
3. A new vendor hands you a credit agreement to sign before they ship your purchases. Should you sign and return to vendor?
 Yes
 No

Procurement Compliance Checklist and Process Maps



According to the Ohio Department of Administrative Services, state agencies purchase over \$2 billion in supplies and services each year. These purchases are governed by a high volume of statutes, administrative rules, executive orders, policies, and directives. Failure to follow any one of these requirements subjects the state to potential lawsuits, media attention, legislative inquiry, and additional expense.

A compliance checklist has been developed to assist front line agency staff in reducing risk and increasing compliance associated with state procurement. Through its completion, staff will be able to document compliance and demonstrate to agency approvers that State of Ohio procurement mandates have been satisfied. In addition to the checklists themselves, both hard copy and interactive process maps have been developed to assist agency staff in navigating IT and non-IT procurement paths.

Procurement Compliance Checklist and Process Maps



[Interactive Procurement Compliance Checklist](#)

[General Procurement Compliance Checklist](#)

[IT Procurement Process Map](#)

[Non-IT Procurement Process Map](#)

Knowledge Check Answers



Module 1

Q1. The fiscal year spending threshold for vendors is \$50,000.

Q2. False

OPI is a required program – state agencies must first give consideration to products and services offered by OPI

Q3. True

Any sole source purchase will require quotes as established by your agency to verify that no new vendors can provide the sole source item.

Q4. Waiver

If CRP cannot meet the required specifications, then a waiver can be requested to purchase from another vendor.

Knowledge Check Answers



Module 2

Q1. False

When purchasing from a DAS contract there is no spending limit, as long as there are funds available.

Q2. 1 and 2 are both correct

When the value of the purchase exceeds \$50,000 for supplies or services, discuss with your agency procurement office as law requires that DAS review the request and make a determination as to whether or not DAS can solicit the bid.

Q3. Yes

Review contracts at each new award. Make no assumptions about contract content based on previous awards.

Knowledge Check Answers



Module 3

Q1. True

All Agency personnel who purchase on behalf of their Agency are obligated to purchase goods and services through a competitive quote process. Requests to vendors are conducted in a manner that provides, to the maximum extent possible, open and free competition. Purchasing of goods and services is determined solely on the merits of each transaction. Value to the State of Ohio is the overriding factor when choosing a vendor through a documented quote process. State Agencies that purchase supplies or services are to post all state contract opportunities exceeding \$25,000.00 and all of their current contracts exceeding \$25,000.00, on the DAS Procurement Portal.

Q2. All the above except poor planning

The Ohio Administrative Code Chapter 123:5-1-01 (g) defines an emergency purchase as: Emergency condition means a situation which creates a threat to public health, welfare, safety, which arise by reason of epidemics, riots, equipment failure or such other reasons as may be proclaimed by the governor; or which interrupts the operation of production facilities maintained by Ohio Penal Industries in its program for employment of prisoners.

Knowledge Check Answers



Module 4

Q1. 1

When purchasing software on an STS contract costing approximately \$10,000, one letterhead quote is required.

Q2. 3

A minimum of three letterhead quotes is required for a \$3500 purchase of non-contract hardware items.

Knowledge Check Answers



Module 5

Q1. True

Purchase orders are required for invoices over \$500 where the vendor does not accept a pay card.

Q2. True

An Intra State Transfer Voucher (ISTV) is used to process transactions between state agencies.

Q3. When the goods and services have been received

Invoices are paid once the goods and services are received and the invoice is considered a "proper invoice"

Knowledge Check Answers



Module 6

Q1. \$2,500

Cardholders have standard single transaction limit of \$2,500 per vendor per day.

Q2. Tell someone else to use their card

The only person authorized to use the payment card is the person whose name appears on the face of the card. The payment card shall not be loaned to another person in the agency under any circumstances.

Q3. No

Any type of travel expenses including hotels, car rentals, meals, gasoline, etc.

-Within each agency there may be an assigned hotel and airline pay card for travel.

-Gasoline purchases are allowed using a Voyager Card only.

Knowledge Check Answers



Module 6 continued...

Q4. No

Do not split a purchase of like supplies and/or services in order to circumvent getting quotes

-Non-contract items >\$2,500 need quotes

Example of split purchases would be:

- *Same vendor*
- *Same day*
- *Consecutive invoice numbers*
- *Same or like items*

Knowledge Check Answers



Module 7

Q1. No

Ethical conduct means that all potential vendors are given a fair and equal opportunity to offer their supplies and services to the agency. Any action on the part of the agency, indicating that a particular vendor is being treated differently than others, gives rise to unethical conduct by the agency.

Q2. No

Innocent lunches, small gifts and tickets to sporting events could lead to accusations of impropriety toward the agency and possible violation of Ohio's ethics laws. Proper ethical conduct is a crucial element of a successful purchasing program. Anything less is not acceptable to the purchasing professional.

Knowledge Check Answers



Module 7 continued...

Q3. No

Do not sign if you do not have the appropriate signature authority; you may be personally liable for the agreement.

Before signing any agreement on behalf of the Director, you should make sure you have the appropriate Director's Signature Authority. If you do not have the appropriate signature authority to sign a particular agreement on behalf of the Director, or are unsure of the extent of your authority, contact your agency's Legal Office.

Ohio

Congratulations!

You have completed the
***Purchasing and Payment Processes in
the State of Ohio*** course!

