

Title: #VII-10. Purchasing Procedures

Date: October 13, 2023 (Replaces version dated March 15, 2017)

OVERVIEW

West Virginia University at Parkersburg maintains a centralized purchasing department and centralized shipping and receiving function to assist with the acquisition of goods, services, agreements, and other purchasing requirements. Functions include purchase, receipt, delivery, inventory control, and oversight of the college purchasing card program. These Procedures implement Board of Governors Policy E-42 and State purchasing regulations.

REQUIREMENTS

The Executive Director of Business Services is designated by the President to serve as the institution's chief procurement officer. The Executive Director of Business Services reports to the Executive Vice President for Finance and Administration and is responsible for the implementation of State regulations in the procurement of goods and services for the institution.

Eligible Vendors: In accordance with [West Virginia Code §5A-3-12](#), every person, firm, or corporation selling goods or services to State agencies, competitive bid or otherwise, must complete and file a Vendor Registration and Disclosure Statement (Form WV-1) with the State purchasing division. A vendor is required to register only one time. However, if the ownership of services offered for the organizational structure changes, the vendor must update the original registration by submitting a new registration form. In some instances, depending on the dollar value of the initial purchase, a registration fee is required. (Higher Education has been exempted from most portions of this Code item.)

When registering, the Federal Employee Identification Number (FEIN) of the firm or partnership must be provided. If the registrant is an individual, Social Security Account Number (SSAN) must be provided in lieu of the FEIN. An original Form W-9 must be completed, signed, and filed with the State purchasing division. It may be submitted to the WVUP purchasing department who will forward it to the State office.

Resident Vendor Preference: Those vendors who qualify for a resident vendor preference may receive an award preference over a non-resident vendor provided that:

1. The purchase order is based on competitive bids.
2. The bid of the resident vendor does not exceed that of a non-resident vendor by more than 2.5% allowed by law.
3. Claims for such a preference must be made in writing by the vendor at the time of bid submittal.

Unauthorized Purchases: A purchase made without prior approval from the procurement officer or his/her designee is an unauthorized purchase and may become the personal responsibility of the individual making the purchase. The Executive Vice President of Finance & Administration or the chief procurement officer are the only persons authorized by the President to enter into and administer contracts and make written determinations with respect thereto for West Virginia University at Parkersburg. This restriction applies to ALL goods and services, including requests for previews, memberships, subscriptions, maintenance calls, etc. The Executive Vice President of Finance & Administration or the chief procurement officer may delegate this authority to authorized purchasing card holders at the institution within the individual limits of their purchasing card. However, the final review of the purchases still rests with the Executive Vice President of Finance and Administration and the chief procurement officer.

PURCHASING PROCESS

The purchasing process begins with the department or individual having a need for goods or services. The first step in all types of purchasing transactions is the preparation and transmittal of a purchase requisition to the purchasing department through the purchase requisition portal system. This form, which **must** be completed prior to making a purchase is used for purchasing card purchases, purchase orders, contracts, etc. Large dollar procurements, those in excess of \$50,000, will be completed utilizing a competitive bidding process.

Requisition: As previously stated, preparation of a requisition form, is required to be completed **prior** to making any purchase, the only exception to this requirement are requests for employee travel and expense reimbursement, both of which have their own request and approval form. At a minimum, the purchase requisition must contain the following information:

- Requestor's name
- Date Requested
- A detailed description of the goods or services requested
- The DA to which the item is to be charged
- A general notation as to the budget line to which the item is to be charged (for example, office supplies, educational supplies, travel, printing, etc.)
- A brief business justification for the purchase (for example, "*Copy paper necessary to support the function of the Admissions office*" or "*Routine oil change for the 2020 Dodge Ram Pickup fleet vehicle*")
- Signature of approver. The approver would generally be the requestor's direct supervisor, most likely a division chair, a member of the executive team, or the President. Requisitions requested by members of the executive team may be approved by another executive team member or by the President. The purchase requisition approver should ensure that the purchase relates to an allowable WVUP expense and that unencumbered budget funds are available to cover the purchase.

(No purchase, including purchase card purchases, will be made without the presence of proper approval. In no instance may the requestor also be the approver of a requisition.)

- Any purchase requisition in excess of \$5,000 **must** include attached evidence of competitive price comparison. WVUP's purchasing department is responsible for assisting faculty and staff in obtaining the required price quotes and in ensuring that

WVUP receives the best possible price on the goods and services it purchases. In addition, any purchase requisition in excess of \$5,000 will be reviewed for reasonableness and budget availability by the Executive Vice President of Finance and Administration or his/her designee. The Executive Vice President of Finance and Administration will document his or her review by signing the purchase requisition. Exceptions to this requirement apply if the vendor has an active State Contract with the State of WV or an institution of higher education whose contract extends to all WV higher education institutions. In this case, the State Contract number must be written on the purchase requisition. (A list of negotiated contracts is available online at: www.state.wv.us/admin/purchase/swc/default.html.) Any purchase requisition received by the purchasing department that does not meet the minimum requirements will be returned directly to the supervisor for completion and can result in a delay in the ordering of goods.

- Any purchase whose total is expected to exceed \$50,000, regardless of the number of items or type of service must have direct contact with the Executive Director of Business Services in order to properly obtain formal bids. The **only** exception to this procedure is if the vendor has an active State Contract with the State of WV or an institution of higher learning whose contract extends to all WV higher education institutions. In this case, the State Contract number must be written on the purchase requisition. Any purchase requisition received by the purchasing office that does not meet the minimum requirements will be returned directly to the supervisor for completion.

In no instance shall purchases expected to exceed \$50,000 be split into more than one smaller purchase in order to avoid the competitive bidding process.

- Once completed, the requisition will route to the approver, the budget manager, the Executive Vice President (if over \$5,000), the chief procurement officer, and the receiving manager through the requisition portal. If the proper documentation is not in place, the requisition can be rejected at any of these stages and returned to the requestor for corrections.
- If the purchase requisition is properly approved and budget funds are available, WVUP's purchasing office or an authorized P-Cardholder will complete the approved purchase and acquire the goods or services requested.
- All purchases should be shipped to WVUP's receiving department and/or brought to WVUP's receiving department for proper check-in. In all cases, an individual other than the purchaser must account for the receipt of the goods by comparing the items presented with the approved purchase requisition, detailed vendor receipt, and packing slip. The receiver shall sign and date the packing slip, itemized receipt, or receiving report and state in writing the goods or services were received. The signed receiving report must be attached to the purchase requisition as proof of proper receiving of goods purchased.
- All supporting documentation must be attached to the purchase requisition and retained by the Business Office according to Records Retention Guidelines ([Answer Book #VII-6](#)).

Miscellaneous Employee Reimbursements: Any employee reimbursements that are not travel-related must follow the above purchasing procedures. If an employee makes the decision to pay for the items with their personal fund and then seek reimbursement, he/she must still obtain prior approval if the purchase will exceed \$99. In order to be reimbursed, the employee must complete an Employee Reimbursement Request form, attach all original itemized receipts, a packing slip or receiving report, Hospitality Documentation form with list of attendees and approved purchase requisition as outlined in the additional documentation

required below. The Employee Expense Reimbursement form must be signed by the employee seeking reimbursement along with the employee's immediate supervisor and then forwarded to the business office for final processing.

Additional Documentation Requirements:

Packing Slip or Receiving Report

All invoices forwarded to the Business Office for check payment of merchandise received must be accompanied by an authorized Packing Slip or a completed Receiving Report. (See Receiving Procedures in [Answer Book #VII-10A](#).)

Hospitality Documentation

All invoices or reimbursements requests that are related to an event that was hospitality related (Involving food or beverage not travel related) must be accompanied by a completed Hospitality Form. The form and procedure is provided in [Answer Book #VII-7](#), Procedure for Hospitality Services.

TYPES OF PROCUREMENT

There are two authorized methods of procurement for various types of goods and services based on dollar thresholds that pertain to purchase orders. (Purchasing card procurements are addressed in [Answer Book #VII-9](#).)

Purchases under \$50,000: Any order that is less than \$50,000 do not require competitive bidding by State regulations as amended for Higher Education. (As previously stated, any purchase in excess of \$5,000 must show proof that comparative prices were solicited for items to be purchased.) **However, the individual completing the requisition must ensure they do not artificially divide requisitions in order to avoid bidding dollar thresholds.** This practice is commonly referred to as "split purchasing" or "stringing." If it is deemed to be in the best interest of the college, the purchasing office has the right to obtain competitive quotes for any other order, regardless of dollar value. This is especially critical when the purchasing office feels a quote obtained by the individual completing the requisition is unusually high. At its discretion, the Board of Governors may authorize contracts for personal services under \$50,000. For all contracts in excess of \$50,000, the Board of Governors is required to solicit formal bids through a request for proposal process.

Purchases over \$50,000: All purchases in excess of \$50,000, with the exception of sole source purchases, require competitive bidding. The college's purchasing department shall advertise for bids electronically on the wvup.edu website and a legal ad is required by state law to be placed in the newspaper at least 14 days prior to bid opening. These steps allow for the widest dissemination of the bid package to potential vendors.

Returned bids will only be accepted if returned in a sealed envelope or container with the bid or quote number clearly marked on the outside. Upon arrival in the purchasing office, the sealed bids will immediately be date-stamped on the external envelope to show the time and date of receipt. Bids are then placed in a secure location until the date and time of public bid opening.

At the opening, all bids will be opened one at a time and read aloud and the information transcribed to a bid abstract form. All bid openings are open to the public. Upon completion of

the bid opening, each bid will be reviewed for completion and accuracy and forwarded to the initial requisition initiator for evaluation. With all things considered equal and all bidders meeting specification requirements, the bid award will normally be made to the lowest proper bid. Should the requisition initiator select a vendor other than the low bid, then a complete written justification must accompany the bid package when returned to purchasing for the award. The purchasing office rarely makes an award to other than the low bidder.

The selected vendor will be notified of the results through a receipt of a signed order. Unsuccessful bidders will be notified either by phone, email, or a letter of the bid results.

Writing a Specification: Specifications are always prepared by the requestor, although assistance is available from the purchasing department. Specifications determine the quality level and basis for the evaluation of bids. On repeat requisitions, specifications should be reviewed in order to ensure they do not become static. If the order is for items with special qualities or requirements ensure the specification clearly identifies this need. A properly prepared specification should be a combination of a legal document and a technical paper.

The following guidelines should be used in obtaining the specification for your order:

1. Identify the minimum requirements necessary to accomplish the task.
2. Allow for competitive bidding. Do not be restrictive by writing out certain brands or manufacturers. (See section on sole-source procurement). Functional or performance criteria must be emphasized when writing specifications.
3. List criteria on which testing will be judged for compliance with the specification.

Although the specification must be written to allow competitive bidding, this does not guarantee that the low bid will automatically always be accepted as the selected vendor. Items provided on returned bids that are below the minimum designated standards outlined within the specification may be rejected based on that basis. It is therefore important that specification establishes a minimum acceptable quality.

The specification must be clear and concise as an award is normally based on the exact justification and documentation contained in the specification. Specification writers should also ensure that all known pertinent characteristics of items required to be identified to enable proper evaluation of any alternatives quoted as part of the bid.

Specification sources are varied and can often be found in:

1. Catalogs
2. Form Vendors (see the following paragraph)
3. Technical Societies
4. Association of users manufacturers
5. Purchasing office

Specification writers must be very careful when obtaining draft specifications from vendors that no inference is made to the vendor that he or she will be awarded any contract for which they may draft such specifications.

Since no individual can be expected to be a technical expert in all areas, the purchasing office often “buys” technical specifications from recognized experts and adds the “boiler plate” documents prior to releasing them for bid. Prior to the release the purchase specification is also carefully examined to ensure that it does not preclude certain vendors from responding to the bid package.

Contract Purchases: Contracts will be used to the maximum extent possible. Types of contracts that may be used include formal State negotiated contracts, other State agency contracts or college or university contracts, WVU at Parkersburg contracts, and government/GSA contracts in which the college is allowed to participate. The advantage of contract use is guaranteed pricing for a specific time frame and the freedom to issue an order or award without going through the formal bidding process. Contracts are specifically useful in repetitive order items.

Agreements: Agreements are utilized when the college is acquiring technical assistance or entering into contracts with private individuals for such things as the teaching of special non-credit courses through the Workforce and Community Education area, entertainers, preceptors, or student teacher advisors for our education majors, as examples. All agreement forms must be original and contain minimum information which includes the vendor or individual’s full name and address, Federal Identification Number (FEIN) or Social Security Number (SSN), type of service provided, and original signature. An updated W-9 Request for Taxpayer Identification Number and Certification form must also be on file. All agreements will be approved by the WVU Parkersburg Executive Vice President of Finance and Administration and or President. Departments DO NOT have the authority to enter into agreements beforehand.

Sole Source Purchases: Sole source purchases over \$50,000 will, on rare occasions, be authorized by the purchasing department when it has been determined that the specific goods requested can only be provided from a specific vendor. **Please note that a requirement for a particular proprietary item does not, in itself, justify the need for entering into a sole source agreement.** The following examples are provided where the sole source may be justified:

1. Accessories or replacement parts for existing equipment
2. Where a sole source is needed for trial use or testing
3. Grant funding specifically requiring the use of a particular brand name or vendor (Grant writers should try to avoid being locked into this requirement when applying for grants.)

The determination for using the sole source award rests with the Executive Director of Business Services and Executive Vice President of Finance and Administration. Such determination must be documented in writing in the order file. Any request by a requisition initiator to award a sole source order must be requested in writing and attached to the requisition. The request must fully and completely justify the need for a sole source to the satisfaction of the Executive Vice President of Finance & Administration. Should any questions arise about the need for sole source, the decision of the Executive Vice President of Finance & Administration will be final.

Emergency Procurement: Emergency purchases may be authorized by the Director of Business Services or the Executive Vice President of Finance & Administration when there is a threat to public health, welfare, or safety, or to meet bona fide emergencies arising from unforeseen causes such as natural disasters, acts of God, strikes or work stoppages, and delays in transportation provided such emergency purchases shall be made with competition as is practical under the circumstances. Emergency purchases will be limited to those supplies or

services only necessary to meet the emergency. An emergency purchase will not be authorized due to a lack of planning on the part of the requestor. In all instances, the purchase order file will be documented with written justification as to the need for an emergency purchase. All emergency purchases should be referred to the Executive Director of Business Services or the Executive Vice President of Finance and Administration for determination if possible and time permits.

Proposals: The competitive Request for Proposal (RFP), is available for use as a method of procurement when sealed bidding is neither practical nor advantageous. An RFP is an invitation to vendors to submit a proposal to solve a problem when the purchaser is unsure of the solution. The RFP requisition must fully identify a detailed description of the problem and any specific mandatory elements considered essential to the solution, as well as any other elements that may impact the service to be received. However, RFP must not contain any information that will restrict other vendors from providing the same type of service or solution or from participating in the purchasing process.

The key element in determining the use of RFP is the need for flexibility. RFP procurement process differs from sealed bidding in two important ways.

1. It permits discussions with competing suppliers
2. It allows comparative judgment evaluation to be made when selection is among acceptable proposals that will be the ultimate basis for an award.

Evaluation of all RFPs must be based on the evaluation factors set forth with the RFP and provided to all vendors as part of the proposal package.

Maintenance Agreements: All requests for maintenance agreements for equipment are to be submitted to the purchasing office for the award. Make, model, serial number, state inventory tag number (if applicable) and any other pertinent information must be provided. Payment for maintenance services is only made in arrears and after the services have been performed. If stated in the agreement, payments may be made periodically as maintenance is performed.

Open End Contracts: The procedure for purchasing various commodities and/or services from one vendor for an extended period of time may be authorized through the use of an open-end contract. Annual requirements are established and a sealed bidding process is used. An annual contract will be awarded with options for renewals. Funds will only be encumbered for one year at a time.

Special Purchasing Situations: Nearly all purchases of goods or services require delivery prior to payment of invoices. However, a few situations do exist when advance payment may be authorized prior to receipt of items. They are as follows:

1. Subscriptions
2. Approved Memberships
3. Postage
4. Purchasing Card Orders (See Separate Purchasing Card Procedures in [Answer Book #VII-9](#))

Responsible Administrator: Executive Vice President for Finance & Administration, 304-424-8224