

# Ozark Action, Inc.



## **Purchasing, Procurement and Petty Cash Fund Procedures and Policies**

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**5/28/2019--Added an addendum to the end of these policies to reflect current process for online system process. Staff will continue to follow current policies.**

## **OAI Purchasing, Procurement, and Petty Cash Fund Procedures and Policies**

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## **INTRODUCTION TO THE PURCHASING, PROCUREMENT AND PETTY CASH FUND PROCEDURES AND POLICIES**

Funding source requirements for all procurement transactions will be strictly adhered to by Ozark Action, Inc. (OAI) and are the dual responsibility of Program Directors/Managers and OAI Administration. Upon all revisions of funding source procurement policy requirements, immediate administrative action will be taken to conform to the updated funding source policy.

The Corporate Services Department is responsible for directing and coordinating the activities of personnel engaged in purchasing and distributing materials, equipment, and supplies to all programs under the OAI umbrella.

The Corporate Services Department is responsible for developing and maintaining inventory data on all non-expendable property and for the disposition of all non-expendable property and/or excess property for all program accounts. It is the dual responsibility for all Program Directors/Managers as well as OAI Administration to work with the CSDT in the maintaining of inventory, excess property, and disposition to ensure policies and procedures are followed accordingly.

The Corporate Services Department works in conjunction with all OAI facilities and its personnel to ensure that agency and department inventories located throughout the six counties covered under the OAI umbrella are well maintained and that repairs are handled in the most expeditious and cost-effective manner available. It is the dual responsibility for all Program Directors/Managers as well as OAI Administration to work with the CSDT concerning repairs on agency equipment.

OAI requires the following internal procedural procurement policies applicable to all transactions. These serve to insure strong internal controls and authorization for purchases, to stipulate documentation required for expenditures, to provide administrative mechanisms to demonstrate maximum cost efficiencies in purchases, and to provide uniformity in internal procedures.

\*\*\*The CSDT and the CSD include the director and staff of the department which will ensure compliance of the purchasing policies.

## **SECTION I: CODE OF CONDUCT**

No employee, officer or agent shall participate in the selection, award or administration of a contract supported by Federal funds if a real or perceived apparent conflict of interest would be involved per 2 C.F.R 215.44, C.R.\_.36(b)(3). The Corporate Services Department nor any other employee of OAI will not solicit nor accept any gift of money, goods, services, or any gratuities whatsoever, which may be considered of any significant material value (\$25.00 or greater) from any contractor or vendor or any potential contractor or vendor. Gifts of value not to exceed \$25.00 given as a token expression of appreciation may be accepted by the agency. The CSDT will not be involved in any conflicts of interest. The intent of the CSDT is to look out for the best interests of the agency and the funding sources. Fair business practices are stressed. The Executive Director will make all personnel within the Agency aware that disciplinary action will be taken when the code of conduct is violated. Corrective action for non-compliance with the code of conduct will be termination of employment for severe cases of abuse. The agency may seek legal advice from local prosecutors in dealing with certain offenses. Conflict of Interest--“Conflict” means a financial or other interest by employees, officers, agents (includes board members), and members of their immediate families, partners, or employers. Employees, officers, agents and contractors must comply with the following laws, regulations and executive orders (as applicable):

- A. Public Law 88-132, Civil Rights Act of 1964 & Amendments
- B. Public Law 90-222, Age Discrimination Act of 1972
- C. Public Law 90-480, Architectural Barriers Act of 1968
- D. Public Law 92-261, Equal Employment Opportunity Act of 1972
- E. Public Law 93-112, Rehabilitation Act of 1973
- F. Executive Order 11764
- G. Public Law 95-555, Pregnancy Discrimination Act of 1965
- H. Public Law 88-452, as amended by Public Law 92-424, Equal Opportunity Act
- I. Executive Order 11246, Equal Opportunity as amended by Executive Order 11375 and supplemented by Department of Labor regulations 41 CFR, Part 60
- J. Copeland Anti-Kickback Act 18-USC-874, as supplemented by 29-CFR, Part 3
- K. Davis Bacon Act, as amended (40 U.S.C. 276 a to a-7)
- L. Contract Work Hours and Safety Standards Act (40 U.S.C. 372-333)
- M. Rights to Inventions Made Under a Contract or Agreement (37 CFR part 401)
- N. Clean Air Act (42 U.S.C. 7401 et seq.)
- O. Federal Water Pollution Control Act, as amended (33 U.S.C. 1251 et seq.)
- P. Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)
- Q. Debarment & Suspension (Executive Orders 12549 & 12689)
- R. Energy Policy & Conservation Act (Public Law 94-163 codified at 42 U.S.C.A. 6321 et seq)
- S. American Recovery and Reinvestment Act

In the absence of specific mandated requirements below the federal level, the requirements stipulated in the Office of Management and Budget Circulars A-110, A-122, A-21, OMB Common Rule, A-133 and A-87 (as applicable) will be the policy requirements for OAI procurement transactions.

## **SECTION II: PRINCIPLES**

- A. All procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, open and free competition. Employees of OAI shall be alert to organizational conflicts of interest or non-competitive practices among contractors that may restrict or eliminate competition.
- B. Contractors that develop or draft specifications, requirements, statements of work, invitations for bids, and RFP's, are excluded from competing for such procurement.
- C. No employee, board member, or other policy board/council member, or agent of OAI shall participate in the selection, award, or administration of a contract in which Federal and State funds are used where, to their knowledge, their immediate family, partner, or organization in which they, their immediate family or partners have a financial interest, or with whom they are negotiating or have any arrangement concerning future employment.
- D. No board member, other policy board/council member, employee, or agent shall solicit or accept gratuities, favors, or anything of monetary value from contractors or potential contractors.
- E. The code of conduct for procurement purposes established for staff and any volunteer involved in any procurement process will be one of fairness, confidentiality relative to offerors names, prohibition of communication between staff and offerors that could in any way be construed as conflict of interest or favoritism. No gratuities, kickbacks nor disclosure of inside information will be permitted.
- F. Violators of these principles will be subject to disciplinary action up to and including termination of employment or board membership.
- G. OAI is committed to ensure cost efficiency and product/service quality. The "lowest and best" principle will be adhered to on all procurement transactions. OAI may not duplicate facilities or services.

### **SECTION III: PROCUREMENT METHODS, PURCHASING GOALS, OBJECTIVES AND DEFINITIONS**

These written procedures comply with Community Services Block Grant (CSBG), Health and Human Services (HHS), Department of Economic Development (DED 5/27/2014) and the United States Department of Agriculture (USDA) regulations, and other funding sources as appropriate.

The CSDT is responsible for developing and ensuring the implementation of OAI purchasing and procurement procedures. The CSDT is responsible for purchasing and provide delivery instructions for all equipment and supplies to the various locations as requested. Goals and objectives are to ensure that purchases of equipment and supplies are at the most advantageous prices available in conformance with funding source regulations.

Procurement transactions will be conducted in a manner to provide, to the maximum extent practical, open, and free competition. The recipient should be alert to organizational conflicts of interest or noncompetitive practices among contractors that may restrict or eliminate competition or otherwise restrain trade. To ensure objective contractor practice and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, invitation for bid and/or request for proposals should be excluded from competing for such procurement. Awards will be made to the bidder whose offer is responsive to the solicitation and is most advantageous to the recipient, price and other factors considered.

- A. Expendable Personal Property - Property, which is consumed when, used or has an acquisition cost or useful life below the limits established for non-expendable property.
- B. Non-Expendable Personal Property - Any article, which has a useful life of more than 1 year, and an acquisition cost of \$5,000.00 or more. Non-expendable personal property can be either complete within itself or a major component of another item of property and, by definition, cannot be described either as supplies or material. In any case where funding source restrictions are more stringent, funding source policies/regulations will apply.
- C. Purchase Amount - For purpose of selecting a procurement option, (such as non-competitive, written bid, or competitive bid process through a request for proposal/RFP; invitation for bid/IFB) all related items being purchased that do stand-alone should be combined to one estimated total.
- D. Purchases made by OCDC for the apartments will not be allowed by site managers, maintenance, or housing staff unless pre-approved by either the Housing, Fiscal or Executive Director prior to the purchase. (5/19/2015)

## **SECTION IV: REQUISITIONS (Purchase Orders)**

### **A. Supplies and Equipment**

1. Any employee may initiate a requisition for supplies and/or equipment by completing a purchase order, which will include a description of items to be purchased, quantity, price per item or at least an estimated cost, extended amount for items and a total with shipping costs if applicable on the requisition. The employee will also provide cost comparisons if the item is over \$1,000 and attach those comparisons to the requisition. At this point, the employee will submit the purchase order to the appropriate Program Director.
2. The Program Director is responsible for reviewing the purchase order, determining the need for supplies or equipment, verifying funds are available and if necessary, will obtain fund source approval for the purchase. The Program Director will determine whether the purchase is allowable and assign the appropriate accounting codes.
3. All requisitions for purchases exceeding **\$1,000** dollars must be submitted to the Executive Director for approval. Then the signature approved requisition will be forwarded to the CSDT for acquisition. (3/26/2013)
4. Requests supplies or equipment thirty (30) days prior to need, whenever possible.
5. Weatherization/Construction/Rehab materials supplies and equipment requisitions, and vehicle repairs/maintenance are made using the Housing Division Purchase Order Form. Any employee may initiate a requisition for supplies/materials/equipment. After the Housing Division Purchase Order form is completed, it is to be co-signed by either the Field Service Manager or the Housing Division Director for approval. Items totaling over the amount of \$1,000 should then be signed by the Executive Director for final approval. (3/26/02)
6. A purchase order must be completed for every purchase for OCDC apartments regardless of the cost. This will assist in staying within budget limitations and obtaining the appropriate approvals for obligations before purchases are finalized. (5/19/2015)

### **B. Repair/Maintenance—Building (Repairs \$2,000 or less)**

1. Employees will complete a repair/maintenance requisition and submit to the appropriate Program Director.
2. The Program Director will be responsible for reviewing the requisition, verify funds are available and allowable, and assign the appropriate accounting codes.
3. The Program Director will forward the authorized repair/maintenance requisitions to the Executive Director if they are over **\$1,000** for approval. The requisition will then be forwarded to the CSDT for numbering and acquisition. (3/26/2013)
4. Upon completion of the repair project, the employee or department will forward any invoices, shipping receipts, and any other supporting documentation to the CSDT for processing.
5. The CSDT will then compare all items relating to the original requisition and supporting documentation of completion and forward to the Fiscal Department for payment.
6. A purchase order must be completed for every purchase for OCDC apartments regardless of the cost. This will assist in staying within budget limitations and obtaining the appropriate approvals for obligations before purchases are finalized. (5/19/2015)

## **SECTION V: PURCHASE ORDER AND INVOICE PROCEDURES**

- A. All purchases must be approved by the appropriate director/manager. The Corporate Services Director or Purchasing/Property Assistant's signature is required to assure that purchasing regulations are followed except for Weatherization/Construction/Rehab purchases which are handled in the Housing Division as referenced in section III Requisition's item E. (3/26/2002)
- B. Purchases will require an approved requisition, purchase order, bid data, needs assessment/cost evaluation if required by funding source and receiving documentation.
- C. The Executive Director's approval will be obtained on all purchase orders of **\$1,000** or more. A Program Director will be designated by the Executive Director to approve required purchases in his/her absence and the Executive Director will sign such approvals upon return to the office (except Weatherization/Construction/Rehab purchases which have been bid, contracted, and awarded and comply with DED/DE (5/19/2015) Weatherization Procurement Regulations and have been approved by the Housing Division Director and the Executive Director.) (3/26/2002; 3/26/2013)
- D. Numbered purchase orders shall be used. Purchase orders will be filed with supporting documentation and must be done prior to purchase of item(s).
- E. A purchase order logbook shall be maintained by the Corporate Services Department to record the purchase order number, date assigned, merchant, amount, account, and contract number for Head Start, date material received, back order invoice received, and inventory required, and date invoice is submitted for payment. The Housing Division Director shall maintain the Housing Division Master File, consisting of a Purchase Order Journal. All Weatherization/Construction/Rehab purchases will be authorized by the assignment of a purchase order number or job number (3/26/2002).
- F. Approved purchase orders will be distributed as follows:
  - (a) White - original to vendor to authorize purchase.
  - (b) Yellow - Corporate Services Director or Purchasing/Property Assistant is responsible to attach this copy to requisition awaiting invoice and then forward to the Accounting Department for payment.
  - (c) Pink - filed numerically and retained by Corporate Services Director or Purchasing/Property Assistant.
- G. No equipment exceeding \$5,000 will be purchased unless approved and purchased unless OAI Purchasing Procedures have been followed. If there is a contract that requires certain specifications, then these will also be adhered to in the approval process. If the funding source requires written permission, then this must be received prior to the purchase of the equipment.
- H. All purchases must be approved by the appropriate program director, Executive Director (if applicable), Fiscal Director (if applicable) and submitted to the CSDT for numbering prior to purchase. Any prepaid item must also go through the same process. Appropriate purchasing procedures shall be utilized to obtain requested items.
- I. Purchases made by OCDC for the apartments will not be allowed by site managers, maintenance or housing staff unless pre-approved by either the Housing, Fiscal or Executive Director prior to the purchase. (5/19/2015)

- J. Vendor List: All vendors that have completed the required documentation (W9, non-discrimination verification, debarment certifications, insurance and bonding requirements, and any other required forms or documentation, as required by funding sources and federal, state, and local laws), will be considered an approved vendor and put on the agency vendor list. Depending on items or of purchases, there will vendors on the list that will only provide W9 information. The vendor list will consist of the expenditure list that is reviewed at bi-monthly board meetings and will be reviewed periodically by the program directors.

Vendors will remain on the approved vendor list unless noted otherwise by the program directors or when any Federal, State, or local laws have been violated or if it is a violation of the funding source policies and procedures. 3/26/2013

Purchases of \$1,000 or less will follow the procedures listed below:

1. The Employee will submit a purchase order to the Program Director.
  2. The Program Director will review the purchase order and determine if purchase is necessary and allowable, and that the appropriate documentation concerning the purchase is attached to the PO (purchase order) and that the items purchased are at a comparative price for like items or services. 3/26/2013
  3. Purchases orders completed by OCDC staff for the apartments must be approved by either the Housing, Fiscal or Executive Director prior to the purchase. (5/19/2015)
  4. Program Director will apply account codes, verify cost, sign the purchase order and forward to the CSDT for a purchase order number. The CSDT will either order or return to the appropriate department for ordering the items requested.
  5. If the purchase order is returned to the department for ordering, the department will fill the purchase order, attach the invoice, receipt, packing slip (if applicable) and any other supporting documentation to the CSDT immediately but no later than five (5) business days.
  6. The CSDT will match the purchase order to all items received concerning the purchase and forward to the Fiscal Department for payment within five (5) business days.
- K. The Corporate Services Department will review the purchases for accuracy and completeness (purchases will consist basically of an approved purchase order, comparative pricing and receiving documentation such as packing slips, shipping receipts, etc). Purchases handled and/or completed by the CSDT shall be assigned a purchase order number and a copy of the numbered purchase order and supporting documentation will be filed in the Corporate Services Department in the purchase order logbook.
- L. Employees that fill a purchase order or receive items ordered through a purchase order, should forward the invoice, receipt, packing slips and any other supporting documentation to the CSDT immediately but no later than five (5) business days from the date items are received at their location. The CSDT will match and compile all completed purchases and supporting documentation received by 4:30 p.m. each Monday and submitted to the Fiscal Department by 4:30 p.m. Tuesday of each week. The purchase order logbook will be updated with the submission date, amount, and date item received and if there is a backordered item. This log will be done electronically and manually.
- M. The Fiscal Department will ensure that the completed purchase orders are coded correctly and that if noted that the Program Director needs to re-approve an increase from the original amount that these signatures are obtained prior to paying the final bill.

Voided purchase orders are stamped "VOID" across the face of the purchase order and filed separately in Corporate Services Department files.

## **SECTION VI: SELECTION OF PROCUREMENT OPTIONS**

All procurements shall incorporate a clear and accurate description of the technical requirements for the material, product or service to be procured together with all requirements that the offeror must fulfill and all other factors to be used in evaluating bids or proposals. In the absence of existing funding source guidelines all programs will use the following procurement options:

All Department of Economic Development (5/27/2014) and Health and Human Services (HHS) nonexpendable property exceeding \$5,000 should be written in the budget before being purchased or special permission from the funding source will be necessary to purchase the item.

The type or procuring instrument used shall be determined by the Corporate Services Department together with the Program Director but shall be appropriate for the procurement and for promoting the best interest of the program or project involved. Regardless of the method used for procurement, the process shall be conducted in such a manner as to assure that all procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, open and free competition per 2 C.F.R. Sec. 215.43 and C.R.\_.36(c).

All non-expendable property exceeding \$5,000 must, when possible, be supported by three or more written bids prior to approval of a purchase. These bids are filed for future reference with proper cost justification.

The Invitation for Bid (IFB) form will be used in the Department of Economic Development (DED) 5/27/2014 program for all sealed bids exceeding \$25,000.

**A.** Purchases of less than \$1,000 (3/26/2002) may be made from local vendors without solicitation of bids.

On single item purchases of \$1,000 to \$2,499, solicitation of bids is required. These may be telephone bid, catalog bids, internet research bids, or any verifiable source to ensure receipt of at least three bids. "Lowest and best" may be utilized in awarding of bids. If three bids are unobtainable, sole source bids may be allowed with prior approval from the Program Director and the Executive Director, and/or funding source if applicable.

Purchase orders totaling \$1,000 to \$2,499 for multiple items may also be made from local vendors without solicitation of bids.

Any purchase of **\$1,000** or more requires approval by the Executive Director. 3/26/2013

For purchases requiring bid documentation—any and all documentation must be dated within 45 days of the purchase order approval from the Corporate Services Department. All documentation must be readable and attached to the purchase order prior to purchase and prior to submitting for approval. If the purchase is from a new vendor, all required vendor documentation must also accompany the purchase order before a purchase can be completed.

**3/26/2013**

OAI will utilize the best-known price. The purchase order form should indicate the reason for purchase (needs assessment, if applicable), cost estimate, price analysis (may be accomplished in various ways including comparison of price quotations submitted, market prices and similar indexes, together with discounts. Cost analysis is the review and evaluation of each element of cost to determine reasonableness, alloc-ability and allow-ability), and signature of program director (and Fiscal Director, if applicable) signifying funds available, together with the supporting documentation constitute a purchase order that is ready to be submitted to the CSDT for a number to complete the purchase transaction. Procurement transactions should include the solicitation of small and minority sources and recycled products. (3/26/2002) (Exception: Child Care Food Program purchases in excess of \$100 must use informal bid procedure.)

- B. On purchases under \$1,000.00 that occur on a regular basis (including but not limited to rental agreements, utility bills, telephone bills, etc.) with prior, documented approval, invoices may be initialed by an authorizing agent (program director/manager) and presented for payment without a purchase order as long as written documentation is maintained in the Fiscal Department authorizing the expenditures. Requisitions may be used as supporting documentation when purchase orders are not applicable.
- C. For services that have been procured and are billed on a regular basis, a purchase order is not required and bid documentation, or an executed contract will serve as the Fiscal Department's authority to pay, together with the required department director/manager and Executive Director approval as required by the level of procurement.
- D. On purchases of \$2,500 to \$24,999, OAI will prepare a written description of the item(s) or service(s). This will be circulated to enough bidders to ensure receipt of at least three bids. If after proper circulation of bids, an insufficient number of bids are received, a waiver may be requested if required by the funding source or if allowable by the funding source, the award determination will be made based on the bids received, notwithstanding the right of OAI to reject any and all bids. Each written response shall be analyzed to ensure that it meets the description. Written responses that meet the description are considered bids. "Lowest and best" may be utilized for awarding services contracts; however, prior to award, all bidders must be made aware of the analysis that will be used to establish the award. The person making the analysis shall prepare a written analysis of each bidder to determine cost reasonableness and the methodology for selection. Catalog quotes may be used in conjunction with or in place of phone bids depending on funding source regulations.
- E. Any purchase of \$25,000.00 or more requires a formal advertised Competitive Bid Process (which must be available to the public for a minimum of 14 – 30 days prior to bid opening), unless exempted. The formal procedure requires advertisement in at least one area newspaper of general circulation, preparation of a Request for Proposal (RFP, IFB, RFQ), which sets forth what is to be provided, requests the bidder to stipulate how it is to be accomplished and the cost. The RFP, IFB, RFQ must include the desired quality, performance standards, quality control measurements, records and report requirements, and any other information that is applicable for the bid process. RFP's, IFB's or RFQ's must include the source of funds and percentage of federal funds used in the bid and advertisement.
- F. If the bids received for an item come in higher than estimated placing the item in a different classification, the item may be re-bid under the appropriate option.

- G. A point system will be developed to evaluate each bid received is carefully and fairly weighed before awarding any contract. The areas used for evaluation might include but not limited to, cost, experience, expertise, plans, approach, or any other information that is applicable for the bid process. Priority listing of specific requirements may also be applied.
  
- H. Equipment purchases from program funds will follow the specific funding source requirements (3/26/2002). Major requirements are provided in Section VI of this policy, though additional funding source policies may apply. Where items are exempted from the bid process, each specific funding source policy shall be followed, as applicable to the program.

**SECTION VII: FUNDING SOURCE APPROVAL FOR PROPERTY/EQUIPMENT;  
SELECTION OF SERVICE PROVIDER**

**Funding Source Approval**

**A. Workforce Investment Opportunity Act (WIOA 5/19/2015) Purchases:**

The WIB requires the following:

1. Secure three (3) telephone bids for any purchase over \$1,000 and up to \$2,500.
2. Secure three (3) written bids for any purchase \$2,500.01 to \$24,999.99.
3. Formally advertise Competitive Bid-Purchase \$25,000 or more.
4. Submit a Request for Purchase of Equipment for any purchase of equipment or services costing \$1,000 or more for WIB Executive Director approval. Purchases of \$5,000 or more require WIB Executive/Finance Committee approval prior to purchase. Single item or unit purchases with a value of \$5,000 or more will also require the WIB to seek prior approval from the DWD on behalf of the agency.
5. Prepare a written Needs Assessment prior to any purchase of goods or services of \$1,000 or more (excluding reoccurring purchases, such as rent, utilities, telephone, insurance, payroll, payroll deductions, and payroll taxes, for which a Needs Assessment is prepared at time of bid and original purchase, as necessary). A Needs Assessment must consider reason or need for the purchase of goods or services; include a statement of funding availability; include a determination of allow-ability; contain bidding information and vendor determination, if applicable; and will include approving signatures and approval dates.
6. Notify the WIB of the purchase of any "sensitive items" (cameras, calculators, chairs, etc.) with a cost between \$250 and \$999.99 so that a "Property of the Workforce Development Board" and/or "Sensitive Item" label may be affixed to the item. Sensitive items are equipment under \$1,000, considered attractive or easily pilfered. Labels may be obtained through the WIB office.
7. Allocate the cost of purchases in accordance with applicable circulars and in direct proportion to the benefit derived by the funding source. In accordance with OMB Circular A-122,
  - i. Capital expenditures for general purpose equipment are unallowable as a direct cost except with the prior approval of the awarding agency.
  - ii. Capital expenditures for special purpose equipment are allowable as direct costs provided that items with a unit cost of \$1,000 or more have the prior approval of the awarding agency.
8. Single item or unit purchases under direct contracts with the Division of Workforce Development (DWD) with a value of \$5,000 or more will require prior approval from the DWD. The costs of construction and/or real property purchases are unallowable for all Workforce Investment Act, Title I Program as defined under 20 CFR 667.20, except as noted.

No Division of Workforce Development funds may be used to co-purchase equipment regardless of cost without written approval. Request for approval made after purchases, if denied, constitutes an unallowable cost. (3/25/2003)

- B. DOE Weatherization Purchases:** All Weatherization purchases shall comply with the Procurement Standards outlined in the Missouri Weatherization Program Operation Manual. **Purchases less than \$10,000 requires no competitive procurement (even though DOE does not require it, OAI requires 3 bids for any purchase over \$1,000). Purchases from \$10,000 to \$49,999 requires informal bids and purchases of \$50,000 or more requires formal bids.** All DOE non-expendable property exceeding \$5,000.00 shall require specific written approval obtained in advance. The Invitation for Bid Form will be used in the DOE (5/19/2015) Program for all sealed bids exceeding \$25,000, except for furnace work, which is done on RFQ format.

D. Head Start Purchases: All Head Start non-expendable property exceeding \$25,000.00 shall be part of the grant or specific written approval obtained in advance.

E. ECIP Purchases: Purchases must be written in budget. Any changes after budgets are approved must be re-approved by the funding source if there is a variance of **15%** or more from the approved budget before actual purchase. (3/26/2013)

F. Housing Development Purchases: All non-expendable equipment exceeding \$5,000 must be in the budget or approved by the Executive Director. Real Estate purchases are outlined in Section VII. E. Real Estate. (3/26/2002)

G. All Weatherization purchases shall comply with the Missouri Weatherization Program Competitive Procurement Standards.

### **Selection of Service Provider**

The basis for awarding maintenance or lease contracts should always be in the best interest of the program. The CSDT should ensure that procurements are being awarded on the basis of best dollar value and not for personal gain of any corporation or working staff member.

**AA. Free Competition Requirement:** All purchasing and procurement transactions, whether negotiated or advertised and regardless of dollar value, must be conducted in a manner providing open and free competition. No company can be given a preference regardless of size or location, but instead must submit a bid or proposal, which meets all requested standards, specifications, evaluations, and cost and is most advantageous to the agency.

**BB. Vehicle Gas and Oil Consumption:** fuel shall be purchased from local vendors. If an issue arises that warrants a bid process, the Program Director may choose to conduct the process to ensure “lowest and best price”. Also considered, when selecting vendors, will be repair service and discounts on parts.

**CC. Scheduled Vehicle Maintenance:** All vehicle maintenance, tune-ups, etc. where replacement parts are necessary will be performed by an authorized dealer where the vehicle has been approved for service a dealer or garage authorized by the Program Director. If there is no local dealer available, the vehicles will be taken to an approved garage. Upon completion of the repairs, invoices, and any other supporting documentation will be forwarded to the CSDT or Fiscal Department for payment to the vendor.

**DD. Replacement of Tires:** When possible, all vehicle tires will be purchased from the State Discount Price List. The vendor should be able to provide this information prior to completion of a purchase order.

**EE. Office Machine Contracts:** Bids will be requested as necessary to ensure that contracts are still competitive for office machines.

**Maintenance or repairs over \$1,000 must be reviewed by the Executive Director prior to payment to the vendor. (3/26/2013)**

## **SECTION VIII: REASONABLENESS OF COST**

In all cases reasonableness of cost will be carefully studied to ensure quality, ability and actual need of procurement is analyzed. The following ways for justification will be applied:

1. Comparison of previous local experience.
2. Comparison of similar proposals.
3. Analysis of projected budget for a new and unique program.
4. Comparison to experience by another similar program and/or state or national averages.

## **SECTION IX: PROTESTS AND DISPUTES**

In the absence of specific funding source requirements, OMB guidance will be followed for protests and disputes. All protests and disputes using Division of Workforce Investment funds will be handled in accordance with Workforce Investment Complaint and Grievance Process. All protests and disputes using DOE funds will be handled in accordance with OAI Weatherization Procurement Procedures.

**SECTION X: AGENCY EQUIPMENT & PROPERTY**

**A. Non-Expendable Property Control**

1. All new non-expendable property valued at \$1,000 or more will be labeled with the purchase order number by the supervisor or designated employee, upon receipt of the item at the location where the property will be located. (3/26/2013)
2. If the same purchase order is used to purchase more than one item of non-expendable property, an additional alpha suffix is used when the property is labeled to insure a unique identification number.
3. Staff are required to notify the CSDDT with a Transfer/Disposition Form on all property received upon receipt of said item. The Transfer/Disposition Form should contain all the following information (this form would be required for all electronic, office equipment, classroom equipment or any other equipment utilized in performing agency duties) :

- |   |
|---|
| <ol style="list-style-type: none"><li>a. Item Description</li><li>b. Serial Number</li><li>c. Property Number</li><li>d. Property Location</li><li>e. Acquisition Method/Date</li><li>f. Condition Upon Acquisition</li><li>g. Funding Source</li><li>h. Contract Number</li><li>i. Cost/Value</li><li>j. Inventory Date</li><li>k. Individual Responsible</li><li>l. Disposition &amp; Authority</li></ol> |
|---|

4. For property and equipment items that are valued at \$1,000 or more will be added to the agency insurance list and inventoried yearly. (3/26/2013)
5. All non-expendable property belonging to the agency or to programs with an acquisition value of \$5,000.00 or more and a useful life in excess of one (1) year, except property belonging to Workforce Development which will be \$1,000.00 or more and a useful life in excess of one (1) year will be listed on the inventory and depreciation schedules unless otherwise specified by the funding source. A yearly inventory will be conducted for insurance purposes. (3/26/2013)

A digital image of the interior and exterior of each facility operated under OAI will be taken at least one time per year. (3/26/2013)

An information database will be maintained on all items, which list serial numbers and have a useful life of one year or more. This information shall be used for tracking, warranty information and insurance purposes.

## **B. In-kind/Donated Property Procedures**

In-kind donations: In-kind, cash, space, and volunteer time for the agency will be monitored and recorded per funding source guidelines and verified with records between for the agency programs and the Fiscal department.

All donated property will be tagged “DONATED EQUIPMENT”, and a Transfer/Disposition Form will be completed and forwarded to the CSDT so that any donated item can be logged into the inventory system.

## **C. Disposition of Property/Disposal of Property**

**Disposition of Property**--Authorized personnel will complete a Transfer/Disposition Form, listing item(s) to be disposed of, quantity, authorizing disposal or storage. Authorized personnel will then forward the form to the Corporate Services Department. The CSDT will review the form and proceed as follows:

1. For damaged items, when possible, the CSDT will authorize item(s) to be discarded after receiving prior approval from the board, in on-site dumpster. If item(s) are too large or too numerous for disposal on-site, they will be brought to the central office and discarded at the nearest landfill.
2. For excess items, the CSDT and the Program Directors will work together to use any excess property which is available for use (Federal guidelines for use of excess property between programs shall be followed). Directors must notify the CSDT immediately with a Transfer/Disposition Form if they wish to use excess item(s), upon approval from the appropriate program director and Executive Director, if applicable, the item(s) will be transferred to the requested location. The CSDT in conjunction with the Program Directors will then decide about the disposal of any unclaimed excess item(s) by whichever means is most expeditious and appropriate (sale to individuals after posting for sale, local scrap dealers, etc.) Sale shall be documented, and funds returned to appropriate program. There are some items of equipment that in order to dispose of the item property there must be documented Fair market value by individuals that are qualified to give the FMR of an item. This documentation must be retained for the funding source as required.

**Disposal of Property**--Property, which is purchased with Federal funds, will be disposed of in the following manner after the CSDT receives approval from the OAI Board of Directors.

1. Health and Human Services (HHS) regulations state that when property is disposed of with an acquisition cost of \$5,000 or more, the Agency may keep 10% for their expense of disposing of the property. The remainder is sent to the funding source or special permission may be requested to retain the remainder for future programs. Property having an acquisition cost of less than \$5,000 may be disposed of with no obligation to the Federal government regarding the sale. In such cases, the grantee or delegate should document the specifics of each sale and record in the property records file.
2. When property purchased with DOE funds is disposed of with a current fair market value of less than \$5,000 DED/DOE approval is not required. If fair market value is more than \$5,000, written approval from DED/DOE is required. The DOE program shall have the right to an amount calculated by multiplying the current fair market value or proceeds from sale by the program’s share of the equipment/vehicles original purchase cost (10 CFR

600.134g) (5/27/2014). Property disposal requirements are included in the Procurement Section of the Missouri Weatherization Operational Manual.

3. Division of Workforce Development equipment may not be disposed of without specific written permission from the Division, if purchased prior to July 1, 1993. Property purchased after June 30, 1993 may be disposed of according to OMB Circular A-110. Property with a value of \$1,000 or less can be deleted from equipment fixed asset inventory. Equipment with a current fair market value of less than \$1,000 and that are not needed for the WIOA (5/19/2015) program may be retained, sold, or otherwise disposed of with no further obligation to the program. Such equipment may remain in place to be used for other federally or non-Federally funded programs, or it may be disposed of in accordance with local procedures.
4. All disposals of property on inventory must be approved by the OAI Board of Directors prior to the disposal. This seems to conflict with item C.1. above

#### **D. Physical Inventory**

1. The Corporate Services Department shall maintain an Inventory database for funding sources and for insurance purposes.
2. The CSDT will keep Program Directors abreast of department inventories at a minimum of once per year. The Program Directors will ensure that their departments are completing a transfer/disposition form prior to any item being relocated to another facility. The CSDT will then update the physical inventory database with changes, as necessary, so that information is updated and current.
3. A property listing of non-expendable property of \$5,000 or more and an insurance listing will be prepared and provided to Program Directors and/or funding sources as requested.
4. A physical inventory shall be taken every two (2) years with a goal of completing this task annually to verify the existence, current conditions, current use and/or continued need of the property.
  - a) An Inventory Database shall be maintained with the item description, serial number, property number, property location, acquisition method/date, condition upon acquisition, funding source, contract number, cost/value, inventory date, individual responsible, and disposition and authority.
  - b) The CSDT will visually verify the existence of the property and record such existence.
  - c) Upon completion of physical inventory, the CSDT staff shall update the Inventory database, noting new inventory date, disposition of any equipment, missing equipment, etc. Discovery of missing items shall be reported to the CSDT immediately. The CSDT will investigate, report to the Program Director any findings and appropriate action will be taken, if necessary.

#### **E. Reports of Theft, Loss and Damage**

1. The person responsible for the equipment or property will report any theft or damage to the Corporate Services Department when the fact becomes known.
2. A police report shall be submitted listing the item(s) stolen, when and where the theft or damage occurred and a narrative summary of the action to be taken.

3. Any equipment or property loss, due to fire, shall be substantiated by a report from the fire department.
4. The Program Director will send in a request for release of liability from inventory records to the funding source, if applicable and forward an approved release to the CSDT.
5. All property is insured unless the value exceeds cost effectiveness. All funds received from insurance will be either returned to the funding source or specific funding source authorization will be obtained to retain the insurance funds to the program, if applicable.

**F. Motor Vehicles**

All motor vehicles acquired for use by the grantee, or its delegate agency must be adequately insured against liability. The program using the vehicle will pay insurance premiums. Minimum coverage of \$100,000 and \$300,000 for bodily injury and \$50,000 for property damage are required.

Program Directors are responsible for ensuring that any vehicle used by a program, has the required insurance coverage's as per the agency, funding source or any applicable federal, state, or local law to ensure the agencies assets and liabilities are protected to the highest extent possible.

*(3/26/2013)*

~~C.~~ **Vehicle Forms/Reports**

Programs will be responsible for ensuring that vehicles used in the course of carrying out program specific duties are maintained, and records attest to the maintenance of said vehicles. Any forms or reports will be made available upon request by the agency or its funding source.

~~D.~~ **Vehicle Use Restrictions**

Grantee vehicles will not be used for any of the following purposes:

- 1) To further personal or pleasure purposes under any circumstances.
- 2) To enable persons to participate in any form of direct action with the intent to promote physical violence, destruction of property, or physical injury to person(s).
- 3) To take voters to and from polls to vote in any election.
- 4) To transport persons to and from registration centers.
- 5) To conduct lobbying activities.
- 6) To commute on a regular basis between residence and place of work.

**I. Real Estate, Property and/or Land Purchases**

1. **Real Estate, Property and/or Land Purchases:** All Real Estate, Property and/or Land Purchases must be approved in advance by the Executive Director. (3/26/2002) The Board of Directors will approve a resolution to purchase Real Estate, Property and/or Land that will be owned by Ozark Action. This will be done at the earliest possible date during a regularly scheduled Board Meeting. (5/23/2006)
2. **Real Estate Sales:** Housing Development Projects. The sale of all housing developments shall comply with program design and any funding source requirements. All property sales shall be approved in advance by the Executive Director. (3/26/2002) The Board of Directors will approve a resolution to sale Real Estate, Property and/or Land that is to be sold by Ozark Action. This will be done at the earliest possible date during a regularly scheduled Board Meeting. (5/23/2006)

**J. Building Renovations (\$2,000 or more)**

The following procedures shall be used for renovation projects, which have not been specified in the approved contract and/or approved by written permission from the funding source:

- a) The CSDT will ensure appropriate procedures are followed in obtaining quotations for materials and/or services needed for the proposed project. (Any and all contractors and subcontractors hired must furnish the Agency with insurance certificates covering general liability, worker's compensation, and vehicle insurance from and insurance company or companies lawfully authorized to do business in the jurisdiction in which the project is located and must comply with the provisions of Davis-Bacon Act (40 U.S.C. 276a-7), if applicable 29 CFR 5.5(a) under Contract Provisions.
- b) Davis Bacon does not apply to small contractors who do the work themselves and have no employee(s). For projects that fall under the Davis Bacon requirements, the wage determination used must be sited in the contract and the contract must be executed within (90) ninety-days from the date the bid is due, or the wage determination must be updated with the new rates.

Davis Bacon does not apply to agency employees doing the work.

- c) A requisition form will be filled out by the requestor along with any cost quotations, bid information, etc. and forwarded to the Program Director for approval. The Program Director will then forward to the Executive Director who will confirm with the Fiscal Department that the funding is available for such project. The Executive Director will then sign the approval and request any board, council, or funding source approvals, if applicable.
- d) Once all of the above items are completed, the ED will forward all of the items with supporting documentation to the CSDT for a numbered purchase order and acquisition of the purchase order.
- e) The Executive Director has final authority of the project but holds the Program Director responsible for carrying out the objectives within the budgets.
- f) When the objective or goal is completed, the invoice is given to the CSDT for processing. Under certain provisions, it is the responsibility of the contractor or subcontractor to comply with the Davis Bacon Act and Prevailing Wage if applicable.

**K. Receiving and Documenting Supplies and Equipment**

- 1. All purchased items arriving from the vendors to the location should be processed and signed for by personnel other than the person making the purchase (employee must initial and date the packing slip, if no packing slip available then the employee may copy the original PO and note receipt of items and forward to the CSDT immediately or no later than 5 (five) days from the date of receipt).

2. If the item received has a serial number, the receiver of said item will complete a Transfer/Disposition Form with all of the required information and forward to the CSDT along with the packing slip.

## **SECTION XI: CREDIT CARD CHARGE PROCEDURES/ACCOUNT CHARGE PROCEDURES**

**Non-specific Credit Card Charge Procedures**--All purchases made for or on behalf of Ozark Action, Inc. require that the agency Procurement Policy be followed. There are some businesses or an organization that requires a credit card from that business or organization in order to charge purchases.

In these instances, the Corporate Services Director will then complete the necessary paperwork to open an account on behalf of the agency. Once approved and cards are issued, the Corporate Services Director will initiate a check out system for those credit cards. This check out system will include the number of the card and the name of the employee to whom it is checked out. The employee will sign that they understand this card is for purchases that qualify under the OAI Procurement Policies and may only use the card for said purchases with an approved purchase order.

In those instances, a purchase order must be completed first with all the required supervisor approvals in place prior to the purchase. The CSDT will review the purchase order and put a number on the order. The approved, numbered purchase order will then be returned to the department for purchase. When the items are purchased and charged at the vendor, the assigned credit card will be presented, and the employee will sign the charge ticket. The charge ticket will then be forwarded to the Corporate Services Department and checked for accuracy.

The CSDT will match the charge ticket with the purchase order. This charge ticket serves as the invoice. The CSDT will then verify the items and amounts comparing the original purchase order and the charge ticket to ensure that items match. The charge ticket, purchase order, any other relevant information concerning the order will then be stapled together and the CSDT will circle the total amount due, initial and date both the charge ticket and the purchase order and forward to the accounting department for payment to the vendor.

If the charge is more than the original purchase request, the CSDT requires that the purchase be re-initialed by the program director or supervisor. The accounting department is responsible for ensuring that the required initial is on the submitted purchase order prior to the disbursement of the payment to the vendor. On occasion due to time restraints placed on these accounts, the re-initialing of the higher amount may occur after the disbursement of payment to the vendor.

The CSDT reserves the right to note any inaccuracies or discrepancies in items requested or purchased and also to revoke an issued charge card at anytime.

**Program Specific Credit Card Charge Procedures**—Any credit card used for one program specific charges must be approved by the OAI board before the process can be put into place for making purchases. Once the board has approved the credit card application, the program director, corporate services director, finance director and executive director will work together to make sure internal controls are put into place to safeguard the usage of the credit card by the agency staff.

- A. **Energy Crisis Intervention Program (ECIP)**: All purchases made for or on behalf of the ECIP customers of Ozark Action, Inc. require that the ECIP application and eligibility guidelines be followed before a pledge and payment can be made for the heating/cooling costs. The approved

Management Information System paperwork must be submitted to the program director for approval and payment. The CSBG Director, designated assistant, and the Fiscal Director will be the only approved staff with the ability to call the vendor and make a credit card payment over the phone. A reference number will be written on the ECIP application and set aside until the bill arrives from the credit card company. The CSBG Director or Fiscal Director will review the credit card statement when received and match the approved applications to the current bill. The credit card statement/bill will be presented to the fiscal technician for review, data entry and payment. The fiscal technician will check to make sure the applications match the credit card statement as the information is entered into the accounts payable system before the check is cut. The check will be sent with the payment slip. The check stub will be placed with a copy of the check and the ECIP applications paid in the vendor files. (5/19/2015)

- B. **Account Charge Procedures--**All purchases made for or on behalf of Ozark Action, Inc. require that the agency Procurement Policy be followed. There are some businesses or organizations that do not require a credit charge card from that particular business or organization in order to charge purchases. For those businesses, the Corporate Services Director will complete the necessary paperwork to open an account on behalf of the agency. Once the open charge account is approved, staff may complete a purchase order, and get the required approvals in place prior to the purchase. The Corporate Services Director reviews the requisition and places a number on the order.

At this point if the purchase order is from a local vendor, the numbered purchase order is then returned to the department for ordering. If it is not a local vendor and it is a vendor that the CSDT may order the items online, then the order will be placed online at that time. Once the order is received and checked for accuracy, the employee needs to initial and date the packing slip and forward that to the CSDT. The CSDT will match the packing slip with the purchase order. Once the invoice arrives, the CSDT will verify the items and amounts comparing the original purchase order, the packing slip, and the invoice to ensure that items match. The CSDT will note on the purchase order if items are received and by who if there is no packing slip. The invoice, purchase order, any other relevant information concerning the order and the packing slip will then be stapled together and the CSDT will circle the total amount due, initial and date both the invoice and the purchase order and forward to the accounting department for payment to the vendor.

If the charge is more than the original purchase request, the CSDT requires that the purchase be re-initialed by the program director or supervisor. The accounting department is responsible for ensuring that the required initial is on the submitted purchase order prior to the disbursement of the payment to the vendor. On occasion due to time restraints placed on these accounts, the re-initialing of the higher amount may occur after the disbursement of payment to the vendor.

The CSDT reserves the right to note any inaccuracies or discrepancies in items requested or purchased and also to revoke an issued charge card at anytime.

\*\*JDT references Division of Workforce Development

\*\*JTPA references Workforce Investment Board (WIB)

\*\*WIA references Workforce Investment Act WIOA Workforce Investment Opportunity Act

## **PETTY CASH FUND**

### **GENERAL**

The petty cash fund will be maintained on an imprest basis by OAI:

Central Office	\$100.00
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All Petty Cash Funds will be kept in a locked petty cash bag. The Corporate Services Department will have access to a key for the Petty Cash Bag.

A maximum disbursement of \$25.00 may be made from the Petty Cash Fund for allowable purchases at any given time.

The purchaser shall present a receipt and petty cash slip to the Corporate Services Department for reimbursement of purchase.

At all times, the petty cash bag will contain receipts and cash totaling the amount of the fund.

When the balance in the central office fund falls below \$20.00, one staff person from the Corporate Services Department will total disbursements by program and account classification and submit the recap and all receipts to the Fiscal Director for reimbursement.

Petty Cash Fund reimbursement checks will be made out to:

Petty Cash for Ozark Action

An OAI fiscal staff member will audit all Petty Cash Funds at least once during the program year or when any custodian leaves the employment of OAI.

Any irregularities in the Petty Cash Fund will be immediately reported to the Executive Director.

Loans or advances will not be made from Petty Cash Funds.

Approved by OAI Board 8/4/94;1/23/01;1/22/2002;3/25/2003;5/23/2006;7/17/2007;12/9/2008

Revised 5/28/96;9/23/97;11/23/99;1/23/01;1/22/02;3/25/03;5/23/2006;7/17/2007;12/9/2008; 5/28/2019

**HEAD START PETTY CASH FUND**

**GENERAL**

The petty cash fund will be maintained and reimbursed on an imprest basis by OAI payable for the amount listed below to the Center Manager at:

Alton & Thayer Head Start	\$100.00
Ava & Lutie Head Start	\$100.00
Bakersfield Head Start	\$100.00
Cabool, Houston & Mtn. Grove Head Start	\$100.00
Grovespring, Licking & Mansfield Head Start	\$100.00
Mtn. View & Willow Springs Head Start	\$100.00
West Plains Head Start	\$100.00

(3/26/2013); 5/27/2014; 5/28/2019; OAI Board 5/26/2020; PC 9/2020

All Petty Cash Funds will be kept in a locked petty cash bag. The Head Start Director, Center Managers, and the Corporate Services Department will have access to the bank bag.

A maximum disbursement of \$25.00 may be made from the Petty Cash Fund for allowable purchases at any given time.

The purchaser shall present a receipt and petty cash slip to the Center Manager for reimbursement of purchase.

At all times, the petty cash bag will contain receipts and cash totaling the amount of the fund.

When the balance in the central office fund falls below \$20.00, all receipts for disbursements will be totaled and charged by program/account classification and given to one staff person from the Corporate Services Department for reconciliation and reimbursement.

The Corporate Services Department staff person will audit all Petty Cash Funds at least once a quarter or when any custodian leaves the employment of OAI. It is the custodians' responsibility to ensure this is maintained and done quarterly.

Any irregularities in the Head Start Petty Cash Fund will immediately be reported to the Head Start Director, the Corporate Services Director and to the Executive Director.

Loans or advances will not be made from Petty Cash Funds.

Approved by OAI Board

8/4/94;1/23/01;1/22/2002;3/25/2003;5/23/2006;7/17/2007;3/27/2012;3/26/2013;5/27/2014;5/28/2019;  
5/26/2020

## COMMUNITY SERVICES PETTY CASH FUND

### GENERAL

The petty cash fund will be maintained and reimbursed on an imprest basis by OAI payable for the amount listed below to the Community Service Representative at:

Alton & Thayer Outreach	\$25.00
Ava Outreach	\$25.00
Gainesville Outreach	\$25.00
Mtn. Grove Outreach	\$25.00
Houston Outreach	\$25.00

(3/26/2013)

The Community Services Representative will keep all petty cash in a locked petty cash bag. The Community Services and the Corporate Services Department will have access to the bank bag.

A maximum disbursement of \$25.00 may be made from the Petty Cash Fund for allowable purchases at any given time.

The purchaser shall present a receipt and petty cash slip to the Corporate Services Department for reimbursement of purchase.

At all times, the petty cash bag will contain receipts and cash totaling the amount of the fund.

When the balance in the central office fund falls below \$5.00, all receipts for disbursements will be totaled and charged by program/account classification and given to one staff person from the Corporate Services Department for reconciliation and reimbursement.

The Corporate Services Department staff person will audit all Petty Cash Funds at least once monthly or when any custodian leaves the employment of OAI. (3/25/2003) It is the custodians' responsibility to ensure this is maintained and done monthly.

Any irregularities in the CSBG Petty Cash Fund will immediately be reported to the Community Services, the Corporate Services Director and to the Executive Director.

Loans or advances will not be made from Petty Cash Funds.

Approved by OAI Board 8/4/94;1/23/01;1/22/2002;3/25/2003;5/23/2006;7/17/2007;12/9/2008;3/27/2012;3/26/2013;5/27/2014

**OAI PETTY CASH SLIP**

**Date of Purchase:** \_\_\_\_\_ **Amount of Purchase:** \_\_\_\_\_  
**Name of Vendor:** \_\_\_\_\_ **Name of Employee:** \_\_\_\_\_  
**Reason for Purchase:** \_\_\_\_\_  
**Description of Item(s) Purchased:** \_\_\_\_\_  
**Program/Acct. No.:** \_\_\_\_\_ **Program Director Approval:** \_\_\_\_\_  
**Petty Cash Custodian Initial:** \_\_\_\_\_ **Recipient Initial:** \_\_\_\_\_

**OAI PETTY CASH SLIP**

**Date of Purchase:** \_\_\_\_\_ **Amount of Purchase:** \_\_\_\_\_  
**Name of Vendor:** \_\_\_\_\_ **Name of Employee:** \_\_\_\_\_  
**Reason for Purchase:** \_\_\_\_\_  
**Description of Item(s) Purchased:** \_\_\_\_\_  
**Program/Acct. No.:** \_\_\_\_\_ **Program Director Approval:** \_\_\_\_\_  
**Petty Cash Custodian Initial:** \_\_\_\_\_ **Recipient Initial:** \_\_\_\_\_

**OAI PETTY CASH SLIP**

**Date of Purchase:** \_\_\_\_\_ **Amount of Purchase:** \_\_\_\_\_  
**Name of Vendor:** \_\_\_\_\_ **Name of Employee:** \_\_\_\_\_  
**Reason for Purchase:** \_\_\_\_\_  
**Description of Item(s) Purchased:** \_\_\_\_\_  
**Program/Acct. No.:** \_\_\_\_\_ **Program Director Approval:** \_\_\_\_\_  
**Petty Cash Custodian Initial:** \_\_\_\_\_ **Recipient Initial:** \_\_\_\_\_

**OAI PETTY CASH SLIP**

**Date of Purchase:** \_\_\_\_\_ **Amount of Purchase:** \_\_\_\_\_  
**Name of Vendor:** \_\_\_\_\_ **Name of Employee:** \_\_\_\_\_  
**Reason for Purchase:** \_\_\_\_\_  
**Description of Item(s) Purchased:** \_\_\_\_\_  
**Program/Acct. No.:** \_\_\_\_\_ **Program Director Approval:** \_\_\_\_\_  
**Petty Cash Custodian Initial:** \_\_\_\_\_ **Recipient Initial:** \_\_\_\_\_



# OZARK ACTION, INC. PURCHASE PROCESS/VEHICLE PROCESS FOR PURCHASE ORDERS AND DOCUMENTATION

## Abstract

Step by Step for completion of a purchase order approval to meet funding source guidelines and agency policies & procedures.

Sheryl Roberts  
sroberts@oaiwp.org

Ozark Action, Inc.  
Purchase Order Process  
3/20/2019

1. Initiate a requisition/purchase order. For purchases above \$25.00, purchase orders must be completed. Under \$25.00 or under, petty cash. This is the Information Needed!! No purchase is to be made or completed without have an APPROVED PURCHASE ORDER WITH THE PURCHASE ORDER NUMBER (for emergencies see instructions included at the end of this process).
  - a. Vendor Name (if a new vendor, contact Lisa Roark (lroark@oaiwp.org) with new vendor information--name, address, phone number. Have vendor complete a W9 form prior to/or with submission of invoice to Sheryl Roberts ([sroberts@oaiwp.org](mailto:sroberts@oaiwp.org)).
    1. Remember if ordering from vendor that is not set up as charge account the vendor will be Elite Card. Try to purchase from vendors that will accept our purchase order number and bill to account; credit card should be only as needed. If you have a question about a vendor and what accounts are set up as charge accounts, contact Sheryl Roberts for more info.
  - b. Reason for purchase--Why is ordered needed?—replenish supplies; repair to equipment, etc.
  - c. Shipping Location—Name and Address of Location.
  - d. Name of person requesting purchase/date.
  - e. Supervisor Signature of Approval/Date.
  - f. General Information:
    - a. Quantity of item(s).
    - b. Center or Department Location
    - c. Item number (if available needs to be listed—please make sure it is readable).
    - d. Program or Account Code that items should be charged to under program.
    - e. Description of item(s) to be purchased; or in the case of a repair include what issues are causing a request to repair be sure to include documentation if needed for further explanation; if a vehicle repair put the vehicle description/number, etc.
    - f. Price per item/estimated price.
    - g. Total price is quantity x price per item. You can put estimated price is quantity and exact price is unknown. Purchases \$1,000 and should have 3 estimates attached prior to submitting for approval in portal.
    - h. Purchase requested by—name of person requesting/date.
    - i. Manager or Supervisor Signature/Date.
2. Input purchase request in portal for supervisory approval. (Supervisor, Program Director, Executive Director, Purchasing Approval)
  - a. Employee or Supervisor submits PO in portal along with any required documentation. This will then go to their supervisor or program director for further review and approval.
  - b. Program Director will then review purchase request for approval verifying need of items, funding availability, and all required documentation. Once they approve, if total Purchase Order is under \$1,000; the Program Director can sign off on purchase order and forward to Purchasing for final approval and PO Number assignment. If item over \$1,000 then Program Director will forward to Executive Director for review of purchase request, documentation and validity and need of purchase. If approved by Executive Director, then it will forward to Purchasing for final approval and PO Number assignment.

- c. Purchasing (Sheryl Roberts; [sroberts@oaiwp.org](mailto:sroberts@oaiwp.org)) will then print off purchase order request and all documentation submitted into the portal; ensure required information and signatures are on the purchase order; review items, costs, etc. Due to knowledge of vendors, pricing, etc., purchasing may change vendor due to price or availability of product, etc. Once information is complete, purchasing will assign a purchase order number and approve purchase in the portal. At this point, once approved in the portal, the requestor of the PO should check the portal periodically to see if approved and also check their email for the scan of the PO with the number on the purchase order request.
3. Once a number is assigned; purchase can be processed with vendor. For items that purchasing orders this is when the order will take place. For local vendors; the person requesting the purchase will then fill the order and obtain an invoice. The purchase will show approved in the portal and an emailed copy of purchase order will be sent to requestor/location.
4. When item(s) are received, or service completed; requestor should upload shipping receipts, invoices or receipts of purchase into the portal notating the purchase order number or requisition number on the information.
5. Once the packing slips and/or invoices are entered in portal, purchasing will print out and compare with purchase order request; notating price changes, etc. and approving for payment and attaching invoice and packing slips to information previously printed during the process. Purchasing will initial, date and circle approval of purchase for payment.
6. Purchasing will then receipt into portal for payment, make a copy of PO/requisition page for purchasing file; copy of PO and receipt for vehicle or maintenance repairs; record in spreadsheet(s) and put in account bill tray for payment.

EMERGENCIES: (flat tire/blowout on bus route, dead battery on route, immediate licensing requirement, vehicle breakdown, etc)

In these instances, for Head Start, call Lana Stuart. Lana will then determine if a tow is needed; etc. For admin contact Sheryl Roberts.

Emergency situation would require someone to start the PO process immediately and get the information into the portal. Make sure notation on PO includes EMERGENCY. If Reta approves; make a notation that she verbally approved, etc. Make sure all information or as much as possible is on the purchase order. This means that working as a team these are the things that have to be done.

I have also attached a copy of our purchasing policies. It does not reflect entering items in portal; this will be added this year. Our policies are the same as always except instead of bringing/faxing/or emailing the purchase order to the program director; it is entered into the portal for processing. This is not an immediate approval. Purchase requests for supplies or equipment should be made 30 days prior to need, whenever possible.

## VEHICLE REPAIR PROCESS

Vehicle/Bus process (used Cliff's and O'Reillys in the example; this could apply to any vendor). Also, for tire purchases—buy quality tires for gravel roads. Check with tire places to see if we can get the State rate, etc. several places allow us this discount (Lana was checking local prices for tires, etc.)

1. Initiate a Purchase Order; if unsure of price, estimate price (example \$250)
2. For a repair a PO for parts from O'Reilly's and a separate PO for Cliff's should be submitted at the same time with an estimate price of \$250—unless you know the actual amount. For other vendors, you would probably only have one vendor to enter.
3. Put PO in Portal.
4. Supervisor/Program Director/Purchasing will review and approve with number or reject PO.
5. Schedule repair estimate appointment.
6. Vendor should contact center manager/Lana about what is wrong with the vehicle and estimated cost of repair/parts. If goes over \$250, discuss with Reta and Lana to ensure this is what needs to be done or if there are other options, etc.
7. If vendor is told to proceed with repair and the amount increases from what was told to repair, then vendor should contact purchaser and amend cost and why there is an increase etc.
8. Once repaired and vehicle has been returned or picked up-(example—Cliff had been leaving copies of the O'reillys bill and his bill in the vehicle—please review information from repair bill from Cliff's and O'Reillys and if you have questions, talk with Reta and/or vendor asap.
9. Once repairs are complete, immediately download receipts into portal for purchasing to submit for payment.

This process can be sped up when answers are needed within a short period of time. Communication of issues such as this should be forwarded to program director and purchasing (Sheryl Roberts) for shortening process time----not all purchases should be done this way. This would not be an immediate emergency but a step between a non-emergency.

## Process for Vendor

Emergency—vehicle has had an emergency issue and taken or towed to vendor. These purchase orders are expedited sooner due to immediate need to remove vehicle from roadway or further damage or injury.

Head Start Employees must contact Lana Stuart for direction concerning towing/garage, etc. and information on the emergency vehicle breakdown. The employee and/or Lana will still complete the above process the same day of occurrence and notify the Program Director and Purchasing (Sheryl Roberts/Kelsey Tooley) with information concerning PO and urgency. This must be done the same day of occurrence.

Once the vehicle has been removed from the breakdown location the garage should be able to provide an estimated vehicle repair. The vendor should contact employee (center manager for Head Start/Lana concerning the problem(s) found and estimate cost of repair. At this point, the PO should be moving through the approval process and will either have a purchase order number or be almost to this point by the time an estimated is given for repairs.

If you have not received a PO number by this time; email program director, [sroberts@oaiwp.org](mailto:sroberts@oaiwp.org) and [ktooley@oaiwp.org](mailto:ktooley@oaiwp.org) and we will see where the PO is in the process and try to expedite asap. DO NOT EXPECT to enter in portal and have an immediate answer; this is a process and you need to allow enough time for each person to review. By notifying them in an email they will be looking for the purchase order and be able to process and forward you a purchase order number. This number should be given to vendor for completion of repairs and for them to provide invoice(s).

If costs are reasonable for the emergency repair and the employee has contacted the Center Manager and center manager has contacted Lana and the purchase order process and entry into portal is being completed with an expedited approval process which also includes notifying the program director, [sroberts@oaiwp.org](mailto:sroberts@oaiwp.org) and [ktooley@oaiwp.org](mailto:ktooley@oaiwp.org) by email. The vendor should proceed if cost under \$250 with center manager approval as long as above process is followed by staff the day of the emergency.

If above \$250 further approvals will be sought along with an estimate of repair from vendor. If the PO is in the portal and been approved and numbered and amount goes above \$250 - \$1,000; then the vendor should contact center manager/Lana with an updated estimate to repair. This information will then be used to allow program director to approve the repairs or decide what will be done as that point.

Vendor will be notified asap as to whether to fix or stop and bill for what had already been completed on repair.

NON-EMERGENCY repairs-follow the purchase process.

A purchase order can be initiated for issues that are non-emergencies. Remember for a bus repair with Cliff's you will need to enter a PO for parts from O'Reilly's and a PO for the repair from Cliff's. If you know the amount, put on the PO request entered in portal. If you do not know the cost, estimate at \$250 on both and wait for vendor to provide estimate of cost to repair. The vendor should be able to give you an estimate cost of repairs-labor and parts. Once you receive the estimate and if it is over the \$250, the PO is in portal approval process center managers will continue to work with Lana on the estimate of repair and whether items are under warranty, costs responsible, etc. before the PO number is given to vendor and approval to repair.

If after getting the estimate and a different vendor is chosen, the approval process starts all over again on entering the different vendor purchase request in the portal.

If something entered in the portal on a purchase order or invoice is incorrect; contact Sheryl Roberts and Kelsey Tooley by email with issue and corrected information.

For a new vendor that we have never used, contact Lisa Roark [lroark@oaiwp.org](mailto:lroark@oaiwp.org); or Kathy Hickson [khickson@oaiwp.org](mailto:khickson@oaiwp.org). They will need the correct name of the business or person, their Federal ID or SS#, billing address, phone, etc. to enter in system. Once this information is provided if the new vendor has not filled out a W9 form, then they must fill out before the purchase is completed. The W9 should be returned no later than when the invoice is submitted to purchasing (Sheryl Roberts) for payment.

When you receive an approved Purchase Order—fill within 5 to 10 days at the most; forward invoices to Sheryl Roberts or upload in portal—do not do both that duplicates copies and causes confusion. Remember to look at your outstanding PO's that are approved in the portal. If it doesn't show them as closed out, then they are still an approved open PO waiting on invoices, packing slips or other documentation. Contact Sheryl Roberts or Kelsey Tooley (email is preferred) concerning these questions. Once a PO is closed out in the portal and a vendor hasn't received the check contact Sheryl or Kelsey by email and we will see date of submission and if it has been processed and/or when check will be sent. If check has been mailed, then contact vendor and if not received within 10 days of the date of check; contact Lisa Roark or Kathy Hickson by email and they will proceed with the stop pay process.

A purchase order should never be open over 90 days at the very most. With 30 days of receiving an approved purchase order, the purchase should be made, received, and invoices submitted to purchasing and vendor paid. If beyond this, what is the reason? Backorder, etc. Remember to write the date of receipt of item on the packing slip and initial that you have verified what was received and forward by email or upload in the portal as soon as item(s) are delivered.

If a PO needs to be voided, notify Sheryl Roberts and Kelsey Tooley immediately by email and we will process and remove from portal.

OAI Board 5/28/2019; PC 9/2019