

OREGON STATE HOSPITAL

PORTLAND – SALEM

POLICIES AND PROCEDURES

SECTION 4: Fiscal

POLICY: 4.014

**SUBJECT: Procurement of Goods, Services, and
Personal Services**

**POINT PERSON: DANIA JOHNSON
DIRECTOR FINANCIAL SERVICES**

**APPROVED: GREGORY P. ROBERTS
SUPERINTENDENT**

DATE: APRIL 30, 2012

I. POLICY

- A. The Procurement Services Department provides centralized procurement services to all departments and programs of Oregon State Hospital (OSH) at all of its locations. The department completes solicitations and negotiates and develops purchase orders and other contracts for goods, services, public works, and personal services under the Department of Human Services (DHS) delegation limits and OSH's statutory authority. Procurement Services complies with all statutes, administrative rules, and policies and procedures for Oregon State Hospital, Oregon Health Authority (OHA), Department of Human Services (DHS), Department of Administrative Services (DAS), Oregon Department of Justice (DOJ), and federal law applicable to the procurement.
- B. Procurement Services is the primary contact with DAS' State Procurement Office (SPO), DHS' Office of Contracts and Procurement, and DHS, Information Technology (IT) Asset Management for procurements made for OSH and the State of Oregon. All goods procured through Procurement Services are the property of the State of Oregon.
- C. All procurements of goods, services, and personal services and all contracts must be approved by the expenditure authority appropriate for the department or program requesting the procurement.
- D. Procurement Services is solely responsible for the terms and conditions for all procurements.
- E. Procurement Services is responsible for coordinating, planning, and executing all procurement activities for OSH.

II. DEFINITIONS

- A. “Contract” means an agreement between two or more persons which creates an obligation to do or not to do a particular thing. Its essentials are competent parties, subject matter, a legal consideration, mutuality of agreement, and mutuality of obligation.
- B. “Contract Administrator” means the officer, employee, or other individual designated in writing by name or position description to conduct the contract administration of a contract or class of contracts.
- C. “Goods” means supplies, equipment, or materials, and any personal property, including any tangible, intangible, and intellectual property and rights and licenses in relation thereto, that OSH is authorized by law to procure.
- D. “Personal Services” means the services with the primary purpose of specialized skills, knowledge, and resources in the application of technical or scientific expertise, or the exercise of professional, artistic, or management discretion or judgment, including, without limitation, services of an accountant, physician, or dentist, educator, information technology professional, consultant, broadcaster, or artist (including photographer, filmmaker, painter, weaver, or sculptor).
- E. “Procurement” means the act of purchasing, leasing, renting, or otherwise acquiring or selling: supplies and services, architectural, engineering and land surveying services, and related services; and public improvements. Procurement includes each function and procedure undertaken or required to be undertaken by OSH to enter into a contract, administer the contract, and obtain the performance of a contract under the Public Contracting Code and the Oregon Administrative Rules (OARs) applicable to the procurement.
- F. “Public Works” is defined in ORS 279C.800 and includes, but is not limited to, roads, highways, buildings, structures, and improvements of all types, the construction, reconstruction, major renovation or painting of which is carried on or contracted for or by any public agency, to serve the public interest, but does not include the reconstruction or renovation of privately owned property that is leased by an agency.
- G. “Purchase Order” means a document used by OSH in compliance with the Public Contracting Code and applicable rules and statutes for the general purpose of ordering supplies and services from one or more providers.

- H. “Rules” means the Public Contracting Rules of the Department of Administrative Services including Divisions 246 through 249 and the Attorney General’s Model Public Contract Rules including Divisions 46 through 49.
- I. “Services” means trade services, personal services, or any combination thereof.
- J. “Solicitation” means a request by OSH for the purpose of soliciting offers. The request may take the form of an invitation for bid, a request for proposal, a request for quotation, a request for qualifications, or similar document.
- K. “Stored Value Card” means a card from specific vendors that allow the purchase of the value of the card for goods or services from the vendor.
- L. “Supplies and Services” means goods, trade services, personal services, and ordinary construction services separately or in any combination of these terms thereof as appropriate within the context of the Rules. Supplies and services includes the terms “goods and services,” “goods or services,” and “personal services” contained in ORS 279A and 279B. This term does not include public improvements or architectural, engineering, and land surveying services, and related services, governed under ORS 279C.
- M. “Trade Services” means all remaining services that do not meet the definition for personal services.
- N. “Wireless Communication Device (WCD)” includes cell phones, personal digital assistants (PDAs) (e.g., BlackBerries, TREOs, etc.), and air cards.

III. PROCEDURES

- A. Material Distribution Center or Warehouse: Oregon State Hospital’s Material Distribution Center (MDC) maintains the following supply inventories: Office Supplies, Medical, OSH Forms, Maintenance, Linen, or Clothing. Items available from the MDC can be found in the Warehouse catalog. OSH staff shall complete an online request form for supplies stocked by the MDC. The MDC delivers the supplies to the requestor.
- B. Requests for Purchase
 - 1. All goods and services not available from the MDC are requested using a Request for Purchase (RFP) form (OSH STK 10657). (A RFP is prepared even if the item to be purchased is free or no

charge.) All information available to the requestor about the good or service to be procured must be completed on the RFP including the name of the unit, department, or program requesting the purchase; the accounting codes (PCA, index, and object code); a description of the item to be purchased; the purpose of the purchase; and the approving signature of the expenditure authority. Copies of catalog pages or computer screen prints may be attached for reference.

2. The completed and approved RFP is sent to Procurement Services for processing. Procurement Services reviews the RFP for missing or incomplete information and contacts the requestor to obtain the information.
3. Procurement Services processes the RFP using the procurement rules and statutes applicable to the purchase.
4. The MDC is responsible for receiving purchases ordered by Procurement Services for OSH and for delivering the purchases to the person or program who requested the good.

C. Personal Services requests for Solicitations, Contracts, and Amendments

1. Forms to request solicitations, contracts, and amendments to contracts are available at I:\PUBLICATIONS\PROCUREMENT SERVICE CONTRACTS\PERSONAL SERVICE CONTRACT FORMS.
2. Instructions for completing the forms are included. Requestors may contact Procurement Services for assistance.
3. Personal (professional) services that do not fall under Special Procurement SP 01-11 require a personal services contract to be fully executed before the service can be performed. Oregon State Hospital cannot legally pay for services if the services are performed before a contract is in place.

D. Petty Cash Purchases

1. Petty Cash is used for purchases not available by using SPOTS (Small Purchase Order Transaction System) card or purchase order. Petty Cash purchases shall not exceed \$50.00 per transaction. Items purchased with petty cash shall not include items available through MDC, a statewide price agreement, or other statutorily required sources.

2. The completed and approved Petty Cash voucher shall be taken to Procurement Services for approval of the vendor or supplier. If the purchase involves a patient, the patient number must be included on the Petty Cash voucher.
3. The Petty Cash voucher shall be presented to the Business Office, the cash will be issued, and a receipt signed.
4. After the purchase or transaction is made, the itemized receipt and any change shall be submitted to the Business Office. The actual amount of the purchase is recorded on the Petty Cash voucher. The receipt and the change must be returned to the Business Office within 24 hours or one work day of the purchase or petty cash transaction.

E. Purchase Orders

1. Procurement Services issues all purchase orders for OSH for goods, services, and personal services.
2. Blanket or open purchase orders are issued to vendors for specific amounts and time periods to cover frequent small purchase needs.
 - a. Purchases using open purchase orders are made by designated and authorized OSH staff. It is the responsibility of the program manager or department head to ensure all OSH staff making purchases using an open purchase order are authorized.
3. Confirming purchase orders may be issued by Procurement Services in urgent or emergent situations. Confirming purchase order numbers are given to OSH personnel who are authorized to sign RFPs and/or have expenditure authority.
 - a. An original completed and approved RFP must be received by Procurement Services within three (3) working days of the date the confirming purchase order number is issued.
 - b. Confirming purchase orders may be issued for estimated prices.
 - c. The department requesting a confirming purchase order number is responsible for completing the receiving document upon pickup of the product or receipt of the product or service.

- F. Small Purchase Order Transaction System (SPOTS) Card Purchases: Oregon State Hospital SPOTS cardholders are authorized to make approved purchases following OSH Policy and Procedure 4.017, Small Purchase Order Transaction System (SPOTS) Card.
- G. Stored Value Cards: Procedures for purchasing stored value (gift) cards can be found in DHS Policy DHS-040-020, Stored Value Cards. Stored value card purchases may not result in the direct or indirect personal gain of an employee, volunteer, or other ineligible individual and must be able to withstand audit review and public scrutiny.
- H. Computer, Software, and Related IT Purchases
1. Procurement Services processes all requests for the purchase of IT related goods, including computers, software, keyboards, headsets, memory sticks, etc. Any item that attaches to or runs on a computer must be requested on an approved RFP. All IT related goods, even no charge items, must have an RFP that is sent to Procurement Services.
 2. In addition to the OSH request for purchase, the requestor also submits the Office of Information Services – IT Purchase Request/Acquisition Form (DHS 0075) to Procurement Services. Current DHS 0075 forms are found on the DHS website.
 - a. The employee requesting the IT purchase shall complete the applicable sections of the DHS 0075 form including:
 - Requestor name;
 - Phone number;
 - Division/Agency;
 - Section;
 - Requested hardware or software (description);
 - Quantity;
 - Business requirements for the request; and
 - Other relevant information.
 - b. The DHS 0075 (Office of Information Services – IT Purchase Request/Acquisition Form) is not sent to “Computer Request” by OSH staff. Forms sent directly to “Computer Request” shall be returned to Procurement Services by the DHS Office of Information Services (OIS), IT Asset Management for processing. Information Technology (IT) Asset Management shall only accept IT Purchase Requests from OSH Procurement Services.

3. Computers are assigned to a position number not an employee. Requests for Purchase of computers should include the position number of the employee who is currently in the position or the number of the vacant position.
4. Requests for Purchase for computers requested for general employee use and patient areas should describe the use in the RFP.

I. Wireless Communication Devices

1. Procurement Services processes all requests for the purchase of wireless communication devices. Any item that attaches to or runs on the device must be requested on an approved RFP. All related goods, even no charge items, must have an RFP that is sent to Procurement Services.
2. In addition to the OSH RFP, the requestor also submits the Wireless Communication Device Order Form (DHS 1496) to Procurement Services. Current DHS 1496 forms are found on the DHS website.
 - a. The requestor shall complete the applicable sections of the DHS 1496 form and obtain the approval signatures.
 - b. The DHS 1496 (Wireless Communication Device Order Form) is not sent to "Computer Request" by OSH staff. Forms sent directly to "Computer Request" shall be returned to Procurement Services by the DHS Office of Information Services (OIS), IT Asset Management for processing. Information Technology (IT) Asset Management shall only accept Wireless Communication Device Order Forms from OSH Procurement Services.
3. Oregon State Hospital employees purchasing wireless devices should reference the following DHS Policy and Procedures for Wireless Communication Devices:
 - DHS-020-006 Wireless Communication Device Policy
 - DHS-020-006-01 Acquiring New or Replacing/Upgrading Wireless Communication Device Procedure
 - DHS-020-006202 Lost or Stolen Wireless Communication Device Procedure

J. Repair Services

1. Copy/Print/Scan/Fax

- a. Machines that copy, print, scan, or fax are leased under a statewide price agreement. Each machine has a label with the identification number of the machine and a toll free 800# to call for service and supplies. Oregon State Hospital staff do not need to contact Procurement Services to order supplies or request repairs.
- b. One time each month OSH staff shall report to Procurement Services the number of copies or prints made by the leased machine. Oregon State Hospital staff should not report the copy count to anyone other than Procurement Services. Procurement Services sends a reminder email to all staff responsible for a machine and provides instructions for obtaining the copy count.

2. Printers

- a. If the printer is a DHS printer (DHS property tag or IP address label), call the Service Desk at 503-945-5623 or email the service desk at SERVICEDESK, DHS to request service.
- b. A local technician from the OSH OIS Department shall be dispatched to troubleshoot the problem and attempt a repair.
- c. If OIS is unable to resolve the printer problem, the technician shall work with OIS, IT Asset Management to get the printer repaired.
- d. If OIS, IT Asset Management recommends replacement, an OSH RFP is created, approved, and sent to Procurement Services for processing. The Office of Information Services – IT Purchase Request/Acquisition Form (DHS 0075) is also completed for the printer and attached to the OSH RFP.
- e. The Office of Information Services – IT Purchase Request/Acquisition Form (DHS 0075) is not sent to “Computer Request” by OSH staff. Forms sent directly to “Computer Request” shall be returned to Procurement Services by the DHS OIS, IT Asset Management for processing. Information Technology (IT) Asset Management

shall only accept IT Purchase Requests from OSH Procurement Services.

3. Telephones

a. Telephone Repair

- 1) There is a statewide contract for telephone repair services for all existing telephone equipment, such as office telephones, fax lines (not the equipment), patient local access telephones, attorney telephones, Polycoms, cordless telephones, or headsets.
- 2) Oregon State Hospital staff dial three digits (“1 9 9”) to request repair when calling on the campus telephone network.
- 3) When calling from off the campus telephone network, staff dial 503-373-0033.
- 4) Requestor shall provide the following information:
 - a) Oregon State Hospital location with building and unit;
 - b) Number of telephone needing repair;
 - c) Repair needed;
 - d) Type of phone (6-button, 8-button, 16-button, or display); and
 - e) Contact name and number.

Verizon shall decide whether or not the telephone will be repaired or replaced. If replaced, the telephone will be replaced with a comparable model.

b. Telephone Service (Moves and New Service)

- 1) The form and instructions for completing a telephone service request can be found at I:\PUBLICATIONS\FISCAL ADMINISTRATION – FORMS\ Telephone Service Request Form.
- 2) All requests must be signed by the program director or manager in charge of the program or department.

3) Questions regarding completing the form can be directed to the OSH Telecommunications Hotline at 503-945-2894.

c. Payphone Repair

1) Oregon State Hospital staff call FSH Communications directly at 1-800-592-9488 and select option "1."

2) Requestor shall provide the following information:

- a) Oregon Sate Hospital location with building and unit;
- b) Number of payphone needing repair;
- c) Nature of problem, such as no dial tone, line static, etc.; and
- d) Contact name and number.

4. Other Equipment Service

a. For repair of other equipment not on lease or maintenance agreement, OSH staff should contact Procurement Services or the Material Distribution Center (Warehouse) for specific instructions.

K. Receiving

1. All purchases made by Procurement Services or by SPOTS cardholders are delivered to MDC for verification, receiving, and delivery. The MDC is responsible for documenting the receipt, either manually or electronically, of all purchases as part of a separation of duties.

2. Small Purchase Order Transaction System (SPOTS) cardholders who make purchases online or by phone must notify the MDC via email to expect shipments. The MDC shall deliver the shipment to the cardholder who is responsible for verification, documentation, and resolution of any discrepancies. A signed photocopy of the packing list shall be retained by the MDC as verification of receipt.

3. A few goods and services are not delivered to MDC. In these cases, the packing slip or a receiving copy of the purchase order must be signed by the recipient of the goods or services. This signed copy of the packing slip or purchase order must be sent to the Business Office before payment can be made.

- a. Pharmaceuticals are delivered directly to the Pharmacy. The Pharmacy Manager or designee shall conduct an inspection to assure that the packing slip agrees with the items ordered and actually received.
 - b. Dairy, vegetables, and fresh food precuts are delivered directly to and inspected, received, and accepted by the Food and Nutrition Services Manager or designee.
 - c. Housekeeping purchases are delivered directly to the Housekeeping Department.
4. Services can be purchased and received. The service is the product being ordered. All maintenance, repairs, other services, and trainings are received directly at the service provision location or department. A hard copy or paper receiver must be signed by the recipient and sent to the Business Office. The receiving copy of the purchase order for services, classes, training, or other such services, shall be sent to the requestor for signature after receipt of the service.
 5. Until the goods or services are received (signed for by the receiver of the goods or services) either electronically or in hard copy, and the receiving copy of the purchase order is returned to the Business Office, the invoice will not be paid. Receiving copies must be delivered promptly to the Business Office.

IV. REFERENCES

OAR 125, Divisions 246, 247, 248, and 249, DAS Public Contracting Rules
OAR 137, Divisions 046, 047, 048, and 049, DOJ Model Public Contract Rules
ORS 279A, 279B, 279C, Public Contracting Code

Replaces Oregon State Hospital Policy and Procedure 4.014, *Purchasing of Supplies and Services*, dated 11/30/2010.