

WCHO		<i>Policy and Procedure</i>	
		PROCUREMENT POLICY—PURCHASES OF GOOD AND SERVICES	
Department: FINANCE Author:		Local Policy Number (if used)	
Revision Date	Approval Date	Implementation Date	
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I. PURPOSE

To establish a procurement policy that governs the purchases of all goods and services in accordance with Federal and State guidelines for competitive bid procedures.

II. POLICY

It is the policy of the Washtenaw Community Health Organization (WCHO) that purchases of goods and services will conform to a uniform procedure in compliance with Federal and State procurement standards.

III. APPLICATION

All purchases made by the WCHO its agents or assigns for the purposes of operation and implementation of services provided by the WCHO.

IV. DEFINITIONS

None

V. STANDARDS

A competitive bid process will be implemented that adheres to the following restrictions and provides for a fair evaluation of the bid/proposal that protects against impropriety, favoritism and conflict of interest:

- A. Purchases up to \$2,000 may be approved by the Executive Director or the Deputy Director of Finance without obtaining quotes.
- B. Professional services contracts up to \$25,000 that are consultative in nature or are specific to the implementation/operation of a grant may be approved by the Executive Director without obtaining quotes.
- C. Purchases shall be from local companies whenever feasible.
- D. Three (3) verbal quotes will be obtained for goods and services over \$2,000 up to \$5,000 except as noted in Sections A and B.
- E. Three (3) written quotes will be obtained for goods and services over \$5,000 and up to \$25,000 except as noted in Section B.

- F. A formal Request for Proposal (RFP) will be processed for goods and services exceeding \$25,000.
- G. A formal Request for Information (RFI) may be issued when information is needed for the preparation of a formal RFP and may be used as an RFP if the information obtained indicates an RFP would not be warranted.
- H. Purchase Orders
 - a. will not be required for services control by the Authorization and Claims Adjudication system, Legal or Court-Ordered payments, employee reimbursements, and operational expenses such as Board/Advisory member payments, utilities, telephones, medications/labs, trainings, and conferences.
 - b. will be used for contracts that have a “do not exceed” limit of payment, contracts with major suppliers, and to purchase items such as books and office equipment.
- I. The bidding process may be waived by the Executive Director or the Deputy Director of Finance under the following situations:
 - a. The good or service is available only from a single source or is a unique product or service;
 - b. An urgent or emergency situation to obtain the good or service does not allow sufficient time for the competitive bidding process;
 - c. The good or service is part of a pilot project that is still being evaluated; or
 - d. The good or service is required to meet a specific consumer need or for a consumer-run organization.

VI. EXHIBITS

None

VII. REFERENCES

Reference:	Check if applies:	Standard Numbers:
42 CFR Parts 400 et al. (Balanced Budget Act)	X	
45 CFR Parts 160 & 164 (HIPPA)		
42 CFR Part 2 (Substance Abuse)	X	
Michigan Mental Health Code Act 258 of 1974	X	
JCAHO- Behavioral Health Standards		
MDCH Medicaid Contract	X	
MDCH Substance Abuse Contract	X	
Michigan Medicaid Provider Manual	X	
Generally Accepted Accounting Principles	X	
OMB Circular A87	X	