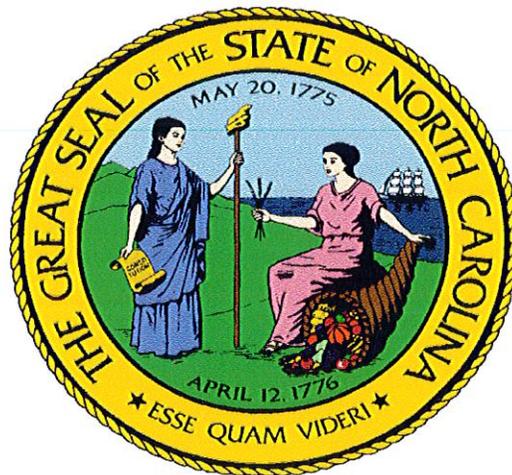


NORTH CAROLINA DEPARTMENT OF ADMINISTRATION

POLICIES AND PROCEDURES

APPROVAL OF PURCHASES AND EXPENDITURES



STATE OF NORTH CAROLINA	SUBJECT:	
DEPARTMENT OF ADMINISTRATION	Purchases and Expenditures	
INTERNAL POLICY	TAB FISCAL ADMINISTRATION	NO. FA 14 - 21

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FA – 014 Expenditures, Approval of

Purpose:

To establish a policy regarding the delegation of authority to approve expenditures.

Policy Statement:

The authority to approve expenditures has been delegated as follows:

Division Directors for their staffs

Excess hotel

Registration fees, up to \$1,000

Out-of-state travel.

The Secretary's approval will continue to be required for the following:

Out-of-country travel.

Registration fee \$1,000 or more

FA – 015 Acquisition of Wireless Telephones

Purpose:

To promote uniformity within DOA relative to obtaining wireless telephones.

Action:

Note: Agencies must obtain new wireless telephones through the State Telecommunication Services, utilizing the wireless telephone contract.

Responsibility of Division

1. Employee submits the Cellular Phone Service Request Authorization Form and written justification to his/her Supervisor for approval explaining the need of a wireless telephone to conduct state business.
2. Should the Supervisor approve the request, the Supervisor forwards the authorization form and written justification to the Division Director for approval.
3. Should the Division Director approve the request, the form and justification are forwarded to the Deputy Secretary for signature approval.
4. The Deputy Secretary forwards the form and justification to Fiscal Management should he/she approve the request.

Responsibility of Fiscal Management

5. Budget Officer signs form, certifying that funds are budgeted for this purpose.
6. The original copy of the form is forwarded to the State Telecommunications Services.
7. A copy of the form and justification are kept on file for audit purposes.

Note: The Cellular Phone Service Request Authorization Form is located online at:

<http://www.its.state.nc.us/Support/General/Forms.asp>.

FA – 016 Purchases - Computer Hardware/Software

Purpose:

To establish a procedure to provide for the review of automated data processing equipment hardware or software purchases, leases and maintenance contracts.

Action:

Responsibility of Division Director

1. Prepares a memo to the MIS Division requesting approval to purchase and/or lease automated data processing equipment (hardware and/or software) or to contract for maintenance for automated data processing equipment. For a purchase or lease, the memo should include a description of the items and their function. For maintenance, the memo should include a description of the items under contract, the cost and the recommended vendor.

Note: If a major purchase is planned or a determination whether the equipment/software will meet the needs of the office is needed, contact the MIS Division as soon as possible. This will enable a smoother process.

Responsibility of MIS

2. Reviews the request and approves or disapproves.
3. Prepares a memo approving or disapproving the request to the requesting Division Director.

Responsibility of Division Director

4. If request is approved, attaches the memo justification to the purchase requisition and forwards to Fiscal Management.

FA – 017 Purchases - Consultant Services

Purpose:

To establish a system for the procurement of consultant contracts by assigning responsible duties to each Division involved and to assure compliance with all appropriate directives. (Services of a consultant means work performed by state employees or independent contractors possessing specialized knowledge, experience, expertise and/or professional qualifications to investigate assigned problems or projects and to provide counsel, review, analysis or advice in formulating or implementing improvements in programs or services.)

Action:

Responsibility of Division

1. Prepares outline of task(s) required.
2. Ascertain that resources to accomplish goals do not exist and/or are not available from within State Government.
3. Estimates cost and identifies sources of funds.

4. Writes justification memo listing description, cost estimate and list of potential contractors and forwards to Deputy Secretary.

Note: If consultant is a retired state employee, the agreement must be submitted to State Budget Office for approval to a commitment being made.

Responsibility of Deputy Secretary

5. Approves/disapproves. Forwards to Secretary.

Responsibility of Secretary

6. Endorses need and forwards to Fiscal Management.

Responsibility of Fiscal Management Purchasing Section

7. Instructs Division to submit requisition into e-procurement and forwards contract to Purchase & Contract.

Responsibility of Purchase & Contract

8. Reviews nature and purpose of services.
9. Originates Form DOA-PC-CSI Consultant Services Referral Sheet and routes to Governor's Office.

Responsibility of Governor's Office/Office of State Budget and Management

10. Approves/disapproves.

Responsibility of Secretary's Office

11. Returns form to Office of Fiscal Management – Purchasing Section.

Responsibility of Fiscal Management Purchasing Section

12. Oversees preparation of Request for Proposal if applicable. If approval is granted for sole source, assists Division in preparation and negotiation of contract. If not sole source, assists Division in preparation and negotiation of contract and follows procedure for competitive process.
13. Issues Requests for Proposals.
14. Receives proposals and forwards to Division.

Responsibility of Division

15. Evaluates proposals with assistance from Purchase & Contract.
16. Submits written justification for recommended contractor to Fiscal Management, Purchasing Section.

Responsibility of Fiscal Management Purchasing Section

17. Forward to Purchase & Contract with recommendation. Evaluates recommendation. If concur with Division, assists in contract preparation and prepares Form DOA-DC-CSI Consultant Services Approval form and routes to Governor's Office.

Responsibility of Governor's Office/Office of State Budget and Management

18. Approves/disapproves.
19. Returns form to Purchase & Contract.

Responsibility of Purchase & Contract

20. Forwards to Fiscal Management, Purchasing Section.

Project Implementation

Responsibility of Division Director

21. Develops an implementation plan for recommendations made as a result of the study.

Note: The format for this plan should be:

Person Responsible	Task	Planned Completion Date	Actual Completion Date
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22. Presents implementation plan to his/her Deputy Secretary monthly until completion of the implementation of project recommendations.

Note: When it is determined that a task will not be completed by the planned completion date, it is the responsibility of the Division Director to report, in writing, to his/her Deputy Secretary the delay, reasons for the delay and the new anticipated completion date.

FA – 018 Purchases - Personal Services Contracts

Purpose:

To establish uniform system for the procurement of personal service contracts.

Action:

Responsibility of Division

1. Determines need for personal services.
2. Estimates cost and identifies source of funds.
3. Contracts with individual to perform personal services and obtains resume'.

Note: If contractor is a retired state employee, the agreement must be submitted to State Budget Office for approval prior to contract commitment.

4. Personal Services contract (original and two [2] copies) is submitted to proposed contracting party for signature.

Note: Contract requirements must not create an employer/employee relationship. All copies of the contract, resume' and a purchase requisition for the total cost of the services are attached to a tracking sheet and forwarded to the Secretary's Office.

Responsibility of Secretary's Office

5. Contracts Coordinator assigns an identification number to a tracking sheet and forwards contract and attachments to the Deputy Secretary.

Responsibility of Deputy Secretary

6. Approves/disapproves.
7. Approved contracts are denoted by signing the tracking sheet and forwarding to Fiscal Management. Disapproved contracts are returned to Division.

Responsibility of Fiscal Management

8. Chief Fiscal Officer reviews contract. Budget Officer determines fund availability and takes appropriate budget action. Chief Fiscal Officer signs the tracking sheet and contract and forwards to Secretary's Office.

Responsibility of General Counsel

9. General Counsel reviews the contract and if satisfactory, forwards it to the Fiscal Management to issue Purchase Order.

FA – 019 Academic Assistance

Purpose:

To establish a policy regarding educational assistance, providing employees the opportunity to obtain education and training needed to perform their duties.

Policy Statement:

The Department will provide assistance in the form of reimbursement of tuition costs if funds are available at the agency level and time off the job for educational purposes. The assistance is provided to assist employees to develop or improve skills or qualifications directly related to their present job or field of work in State service. (Reference to State Personnel Manual).

FA – 020 Academic Assistance – Application Processing

Purpose:

To establish a uniform system for processing applications for educational assistance.

Action:

Responsibility of Division

1. Employee prepares PD-136 Application for Educational Assistance in duplicate and submits to Supervisor and/or Division Director for approval.
2. Supervisor and/or Division Director approves/disapproves. If approved, the Supervisor and/or Division Director signs form PD-136 and submits both copies to Training and Development Section of HRM.

Responsibility of HRM

3. Reviews to determine if application meets Educational Assistance Guidelines. If approved for educational assistance, signs form PD-136 and forwards to Fiscal Management. If disapproved, returns PD-136 to Division.

Responsibility of Fiscal Management

4. Budget Office determines that funds are available, takes appropriate budget action and signs form for Budgetary Pre-approval. The original is returned and retained in Fiscal Management.

Responsibility of Division

- 5. When the course is completed, the applicant returns the signed original of PD-136 along with receipt for tuition and grade report to Fiscal Management.

Responsibility of Fiscal Management

- 6. Budget Officer will approve application for payment and issue check to employee.

Note: PD-136 is located online at <http://www.osp.state.nc.us/forms/formtool.htm>, under Educational Assistance.

FA – 021 Membership Dues, Payment of

Purpose:

To inform DOA employees of the policy governing the action of the State paying membership dues.

Policy Statement:

Membership dues paid from state funds for state departments, institutions and agencies to organizations shall be kept to a minimum. The Secretary and Deputy Secretaries must review and approve all memberships to determine that the benefit accruing to the state from such memberships will exceed the costs.

Membership dues may be paid for individual state employees in certain cases. Membership dues paid from state funds should be for the benefit of the state and not for an individual. If the state is to benefit from an individual’s membership in an organization, that benefit should derive not because of the individual, but because of the individual’s position with state government regardless of who is in the position. Therefore, Division Directors should submit written justifications for payment of membership dues for an individual employee to the Deputy Secretary and Secretary for review and approval. Signature approved membership documentation is forwarded to Fiscal Management for payment processing with a copy to Budget Officer and Division Director.

Approved by the Secretary of Department of Administration:	 Kathryn Johnston
Approval Date:	Version : FA – 14-21 (V.1) – 07/01/2016
Effective Date:	
Revision Date:	

THIS POLICY SUPERSEDES ALL PREVIOUS PURCHASE POLICIES