

State of Vermont
Agency of Natural Resources
Department of Environmental Conservation

Financial Process:	DEC Purchasing Policy	Issue Date:	December 2018
Topic:	Internal Control	Number:	
Applicable To:	Department of Environmental Conservation (Department)	Effective Date:	07/01/23
Prepared / Revised by:	Stephanie Lanphear	Page:	1 of 12
		Revision Date:	07/01/20

Policy Objective

This policy is to ensure the rules and regulations governing purchasing of goods and services as well as invoice payments are adhered to. All purchasing must be approved in advance according to Department and Division procedures. All invoices must be according to the vendor's terms and conditions to prevent suspension of accounts for non-payment. The objective of this policy is to provide clear written guidance to divisions on how to devise techniques and procedures for the payment of amount owed by the department. Divisions shall maintain written procedures that address, at a minimum, staff responsibilities ("separation of duties"), key activities and timelines that follow the guidance outlined in this policy.

Impacted Programs or Divisions

All programs within the Department of Environmental Conservation. There are many different types of purchases, each with their own processes. The types of purchases are:

- IT Purchases
- Cell Phones
- Cell Phone Accessories
- "Rush" Orders
- Food & Beverage Purchases
- Natural Disaster Related Emergency Purchases
- Goods or Commodities Under \$3500
- Good or Commodities Over \$3500
- Services
- Travel
- Advertising & Marketing

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Risks

- Unauthorized purchases are made
- Invoices are not paid in a timely manner preventing future purchases

Guidelines

Purchases on Federal Grant

The Department is responsible for the efficient and effective administration of a Federal award through the application of sound financial management practices. Eligible costs under a Federal award are those costs considered necessary and reasonable for the performance of the Federal Award and allocable under [Uniform Guidance Cost Principles \(2 CFR Part 200 Subpart E\)](#). Terms and conditions related to the award may have more detailed cost eligibility requirements and should be reviewed in advance of developing a proposal budget.

Purchases paid for by Federal Grant funds must be included in the grant budget approved by the Federal Agency. The purchase will need to be reviewed and approved by the Federal Grant Manager for that grant.

IT Purchases

Per Bulletin 3.5, IT includes (A) the creation, collection, processing, storage, management, transmission, or conversion of electronic data, documents, or records; and (B) the design, construction, purchase, installation, maintenance, or operation of systems, including hardware, software, and services which are performed, or are contracted under this Bulletin to perform, these activities (see [3 V.S.A. § 2222\(a\)\(10\)](#))."

All IT purchases must be done thru ANR IT/ADS. This includes but not limited to

- Computers – desktop & laptop
- Tablets
- Docking Stations
- Printers
- Scanners
- Projectors
- Software
- Computer Batteries
- Cable Adapters
- Monitors
- Anything else that is computer related that is not listed below

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Items that do not need to go thru IT

- Specialty Mice (Ergonomic, Wireless, etc.)
- Specialty Keyboards (Ergonomic, Wireless, etc.)
- Thumb Drives
- Cameras

Cell Phone & Accessories

All cell phone and cell related purchases must be done thru ANR CO to be ordered on State contract; Verizon/AT&T. To order a cell phone for a staff member, the staff member's direct supervisor (or higher if the direct supervisor is not available) will email the Administrative Services Coordinator from the Central Office the desired items and phone number associated with the request, and copy the program manager. The Administrative Services Coordinator will place the order. If the required accessories are not available, staff may receive approval to purchase through other means (Amazon, etc.); use the email as justification as to why purchasing. Cell phone purchases include but not limited to:

- Cell Phones
- Cell phone charging cables
- Cell phone screen protectors

Phone cases can be ordered either through your division's normal purchasing procedures.

"RUSH" Purchases

The term "RUSH" should only be used due to unforeseeable circumstances. Lack of planning is not an unforeseeable circumstance.

"RUSH" purchases still require that all applicable purchasing processes be followed. When an item is required "RUSH" send an email, in addition to normal processes, to DEC Financial Operations ANR.DECAP@vermont.gov. This must include the reason for a "RUSH" order.

Food & Beverage Purchases

Any decision to provide food and refreshments must be approved in advance by the Division Director and the Commissioner prior to the obligation of funds. For the complete policy refer to The Department Provided Food & Beverages Policy which can be found at this link

[DEC Food & Beverage Policy](#)

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The providing of food and refreshments must serve the objectives of the department, promote the efficient conduct of business and be for the convenience of the department. Department heads are accountable for their decisions to provide food and refreshments.

Food & refreshments provide for by Federal or state funds must also adhere to the Nutrition Procurement Standards as enacted in [29 V.S.A. §160c](#)

This policy does not apply to meals or expenses incurred by individual employees while in a travel status; travel-related expenses are addressed under the Agency of Administration's [Bulletin #3.4: Travel-Related Expenses](#).

The objective of this procedure is to ensure that all department provided food and beverages are properly approved in accordance with the [Department of Finance & Management's Policy # 4.0](#)

The providing of food and refreshments must serve the objectives of the department, promote the efficient conduct of business and be for the convenience of the department. Department heads are accountable for their decisions to provide food and refreshments; decisions on whether to provide food and refreshments should be made from a conservative, *rather than lenient*, basis.

This policy does not apply to meals or expenses incurred by individual employees while in a travel status; travel-related expenses are addressed under the Agency of Administration's [Bulletin #3.4: Travel-Related Expenses](#).

The objective of this procedure is to ensure that all department provided food and beverages are properly approved in accordance with the [Department of Finance & Management's Policy # 4.0](#)

Natural Disasters or Other Event

This would only apply if and when normal business processes are not available and if Financial Operations Office is unavailable.

Refer to Agency/Department [COOP](#) plan.

Examples

- Tropical Storm Irene
- National Life fire

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Purchase of goods & commodities

For items on State Contract

Regardless of dollar amount a purchase requisition form must be completed and submitted. Purchase Requisitions can be found in ANR On-Line, see separate instructions in appendix

If a state contract exists for the item being purchased the state contract must be utilized.

How to know if something is on state contract

For each purchase you must check the BGS website that lists all state contracts. This list is updated and maintained by BGS Purchasing.

[State Wide Contract list](#)

For items NOT on State Contract ([BDA 1](#))

Up to \$9,999:

The purchase of these items do not need to flow through the Financial Operations Office but must follow the Division’s purchasing procedure. Division Procedures must require obtaining and maintaining written proof of three quotes for the item being purchased. When the invoice is received these three quotes must be attached prior to payment being made. (Exception: purchases under \$500).

What are allowed quotes:

- email quote
- catalogue
- internet search

Over \$10,000:

If total purchases of an item exceed \$3,500 this will need to be put into a state-wide commodities contract. A Purchase Requisition form must be submitted via ANR On-Line and must include a minimum of 3 quotes. This Purchase Requisition must be submitted to Financial Operations by an approved authorized signer.

See appendix for process of purchase requisitions

See Financial Operations internal staff website for list of authorized signers

Financial Operations will submit this request to Buildings and General Services via ANR Central Office contact person. BGS may post this request for competitive bid or approve the purchase from one of the vendors identified.

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Travel

Travel Authorizations must be fully approved prior to any purchase relating to the travel.

Allowable Travel purchases:

- Airfare
- Lodging
- Registration
- Car Rental
- Tolls
- Car fares (example: taxi)
- Internet charges

Unallowable Travel Purchases:

- Movies
- Gift Shop
- Other Hotel Services (ex. hotel spa)
- Hotel Bar (ex. mini bar)
- Alcohol

When travel is related to training, the travel must have been approved on an Out of State Travel Request form. This form can be found on the DEC Financial Operations [webpage](#).

Whenever possible, all travel arrangements should be made using either a Division or DEC Purchasing Card. (If your division does not have a purchasing card, AID can assist you with utilizing the DEC Purchasing Card.

All expenses require all receipts to be submitted when returning from the travel or a lost receipt form will need to be completed for each item that does not have a receipt.

For purchases relating to travel that were not able to be made utilizing a Purchasing Card an Employee Expense Reimbursement Request in VISION must be submitted and include all receipt as well as a copy of the approved Travel Authorization Form in order to receive reimbursement.

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Service Contracts

Generally, State of Vermont employees should be used to perform essential governmental functions. However, there are circumstances which justify the use of Contractors to complete certain tasks, rather than employees, which may be determined at the discretion of the Appointing Authority.

“Services” is a term that is broadly interpreted and includes Personal and Professional Services such as, but not limited to, construction, consulting, design and engineering, investment management, Information Technology activities, real estate services, and the maintenance of equipment.

All Contracts regardless of amount are administered by a Grant Management Specialist and are governed by the applicable State law, policies and procedures as set forth in [Agency of Administration Bulletin 3.5](#) and the [Department of Environmental Conservation’s Contracting Plan](#) will apply, regardless of amount.

Advertising/Marketing

The term “marketing” includes but is not limited to advertising (print, radio, television (TV), and web/internet, but not to include employee recruiting); collaterals (brochures, fact sheets, folders, etc.); website design (not to include technical components); trade shows and events; direct mail campaigns; and sponsorships.

If you need to make advertng/marketing purchases, you must consult a Grants Management Specialist.

Receipt of Goods/Materials/Equipment/Printing/Supplies

Once items have been received, they need to be checked against the actual order. Did you get everything that was ordered? Are things on back order or coming separately? If prices are listed make sure they match your original order.

If there is a packing slip included this must be signed by the receiver that the item listed were received (You are only signing that the items listed are actually what you received). This is then given to an authorized person to upload into SharePoint Accounts Payable. They will sign and code the packing slip then upload into SharePoint Accounts Payable. If there is no packing slip send an email to the authorized signer who will be signing the invoice that the items were received. The authorized signer can include the email that items were received, or the authorized signer can indicate on the invoice the items were received. The authorized signer will need to sign and code this invoice before loading into SharePoint Accounts Payable.

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Invoices

An Invoice in electronic format, including scanned invoices, meets the criteria of an original invoice. The electronic invoice becomes the official record for the transaction.

What is NOT acceptable as an invoice:

- Statements
- Packing slips
- Delivery tickets
- No invoice (e.g., employee or vendor requests business office to issue a payment with no documentation)
- Copy stamp
- Quote or Estimate

When approving an invoice, use the following guidelines:

- Verification of valid vendor invoice for which the department is legally responsible
- Vendor Name and address is on invoice
- Vendor (addressed to) must be State of Vermont or DEC, or DEC Division
- Invoice number and invoice date are identified on invoice, if there is no invoice number then the invoice date can be used as the invoice number.
- The billed goods/services have been satisfactorily received
- All documentation is attached (e.g. packing slip, purchase requisition if applicable)
- Invoice is fully itemized—a description of services performed with a date or date range of when performed, items purchased, quantity, price per unit, total amount of each item (32 VSA§463)
- Verify that Sales Tax is not charged. If it does appear on the invoice, make sure to contact the company and tell them we are tax exempt. If a new invoice cannot be obtained, then process the invoice as normal and subtract the tax from the total to be paid. Our tax-exempt form can be found the Financial Operations Website.
- If a grant/contract invoice—meets the criteria as outlined in “Attachment B—Payment Provision” of agreement
- Apply proper financial coding ([link to coding sheet](#)) to invoice including contract and PO number if applicable
- Only authorized signers may approve an invoice

All Invoices and Packing slips, or additional information, must then be uploaded into SharePoint Accounts Payable. Only the invoice needs to be approved by authorized signer.

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Authorized signers can be found on the coding sheet.

Returns/vendor credit memos

When items that are received are not the items that were ordered, or items were damaged the receiver will contact the vendor directly. Receiver will send items back to the vendor as per the vendors policy and procedure.

The Receiver will make a copy of the packing slip and give to authorized signer detailing the reason for return. This will then be loaded into SharePoint Accounts Payable for matching with the credit memo when received.

Exclusion List

The Department of Environmental Conservation shall ensure that the Department does not contract, directly or indirectly, with entities or individuals that are suspended or debarred by the Department, by the State or by the Federal government. For more information refer to Pre-Award Requirements in the [Department of Environmental Conservation's Contracting Plan](#) available on the internal staff web site.

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Appendices

Appendix A: Guiding Documents

[BGS Buyer's Resource Guide](#)
[Bulletin 3.5. Procurement and Contracting Procedures](#)
 Purchasing Card [Cardholder User Guide](#)
 DEC Contracting Plan
 DEC Granting Plan
[Uniform Guidance Cost Principles \(2 CFR Part 200 Subpart E\).](#)
 Financial Operations Accounts Payable email ANR.DECAP@vermont.gov
[DEC Food & Beverage Policy](#)
[Bulletin #3.4: Travel-Related Expenses](#)
[Department of Finance & Management's Policy # 4.0](#) – Department provided
 Food & Refreshments
 DEC COOP plan – Continuity of Operations Plan
[State Wide Contracts list](#)
[DEC Financial Operations website](#)
[State of Vermont Chief Marketing Office](#)
[DEC Coding Sheet](#)
 DEC Authorized Signers List
[ANR On-Line](#)
[IRS.gov](#)
<http://auditor.vermont.gov/reports/whistleblower> - Report Fraud
[Nutrition Procurement Standards \(H.812\)](#)

Appendix B: Authorized SharePoint users

See list of [Authorized Signers](#) on [DEC Financial Operations website](#) for list

Appendix C: Frequently Asked Questions

How long should the process take?

That depends on the process taken. In general, once a purchase requisition is entered the Financial Operations Office has up to 5 business days, if the submittal is complete, to review and process the request. There is an additional 5 business days for the approval process.

If it needs to go out to bid, it is a minimum of 10 days it needs to be posted. Then selections are made.

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A sole source request requires a justification memo and depending on the amount (amount determines who needs to approve sole source) could take up to 2 months to get thru the process with no guarantee of approval. Sole source requests are very highly scrutinized and the bar is very high to get an approval.

Where is my package?

Log into [ANR On-Line](#) and confirm the status of your request. If your request has been purchased, you can ask the Financial Operations Office to track the package.

If Financial Operations orders the item expect the full process, purchase requisition entry to receipt of item, to include all approvals, could take up to 3 weeks.

I got the wrong item, or my item was damaged what do I do?

See the Returns/vendor credit memos section of this policy

Do I have to pick the lowest bid?

There are several factors that are used in making an award. Product quality, delivery time, environmental impact and vendor ability are a few of these criteria. The lowest bidder that meets all the requirements usually gets the award. Awards to other than the lowest bidder meeting all requirements must be well justified.

How do I know what is on state contract?

A list of current BGS state wide contracts is maintained on their website and can be found at the following link.

[State Wide Contract list](#)

This list should be checked before making any purchase.

Do I have to go out to bid?

What do I do if a vendor is not in SharePoint?

Contact the Financial Operations Office, someone there can add the vendor if they exist in VISION. You will need to confirm the address.

What if the vendor is not in VISION?

You will need to request a W-9 from the vendor. This needs to be the most current form that is found on [IRS.gov](#). It must be completed and signed. The signature must be dated within 6 months of the requested date. Send the W-9 to Financial Operations who will forward it along to Finance & Management, if there are any mistakes it will be returned for a corrected copy. The invoice will not be processed until a valid W-9 has been received.

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Reporting Suspected Fraud or Theft

Fraud or Theft - Upon suspicion of fraud or theft, the appropriate personnel will be notified immediately.

Administration & Innovation Division (AID) – Tracy LaFrance, Department Financial Director 802-498-7074

Vermont State Auditor’s Office - Fraud Hot Line 1-877-290-1400

<http://auditor.vermont.gov/reports/whistleblower>

Whistleblower can be anonymous.

Vermont State Police. 802-241-5000

Notices

- This policy is intended to support the Agency of Natural Resources internal control environment.
- In consideration of this policy, the objective should be on adherence and not on rationalizing ways and means for circumvention.
- Nothing in this document shall limit or supersede any applicable Federal or State laws, statutes, bulletins, or regulations

Signed by:

Peter Walke, DEC Commissioner

Date