



DEPARTMENT OF JUSTICE

Purchasing Policy and Procedure Handbook

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INTRODUCTION

Purchasing services for the Department of Justice (DOJ) is located within the Bureau of Budget and Finance in the Division of Management Services.

DOJ purchasing services is delegated authority by the Wisconsin Department of Administration State Bureau of Procurement to ensure DOJ maintains compliance with state laws and policies and procedures for the procurement of goods and services by DOJ employees. These policies and procedures are governed by Chapter 16, Subchapter IV, Wis. Stats. and Ch. Adm. 6, 7, 8, 9, 10, and 50, Wisconsin Administrative Code.

The objective of purchasing services is to achieve the best possible balance between cost of DOJ expenditures for goods and services and insuring reasonable response and flexibility and maintaining full compliance with state procurement requirements. The DOJ Purchasing Policy and Procedures Handbook has been developed to help insure the goods or services needed by DOJ employees are obtained legally, in a timely manner, at the quality they desire and the lowest price available.

Purchasing services has the responsibility to ensure that the DOJ abides by all applicable federal, state and local regulations with appropriate ethical considerations. Its purchasing files are subject to audit by state of Wisconsin auditors and federal agencies and must include proper documentation (i.e., purchase orders, contract negotiations, bid awards, sole and single source justifications, etc.). Purchasing files are also public documents and subject to open records requests.

Purchasing should be restricted to those items regarded as necessary to the functioning of the DOJ and should be made from the most economical source. Any employee who contracts for the purchase of materials or services contrary to a statute, Administrative Code, or DOJ policies and procedures may be liable for the cost. Any procurement contract that is contrary to state statutes is void.

How Goods and Services are Purchased

An employee who needs to make a purchase should first contact their division or bureau Purchasing Agent Liaison (PAL) who is responsible for processing requests for goods and services. The PAL can inform the employee of the procedures to follow and will work with Purchasing Services to process the purchasing request.

The division budget officer must approve the funding for all purchases that are encumbered.

Goods and services can be purchased in one of several ways:

1. Use DOA mandatory contracts, regardless of dollar amount.
2. Use of an existing state agency (not DOA) or University contract.
3. Best judgment.
4. Competitive process.
5. Sole source.

Dollar Levels - The total dollar amount of the procurement and sometimes the type of goods or services being purchased determine the appropriate process:

1. \$5,000 or less – Best Judgment
2. Greater than \$5,000 and up to \$50,000 - Simplified Bid
3. \$50,000 and greater - Official Sealed Bid Process or Request for Proposal
4. Bid Waiver or Sole Source - \$25,000 or greater

NOTE:

All procurements that are available through a DOA mandatory contract must be used regardless of dollar amount.

All printing, regardless of dollar amount, must be bid or purchased from a state mandatory contract, issued by the Department of Administration and must have a purchase order issued.

Best Judgment Purchases

When the total estimated cost of a purchase is \$5,000 or less procurement may be made from the vendor judged best able to supply. NOTE: This does not apply to the purchase of printing. Please refer to section PH 10.

Policy: The purchasing card is a tool for DOJ employees to use to make low-dollar purchases (\$5,000 or less) for official DOJ business needs. Each division or bureau designates employees who will be issued a purchasing card. Employees must attend purchasing card training and sign a Purchasing Card Use Agreement prior to issuance of a purchasing card.

Procedure:

Best judgment purchases (\$5,000 or less) are to be made with the Visa purchasing card except for the following:

- 1.) Commodity or Services provided on a state mandatory contract, unless the contract specifies the state purchasing card is allowed for the procurement.
- 2.) Computer Software/Hardware, unless prior approval received from BCS.
- 3.) Printing.

Cardholders are responsible for the following:

- 1.) Recording each purchase on the purchasing card log.
- 2.) Keeping receipts for each purchase.
- 3.) Resolving any disputes, obtaining credits, and returning goods.
- 4.) Verifying the purchase is for state business.

Each cardholder must submit receipts and a purchasing card log for the two-week billing period to their supervisor for approval. The supervisor will forward the approved log to their bureau Purchasing Card Coordinator (PCC). The PCC verifies that all purchases were made for official agency business purposes and that all receipts are attached. The PCC signs the purchasing card log and forwards all documents to fiscal services Accounts Payable (AP).

Each cardholder, supervisor and purchasing card coordinator is responsible for following the purchasing card policies and procedures posted on JusticeNet.

Fiscal services is responsible for the following:

- 1.) Approving the bi-weekly bill for payment on a timely basis.
- 2.) Auditing the purchasing card transactions to ensure they comply with all fiscal and purchasing rules and regulations.
- 3.) Maintaining the official billing file.

AP compares the receipts and record to the billing account summary to verify that the summary agrees with the receipts.

Accounts payable audit includes the following:

- 1.) Training and/or Out-of-State Travel form (DJ-A-20) with authorized signatures is attached if travel charges exceed \$500 or conference registration charges are incurred.
- 2.) Lodging rates are within state allowed maximums.
- 3.) Rental cars are state contract vehicles.

The billing summary, purchasing logs and receipts will be attached to the print screens and voucher jacket to become the official purchasing card file.

AP initials each purchasing card log and forwards the documentation to the DOJ purchasing manager for purchasing audit.

Purchasing audit verifies the following:

- 1.) All single transactions are \$5,000 or less.
- 2.) Only state authorized vendors are used.
- 3.) No sales tax is being charged.
- 4.) There is no serial contracting (splitting orders to avoid the bidding process).
- 5.) A random check for receipts is made.
- 6.) Review charges for appropriateness.
- 7.) Documentation is complete.
- 8.) Provides copies of all inventoried items on the p-card log to the accountant.

The purchasing manager also determines if any purchases were made from minority vendors for reporting purposes.

Upon complete of the audit, all documents for the billing cycle are filed in a central location in fiscal services.

References:

Justicenet - Purchasing Card Manual
State Procurement Manual PRO-E-23
State Accounting Manual Section V13

Simplified Bid

Policy: When the estimated cost of procurement from one vendor is greater than \$5,000 and less than \$50,000, simplified bidding is required. Purchasing services may elect to solicit additional bids to assure the requirement for competitive bidding has been met. Final award will be made by purchasing services.

Procedure:

1. Quotes - Pricing must be obtained from 3 or more vendors. This may be obtained from price lists, phone, verbal, or faxed quotes, catalogs, written bids or previous quotes (no older than 3 months) on file. Whenever possible, minority businesses and sheltered workshops should be included among the contacts.

If the lowest bid was given verbally, a written confirmation of the bid must be obtained from the vendor. Receipt of an invoice may serve as confirmation but it must be compared to the quote given to assure proper pricing.

2. Confidentiality – Care must be taken that one supplier is not given an advantage over another by inadvertently sharing one supplier’s prices, terms, or other bid information with another’s prior to the purchase order being released.

3. Specifications -

- a.) Only information needed to clarify a specification and necessary for a supplier to prepare their own bid may be given out and made available to all contacts.
- b.) Make specifications as detailed as possible. Include physical description, installation and delivery requirements, and deadline of when price quotation is needed. If a trade or brand name is needed to assist in the description, the language “or equivalent” must follow the trade or brand name. The trade or brand name will not be a requirement of the specification but only for informational purposes.

4. Bid Evaluation and Record Keeping -

- a.) Results of the simplified bid process shall be recorded on the Simplified Bid Record form (DOA-3088) and submitted to purchasing services with the purchase requisition.
- b.) Certified Minority Business Enterprises (MBE) receives a 5% price preference.
- c.) Certified Disable Veteran Owned Business receives a 5% price preference.
- d.) If a vendor does not respond by the deadline for quotes enter “No Response” on the Simplified Bid Record form. This “No Response” may be used to meet the requirement of three or more bids.
- e.) If a vendor elects not to bid enter “No Bid” on the Simplified Bid Record form. This “No Bid” may be used to meet the requirement of three or more bids.

The PAL will submit to Purchasing Services a purchase requisition along with the Simplified Bid Record form. Purchase should be made from the vendor quoting the lowest price. If the bid award is not being made to the low bidder a justification shall be provided on the purchase requisition as to why.

References:

State Procurement Manual PRO-C-8, PRO-C-9, PRO-C-27, PRO-D-1 and PRO-D-35

Official Sealed Bid

Policy: When the estimated cost of a procurement from one vendor is \$50,000 or greater a formal bid process must be performed. Purchasing Services will issue all formal bids.

Procedure:

1. The official sealed bid process is used when there are specific requirements or specifications for the product or service that can be written into a bid document for vendor response.
 - a.) The division/bureau should determine the specific requirements or needs and attempt to write specifications for the product or service.
 - b.) The specifications should be submitted electronically to purchasing services.
 - c.) Specifications should be in clear, simple and precise terms or words.
 - d.) Use of abbreviations and acronyms shall be defined to provide clarification to vendors.
 - e.) Use “shall/must” wherever a specification expresses a mandatory requirement. Be as specific and detailed as possible in stating mandatory requirements. Bidders who cannot meet a “shall/must” specification may be eliminated during bid evaluations.
 - f.) Use “should/may” wherever a specification expresses an advisory or optional requirement.
 - g.) Whenever possible, no reference should be made to brand/trade names to provide greater ability for vendors to bid equivalent or better products or services at lower prices. If it is necessary to use a brand/trade name the division/bureau must submit written justification with the bid specs and the purchase requisition.

Purchasing services will prepare the bid in final format including all required forms. This complete document will be provided to the division/bureau for a final review before distributing to vendors and posting on the state VendorNet site. Bids posted on VendorNet will automatically be posted on the Public Notice website. Vendors will be given a minimum of three weeks to submit bids.

2. Cost Benefit Analysis (CBA) – is required for all procurements of services that is \$25,000 or greater regardless if the procurement is bid, sole source or on a state contract.

- a.) CBA summary document is completed by the division requesting the procurement.
- b.) DOJ human resource office will complete the required
- c.) All completed CBA documents will be provided to purchasing services to submit to the DOA procurement office and retain a copy in the DOJ procurement file.
- d.) CBA documentation shall be completed prior to the bid process, RFP process or the procurement from a state contract.

3. Vendor Communications - Once a bid has been issued all vendor inquiries must be directed the purchasing manager. If further clarification of a technical requirement is needed the purchasing manager will obtain the accurate information from the division/bureau that is procuring the commodity/service. The purchasing manager will be responsible for posting all questions submitted by vendors and a responding answer. This posting will be placed on the state VendorNet system.

4. Bid Evaluation and Award – Bids will be reviewed by purchasing services and by the division/bureau to determine if mandatory specifications are met. A cost analysis will be done to determine the low bidder. If award is not made to the lowest bidder who met all specifications a justification memo explaining the reason will be provided by the division/bureau to purchasing services.

Purchasing services will make the final determination of which vendor will be awarded the bid.

5. Award Notice, Commodity Bid – Purchasing services will prepare an abstract of the bids received. An award letter will be sent to all responding bidders. A purchase order will be sent to the vendor awarded the bid.

6. Award Notice, Services Bid – Purchasing services will prepare an abstract of the bids received. A notice of intent to award letter will be sent to all vendors that responded to the bid. Vendors will be given 5 working days to appeal the award decision. Contract negotiations can begin or a purchase order will be issued after the appeal deadline.

References:

State Procurement Manual

PRO-B-6, PRO-C-1, PRO-C-5, PRO-C-6, PRO-C-12, PRO-C-15, PRO-C-16, PRO-C-23, PRO-C-35, PRO-C-38 and PRO-I-15.

Request for Proposal

Policy: When the estimated cost of a procurement from one vendor is \$25,000 or greater a formal bid process must be performed. Purchasing Services will issue all formal bids.

Procedure:

1. Request for Proposal (RFP) is used when specifications cannot be written because the desired goal is known but not the means to achieve it.
2. Cost Benefit Analysis (CBA) – is required for all procurements of services that is \$25,000 or greater regardless if the procurement is a competitive bid, sole source or on a state contract.
 - a.) CBA summary document is completed by the division requesting the procurement.
 - b.) DOJ human resource office will complete the required
 - c.) All completed CBA documents will be provided to purchasing services to submit to the DOA procurement office and retain a copy in the DOJ procurement file.
 - d.) CBA documentation shall be completed prior to the bid process, RFP process or the procurement from a state contract.
3. Request for Proposal – A standard format is used for Request for Proposal (RFP). Purchasing services should be contacted for an electronic copy. The division/bureau will write their requirements and submit them electronically with the purchase requisition to purchasing services.

The division/bureau will also work with purchasing services to select an evaluation committee following the state purchasing requirements. This committee will be responsible for evaluation of all proposals received from vendors and within the state guidelines.

Purchasing services will develop a score sheet for the evaluators to use when evaluating the proposals received. The division/bureau will assign weights of importance to each item on the score sheet prior to distribution of the RFP.

Purchasing services will prepare the RFP in final format for final review by the division/bureau. This document will be posted on VendorNet and the public notice website.

Vendors will be given a minimum of three weeks to submit proposals.

4. Vendor Communications - Once a RFP has been issued all vendor inquiries must be directed to the purchasing manager. If further clarification of a technical requirement is needed the purchasing manager will obtain the accurate information from the division/bureau that is procuring the commodity/service. The purchasing manager will be responsible for posting all questions submitted by vendors and a response. This posting will be placed on the state VendorNet system.

5. Evaluator Requirements – The evaluation committee members will be required to review and sign an Assurance of Compliance with Procedures and Ethical Guidelines for Proposal Evaluation form. If an evaluator is unable to sign this form, they will be removed as an evaluator and if necessary, a new evaluator will be added. Evaluators will be required to attend all mandatory meetings and at the conclusion of the evaluation process, the evaluators will need to sign the Evaluation Committee Report which summarizes the evaluation process and recommends an award. This report is completed by the purchasing manager.

6. Proposal Evaluation and Award – Proposals will be scored by the evaluation team against the predetermined weighted criteria. Costs will be analyzed by purchasing services and points assigned with the most points awarded to the vendor with the lowest price. These points will be added to the scores of the evaluators. Award will be made to the vendor with the highest score.

Purchasing services will make the final determination of which vendor will be awarded the proposal.

7. Award Notice, Commodity Proposal – Purchasing services will prepare an abstract of the proposals received. An award letter will be sent to all responding proposers. A purchase order will be sent to the vendor awarded the proposal.

8. Award Notice, Services Proposal – Purchasing services will prepare an abstract of the proposals received. A notice of intent to award letter will be sent to all vendors that responded to the proposal. Vendors will be given five working days to appeal the award decision. Contract negotiations can begin or a purchase order will be issued after the appeal deadline.

References:

State Procurement Manual PRO-B-6, PRO-C-6, PRO-C-12, PRO-C-23, PRO-C-29, PRO-C-30, PRO-C-34, PRO-C-35, PRO-C-38, PRO-I-13, PRO-I-14, and PRO-I-15.

Bid Waiver

Policy: State of Wisconsin purchasing policy states the competitive bidding process is the preferred method for purchasing supplies or services and is to be used in every case unless it can be determined, and justified, that competitive bidding is not in the best interest of the State of Wisconsin.

One or more of the following circumstances may serve as the basis for requesting a waiver of the bidding process:

- 1.) **Uniqueness:** When a product or service can be established as one-of-a-kind, not available from more than one supplier, or it is used equipment available from only one source which offers a significant discount.
- 2.) **Patent or Proprietary:** The patented or proprietary features of a product or service gives the state a superior and necessary utility that cannot be obtained from others. The features are available from only one source and not merchandised through competitive outlets.
- 3.) **Intrinsic Value:** When a product's procurement is determined by its historic, artistic, or educational value. When viable specifications or standards cannot be determined in the procurement of a professional or technical service.
- 4.) **Emergency:** When the risk of human suffering or substantial damage to state or personal property exists that requires immediate action.

Procedure:

- 1.) The PAL must submit the following information along with the purchase requisition to purchasing services:
 - a.) A written price quotation from the vendor.
 - b.) A statement justifying how the procurement is in the best interests of the state and that the price is reasonable either on a fair market value or on a cost basis.
 - c.) A statement that documents attempts at locating additional vendors (including vendor names and addresses).
- 2.) Levels of approval:
 - a.) When the procurement is \$5,000 and less than \$25,000 – DOJ purchasing services has authority to waive the bidding process.
 - b.) When the procurement is \$25,000 or greater – Wisconsin law stipulates only the Governor may waive the bidding process.
- 4.) A Governor's waiver generally takes from 8 to 12 weeks to be approved or denied. Thus, use of the bidding process is advised whenever possible to minimize delays.
- 5.) Bid waivers for \$25,000 or greater must also be posted on the public notice website. This posting is done by purchasing services to satisfy the public/legal notice requirement.

References:

State Procurement Manual, PRO-C-2, PRO-C-6, PRO-C-9, PRO-C-10, and PRO-C-13

Printing

Policy: All printing, composition and binding must be ordered through the DOJ's purchasing manager. The purchase of printing is governed by the Wis. Stats. under chapters. 16 and 35. All printing orders and photo copy requests which are not procured from a state facility or on an established contract must be bid, regardless of cost.

Procedure:

The purchase requisition (DOA-3066) will be used to initiate all printing, composition or binding orders. The purchase requisition will be prepared by the PAL in each division or bureau. The division budget officer or designee will approve the purchase requisition and forward it to the purchasing manager for processing. The purchasing manager will determine if the requisition requires the use of a mandatory contract, inter-agency printing or if the printing request needs to follow the state bidding procedures.

NOTE: Printed materials include books, pamphlets, brochures, letterhead, business cards, envelopes, forms, briefs, etc.

Publications (Books, Pamphlets, Monographs, Brochures, Reports, Bulletins): Preliminary discussions regarding preparation and publication of books, pamphlets, brochures, etc. should be held with the Division Administrator and the Administrator of the Division of Management Services.

The purchasing manager will furnish information concerning the arrangement of contents, types of printing and binding, cover design, distribution and any other pertinent information as well as cost estimates, time scheduling, and mailing procedures.

Before a new publication is printed and distributed the Attorney General or designee must approve it. No DOJ publication will be issued without this approval. Re-prints do not required the Attorney General's approval.

Letterhead, Business Cards, Envelopes: A standard format is used for all letterhead, business cards, and envelopes.

Letterhead and business cards are available for authorized personnel. Letterhead is generally an electronic template created at the time the letter is printed. Contact the Bureau of Computing Services for more information.

Briefs: Wisconsin Supreme Court briefs can now be produced at DOA Publishing Services. A publishing services form AD-P-352 must be submitted with the brief to publishing services for processing. All printing of United States Supreme Court and 7th Circuit Court of Appeals briefs must be ordered through the DOJ purchasing manager. Submit the brief with the purchase requisition for processing.

Forms: Before a new form is created for use in a unit, bureau, division or the department, the purchasing manager should be consulted.

Copying: Copy machines are strategically located within the DOJ and should be used for a small number of copies or when copies are needed at once. Each division has one or more machines. The cost of copies from any of these machines is approximately the same.

Arrangements for machines depend on need and costs. Division requirements should be discussed with the DOJ purchasing manager who makes all arrangements for copy machine leases.

The DOJ charges other agencies and individuals for copying service or for the use of copy machines.

- 1.) For private individuals, private groups, private companies, non-State of Wisconsin governmental agencies, and public records requests: \$.15 per page.
- 2.) For State of Wisconsin governmental agencies, or for individual use of machines by employees or employee associations, where they perform their own copying, generally in connection with some outside related activity, not on DOJ time: \$.05 per page.

DOA Publishing Services: Copy services provided by the Department of Administration are less costly and produce a better end product than copy machines. Publishing Services also provides collating, binding (staple and glue), and hole punching services. The publishing services order form is available on JusticeNet, under 'Forms'. A copy of the complete publishing service order must also be provided to the DOJ purchasing manager.

Reference:

State Procurement Manual, PRO-J-2

Purchase Requisition Process

Policy: The Purchase Requisition (DOA-3066) will be used to initiate all orders that require a purchase order. These shall include, but not be limited to, the following:

- Orders greater than \$5,000.
- All printing services.

The purchase requisition will be prepared by the PAL in each division or bureau. The division budget officer or designee will approve the purchase requisition and forward it to purchasing services for processing.

Exception: All requisitions for computer equipment and software will be prepared by the Bureau of Computing Services. Divisions/bureaus must send a service request form DJ-A-65, to their IT coordinator for approval who will then forward the request to the Bureau of Computing Services.

Procedure:

The purchase requisition is an electronic form prepared by the division/bureau PAL and routed via e-mail to the division budget officer and then to purchasing services. Complete information should be provided on the purchase requisition, including the following:

- 1.) Description of materials, manufacturer name, model number, physical description, size, color and other data as applicable. Description of service, telling what is to be done, when, where, by whom and for how long.
- 2.) Quantity and unit, giving additional information if needed in the description column.
- 3.) Pricing, with unit price discounts applied if applicable, and total net price. If actual prices are not known, estimated prices must appear in the total column.
- 4.) Accounting data showing budget to which procurement is to be charged.
- 5.) Delivery requirements as follows:
 - a.) A calendar date which takes into account lead time for the vendor.
 - b.) Point of delivery including the name of the person responsible for receiving, room number, name of building, street, city and zip code.
 - c.) F.O.B. point - "Destination" means the vendor will assume the cost and liability for shipping or "Shipping Point" means DOJ must assume the cost and liability for shipping.

Reference:

State Procurement Manual, PRO-E-2

Purchase Order Process

Policy: The purchase order is a contract. A separate contract may be attached to the purchase order which provides further detail and additional terms and conditions. The DOJ purchasing manager has the authority to sign and issue purchase orders on behalf of the department.

Procedure:

1. General - The purchase order is an electronic form produced by WISMART (Wisconsin State Management Accounting and Reporting Tool). The PAL in each division or bureau will prepare the PD (purchase order document) in WISMART for final processing by the purchasing manager.

2. Types - There are various types of purchase orders:

- a.) Regular (type 1). An original order for the purpose of ordering goods or services.
- b.) Change (type 2). Used to change a previous order.
- c.) Cancel (type 3). Used to cancel a previous order.
- d.) Interagency (type 4). Used to order goods or services from another state agency.
- e.) Blanket-noncontract (type 5). Used to establish an account with a vendor and encumber funds of not more than \$5,000 that will be used to purchase miscellaneous materials and services during a fiscal year.
- f.) Blanket-contract (type 8). Used when purchasing from an established state mandatory contract or after the results of a bid process used to set up an account with a vendor to purchase miscellaneous materials and services during a fiscal year.
- g.) Master Lease (type L). Used to order goods for which payment is being financed through the State of Wisconsin Master Lease program.

3. Fiscal Year Prefix Codes – The prefix of the purchase order number always begins with JD (for Justice Dept.) and then the associated fiscal year letter (below) followed by an 8 digit number. The state Wismart financial system will be pre-set at the beginning of each fiscal year to assign the numbers to each entry.

FY 1 = A	FY 3 = C	FY 5 = E	FY 7 = G	FY 9 = I
FY 2 = B	FY 4 = D	FY 6 = F	FY 8 = H	FY 0 = J

4. Processing Time – In fairness to all divisions and bureaus purchase orders will be processed in order of receipt of the purchase requisitions.

Processing time will vary depending on the dollar level and product/service being requested. The average processing time to produce a Purchase Order is:

- a.) Simplified bids, Greater than \$5,000 and up to \$50,000: 3-5 days
- b.) Official sealed bids, \$50,000 and greater: 4-6 weeks
- c.) Requests for proposals, \$50,000 and greater: 8-12 weeks
- d.) Governor bid waivers: 8-12 weeks

5. Approval Process - Purchasing services reviews the following information on the purchase order before the approval is applied:

- a.) Verifies that the appropriate purchase order type code is used.
- b.) Verifies the vendor's FEIN (Federal Employer Identification Number) or social security number and address are correct.
- c.) Applies the state contract number and bid number if applicable.
- d.) Scans the main body of the purchase order ensuring that part numbers, catalog numbers, detailed description of what is being ordered, and quantities and pricing are included and correct.
- e.) Applies the proper commodity codes to the items being ordered.

Reference:

State Procurement Manual, PRO-E-1

Receipt of Orders

Policy. Each division and bureau is responsible for receiving and inspecting materials it ordered. Receiving locations should perform prompt sampling inspections of all goods received. Notify the purchasing manager of any problems that may occur.

Procedure:

Open and inspect all merchandise immediately upon delivery.

- 1.) Verify delivery receipts with purchase order. Delivery of merchandise may be refused if it is not in complete agreement with the purchase order.
- 2.) Verify count. Make sure the number of cartons ordered, are received. If there is a shortage, have the driver make a notation on the delivery receipts.
- 3.) Inspect for damage. If any cartons are damaged, have the driver make a notation on the delivery receipts. If it appears there may be damage to the contents inside a carton, have the driver open the carton and make a joint inspection of the contents. Have the driver note on the delivery receipts any damage found.
- 4.) If there is damage, immediately call the vendor for instructions on return and replacement of the damaged merchandise.
- 5.) Notify the purchasing manager if there is any unsolved delivery problems with the merchandise and provide written documentation of the delivery issue. The purchasing manager will contact the vendor to resolve the issue.

The cycle of procuring merchandise is not complete until delivery receipts have been verified as being in absolute compliance with the corresponding purchase order.

Receiving locations shall retain the delivery receipts with the purchase order for a period of no less than 18 months after the invoice has been approved for payment.

Prompt payment will be made to the vendor within 30 days of receipt, providing goods and/or services have been delivered, installed (if required), and accepted as specified. Payment will not be process if the merchandise received enters a “good faith dispute”.

Good faith dispute may occur if the goods delivered or services rendered were of a lesser quantity or quality than ordered or specified by contract, were faulty or were installed improperly; or any other reason giving cause for the withholding of payment until the dispute is settled.

Reference:

State Procurement Manual, PRO-E-3, and PRO-E-6

Record Retention

Policy: All purchasing documents, including purchase order, bids, proposals, and supporting documents will be retained in the DOJ central purchasing office.

Procedure:

Provide the purchasing manager with all supporting documentation during a procurement process.

- 1.) Requisitions that are processed for a purchase order will be kept with a copy of the purchase order along with all supporting documentation in the central purchasing office.
- 2.) Bids and request for proposals along with all supporting documents and vendor responses will be kept in the central purchasing office.
- 3.) A minimum of five (5) years of purchasing documentation are kept in the central purchasing office.
- 4.) Purchasing documentation that exceed five (5) years may be boxed and stored at the central purchasing office until it's determined to send them to the state record center.
- 5.) State record center guidelines will be followed for the disposal of expired purchasing files.

Reference:

State Procurement Manual, PRO-G-4

Expert Witnesses/Consultants and Legal Services

Policy: On occasion it is in the best interest of the state to utilize expert witnesses and consultants in the handling of a legal case. A justification memo and contract are required for the hiring of all experts and consultants. The justification memo must be approved by the unit director before the expert or consultant can begin work. If the contract will be \$1,000 or more the Division of Legal Services (DLS) Administrator must also approve the justification memo. A contract and purchase order must be issued before the DOJ will authorize payment of appropriate bills.

All contracts which exceed \$25,000 must be approved by the Governor before they can be signed. This approval is requested at the beginning of every fiscal year as a blanket authority for the DOJ to enter into these contracts.

Note: Hiring an attorney to do legal work always requires the Governor's approval, regardless of the dollar amount. (Wis. Stats. 20.930) A Retainer Agreement is required.

Procedure:

1. Justification Memo - When an Assistant Attorney General (AAG) determines that an expert/consultant is needed to assist in the handling of a legal case a justification memo is submitted to the unit director and DLS administrator for approval. The justification memo must include the following:

- a.) Case Name.
- b.) Type of case and the reason expert is needed.
- c.) Person or firm suggested as the expert.
- d.) A statement as to why this expertise is not available in state government.
- e.) A statement as to why this individual or firm is the "single best source".
- f.) Fee of expert (hourly rate) and estimated total cost. A statement as to how this cost reflects the market rate.
- g.) Approval signature line for the unit director.
- h.) Approval signature line for the DLS administrator (required if the contract will be \$1,000 or more.)

After the unit director and DLS administrator have approved the justification memo the original is returned to the AAG with a copy forwarded to the DLS budget officer. The AAG can now draw up a contract with the expert witness/consultant.

2. Contract – The DOJ has written a standard contract which is to be used for experts and consultants (See Attachment A). Specifications may be added to the standard contract but nothing may be deleted.

The contract requires only the signatures of the expert or consultant and the AAG as long as the justification memo has received the proper authorizing signatures.

The original copy of the signed contract and a projected payment schedule must be forwarded to the DLS budget officer.

3. Amendment – If an existing contract needs to be amended, the justification memo procedure above should be followed. If the amendment request is approved, only the section of the contract requiring change needs to be amended.

The original copy of the signed contract amendment must be forwarded to the DLS budget officer.

4. Purchase Order – A purchase order will be issued when the first invoice is submitted by the expert/consultant. All invoices received from experts or consultants must be in conformity with the signed contract. The invoices should be audited and approved by the AAG who signed the contract. The approved invoices must be forwarded to the DLS budget officer. A purchase requisition is prepared for the dollar amount of the invoice plus \$5.00. This will keep the purchase order open for payment of future invoices.

The original contract, a copy of the justification memo, and the invoice(s) are to be forwarded with the purchase requisition to purchasing services.

Purchasing services issues a purchase order and submits one copy of the purchase order and the invoice(s) to the fiscal services for processing payment.

5. Payment – Fiscal services audits the invoices and checks for mathematical accuracy and proper approvals before processing payment.

Reference:

State Procurement Manual, PRO-I-8

CONTRACT FOR PROFESSIONAL SERVICES

THIS CONTRACT is made and entered into this ____ day of _____, 20__, by and between the State of Wisconsin ("the State"), and _____, ("the Consultant").

RECITALS

WHEREAS, the State and the Wisconsin Department of Justice ("the Department") desire to engage the professional services of the Consultant in * (provide here a general description of services to be provided); and

WHEREAS, the Consultant has expressed his desire and willingness to provide such professional services to the State and the Department; and

WHEREAS, it appears that it is in the best interests of the State and the Department to enter into this contract; and

WHEREAS, it appears that such professional services can be provided to the State and the Department more economically and efficiently by entering into this contract rather than by current state employees or by hiring permanent, project, or limited term employees;

AGREEMENT

NOW, THEREFORE, in consideration for the promises and commitments hereinafter set forth, the parties hereby agree as follows:

1. **SCOPE OF PROFESSIONAL SERVICES TO BE PROVIDED.** The Consultant shall provide the following services in accordance with the best professional standards:

2. **PROHIBITION AGAINST ASSIGNMENT OF CONTRACT.** The Consultant shall not assign this contract or any portion of the professional services to be provided hereunder to another person or party without the prior written consent of the Department.

3. **PROHIBITION AGAINST ENGAGING SERVICES OF CURRENT STATE EMPLOYEES.** The Consultant shall not hire, employ or engage the services of any person or persons now employed by the State, including any department, independent agency, commission or board thereof, without the prior written consent of the employer of such person or persons and the Department.

4. **NONDISCRIMINATION IN EMPLOYMENT.** In connection with the performance of work under this contract, the Consultant agrees not to discriminate against any employee or applicant for employment because of age, race, religion, color, handicap, sex, physical condition, developmental disability as defined in s. 51.01(5), sexual orientation or national origin. This provision shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Except with respect to sexual orientation, the Consultant further agrees to take affirmative action to ensure equal employment opportunities. The Consultant agrees to post in conspicuous places, available for employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of the nondiscrimination clause.

5. **AFFIRMATIVE ACTION REQUIREMENTS.** If this contract is more than twenty-five thousand dollars (\$25,000, and the Consultant's annual work force is twenty-five (25) or greater, then, within fifteen (15) days after notification of the award of the contract, the Consultant shall submit to the Department of Justice a written affirmative action plan.

6. **INDEMNIFICATION.** The Consultant hereby agrees to indemnify the State and all of its officers, agents and employees (collectively "the State"), and hold them harmless against any and all claims, demands, and causes of action, including court costs, attorney's fees, liabilities, judgments, settlement payments and other amounts actually incurred or paid by the State in connection therewith, arising from any actual or alleged actions and omissions of the Consultant and any other person providing contractual services hereunder.

7. **INDEPENDENT CONTRACTOR RELATIONSHIP.** It is understood, intended and agreed that this contract shall not be construed to create an employee/employer relationship between the Department and the Consultant.

8. **STATE LIAISON; CONTRACT ADMINISTRATION.** The Consultant's liaison with the State and the Department shall be * (provide name and title of Department contract administrator), who shall be responsible for coordinating the Consultant's services hereunder and administering this contract in accordance with Wis. Admin. Code $\text{\textcircled{a}}$ ADM 10.12.

9. **TERMINATION.** The Department may terminate this contract at any time and in its sole discretion upon the delivery of thirty (30) days' written notice to the Consultant. Upon termination, the Department's liability hereunder shall be limited to an amount equal to the sum of the pro rata cost of the professional services actually performed by the Consultant through the effective date of termination, plus the expenses actually incurred by the Consultant with the prior written approval of the Department.

10. **OWNERSHIP OF REPORTS, DOCUMENTS AND OTHER MATERIALS.** All reports, documents and other materials produced by the Consultant in connection with the professional services provided under this contract shall remain the sole property of the State. The Consultant shall not use such reports, documents and other materials for any other purpose without the prior written consent of the Department.

11. **RIGHT TO PUBLISH.** The Consultant shall not publish, circulate or disclose any articles, reports or other writing concerning the subject matter of the professional services provided hereunder without the prior written approval of the Department.

12. **EXAMINATION OF RECORDS.** The Department and its duly authorized representative shall have access to and the right to examine, audit, copy, excerpt and transcribe any and all books, documents, papers and records prepared, kept and maintained by the Consultant in connection with the professional services provided hereunder. Such material shall be retained by the Consultant for three years following the termination of this contract.

13. **CONTINUATION OF CONTRACT DEPENDENT UPON APPROPRIATIONS.** Continuation of this contract beyond the limits of funds available shall be contingent upon appropriation of the necessary funds, and the termination of this contract because of lack of appropriations shall be without penalty.

14. **DISCLOSURE OF FINANCIAL INTERESTS.** If a state public official, as defined in sec. 19.42(14), Stats., or an organization in which a state public official or a member of that official's immediate family owns or controls at least a ten (10) percent interest, is a party to this contract, this contract shall be voidable by the State and any amounts paid hereunder may be recovered as provided in sec. 16.77(2), Stats. and Wis. Admin. Code $\text{\textcircled{a}}$ ADM 10.10(5), unless appropriate disclosure is made to the State of Wisconsin Ethics Board.

15. **COSTS FOR CONSULTANT'S PROFESSIONAL SERVICES.**

(a) In consideration for the professional services to be provided hereunder, the State agrees to pay the Consultant as follows:

The total payment shall not exceed \$_____ unless there is a prior written amendment to this contract.

(b) Payment shall be made by the Department to the Consultant upon receipt of periodic itemized invoices submitted in triplicate to the following address: (contract administrator's name), Department of Justice, Post Office Box 7857, Madison, WI 53707-7857.

(c) Invoices submitted by the Consultant hereunder shall itemize categories of expenses actually incurred, including professional fees at state rates, travel and other direct costs. Payment for air travel shall be for tourist class and lodging and meal expenses will be reimbursed at a reasonable rate as determined by the contract administrator for the Department. Vehicle mileage shall be reimbursed at the maximum state rate of \$.325 per mile. Machine printed receipts shall be required for lodging and public transportation reimbursement.

(d) The Consultant's final invoice for professional services rendered hereunder shall be submitted to the Department not later than sixty (60) days following the termination of the contract.

16. **ENTIRE AGREEMENT.** This contract contains the entire agreement of the parties concerning the State's and the Department's agreement to engage the professional services of the Consultant. This contract may not be amended, modified or altered except in a writing signed by all of the parties hereto.

17. **CHOICE OF LAW; SAVINGS CLAUSE.** This contract is and shall be governed by and construed in accordance with the laws of the State of Wisconsin including, without limitation, secs. 16.705, 16.76, 16.765 and 16.77, Stats. and Wis. Admin. Code ch. ADM 10. The Consultant shall, at all times, comply with and observe all applicable federal, state and local laws which, in any manner, govern or affect the professional services to be provided hereunder. If any provisions of this contract are determined to be prohibited by or invalid under Wisconsin law, such provisions shall be ineffective only to the extent of such prohibition or invalidity, without affecting the validity or enforceability of the remaining provisions of this contract.

18. **VENUE; JURISDICTION.** Any judicial action relating to the construction, interpretation, or enforcement of this contract shall be brought and venued in the Dane County Circuit Court in Madison, Wisconsin; provided, however, that nothing herein shall be construed to waive any sovereign immunity or other defenses that the State or the Department may have under applicable Wisconsin law. The Consultant hereby consents to personal jurisdiction in the Dane County Circuit Court, and waives any jurisdictional defenses that the Consultant otherwise might have relating thereto.

19. **EFFECTIVE DATE.** This contract shall become effective upon acceptance and execution by the Department.

20. **CAPTIONS.** The captions in this contract are for convenience of reference only and shall not define or limit any of the terms and conditions set forth herein.

IN WITNESS WHEREOF, the parties have executed this contract as of the first set date set forth above.

Consultant

**STATE OF WISCONSIN
DEPARTMENT OF JUSTICE**

By
Assistant Attorney General

RETAINER AGREEMENT

Agreement made on this first day of month, year, at city, Wisconsin between the Department of Justice (herein referred to as client) and attorney (herein referred to as attorney): It is expressly understood between parties to this contract that terms hereof are not in full force and effect until written gubernatorial approval has been executed. No disbursements will be made by the State of Wisconsin under this contract until such approval is obtained from the Governor.

Section One

PURPOSE OF EMPLOYMENT

Client hereby retains attorney to provide legal services for the following purpose(s):

Section Two

ATTORNEY'S FEES

Client shall pay to attorney for all services rendered and expenses incurred hereunder the sum of \$_____ payable at the rate of \$_____ per month for twelve months. Services include_____.

_____ The hourly rate is \$_____. Further, it is expressly understood that the aforesaid sum includes all costs and travel expenses that may be incurred in connection with the provision of legal services hereunder, as approved by the Department of Justice

Section Three

TERM OF EMPLOYMENT

This agreement shall commence date and remain in effect until date.

Section Four

ACCEPTANCE OF EMPLOYMENT

Attorney will, for a period as specified in Section Three above, devote his/her services to the interests of client and he/she will not, for said period, accept employment of any character which is hostile or adverse to the interest of the client. Attorney's engagement for services hereunder shall extend to any partnership of which he/she shall be a member during the life of the contract. Attorney, during the term of employment, may not represent officers, employees or agents of the Department of Justice at any stage in any proceeding in federal, state, county or local court where such proceeding is antagonistic to the Department of Justice or any person in his official or individual capacity with the Department of Justice, or otherwise presents a professional conflict of interest.

The attorney shall save, keep harmless, indemnify and defend the State of Wisconsin, Department of Justice, and all its officers, employees and agents, against any and all liability claims, costs of whatever kind and nature, for injury to or death of any person or persons, and for loss or damage to any property (state or other) occurring in connection with or in any way incident to or arising out of the occupancy, use, service, operation or performance of work in connection with this contract and the acts or omissions of attorney employees, agents or representatives.

The attorney shall furnish, prior to the commencement of this agreement, a Certificate of Insurance to client (**contact person**, Risk Manager at the Department of Justice) which indicates the following minimum insurance coverage requirements:

Malpractice Insurance

\$ _____ per person

\$ _____ each occurrence

Section Five

SUBSTITUTION OR DISCHARGE OF ATTORNEY

Attorney shall be entitled to a prorate fee as established in Section Two above for services actually rendered, should the client discharge or obtain the substitution of other counsel.

Section Six

WARRANTY

Client further represents that the officer executing this agreement has the authority to do so and that such agreement was approved by the Department of Justice.

IN WITNESS WHEREOF, the parties hereto have executed this agreement on the day and year first above written.

Department of Justice by:

name, Agency Head

name, Attorney

Approved Pursuant to Section 20.930,
Wisconsin Statutes

Governor or Governor's Designee