



Policy No. 708	Subject: Purchase Principles
Section: Other Policies and Procedures	Revised: 03/2020
Signature: Brandy McOmber, Resource Manager	Version: FINAL

1. PRINCIPLES

The following principles are followed by IVRS when purchasing goods or services for job candidates:

- a. IVRS may purchase goods or services as needed for the Potentially Eligible as well as for eligible job candidates. For the Potentially Eligible, purchases must align with at least one of the five required Pre-Employment Transition Services (Pre-ETS) indicated on the Pre-ETS Agreement. For eligible job candidates, purchases are allowable once it has been determined that the services are needed to achieve the employment outcome outlined on the [Individualized Plan for Employment \(IPE\)](#) or are necessary to assess the individual’s eligibility and vocational rehabilitation needs. This includes the use of inventories and activities purchased by the agency.
- b. Items purchased become the job candidate’s property on the date the items are purchased. Liability is assumed by the job candidate from that date.
- c. IVRS will not pay for additional features that exceed the requirements to meet the job candidate’s vocational objective. Job candidates will have the option of purchasing at their own expense those features that exceed vocational needs, but may enhance the individual’s family or social life.
- d. IVRS seeks and purchases the most economical goods (items/models) or services that meet the job candidate’s vocational needs.
- e. IVRS will inform job candidates that any change to planned purchases must be discussed and approved jointly by IVRS and the job candidate prior to making a purchase.



- f. IVRS will encourage all job candidates to develop strategies and savings programs to pay for replacement goods (items/models) or upgrades. This conversation should be documented through the case notes.

- g. IVRS has [Procurement](#) policy requirements that start when goods (items/models) total \$1,500 or more, and when services are \$5,000 or more. Case file documentation is required that includes:
 - i. Results of staff efforts to explore costs prior to purchases.
 - ii. Explanation if fewer than three bids/responses are received.
 - iii. The scope of work to be performed for any vehicle and home modifications, time involved, supplies needed, cost(s), timeframe for work completion, diagrams of the project when applicable, and an assurance the provider has liability and workers' compensation coverage as well as the applicable permit and license.
 - iv. When the item is over \$1500 and can be purchased utilizing the established Medicaid rates, three bids are not necessary. The [IVRS Job Candidate Procurement Approval Worksheet](#) is still required, but it can be noted that the Medicaid rate is being used as justification for less than three bids. This was approved through DAS policy communication on 12/30/19, stating when rates are established for a good or service by Medicaid, and a provider accepts the Medicaid rate, there is essentially no basis for competition, nor any opportunity for saving state funds through a competitive process.

This bid process is documented on the [IVRS Job Candidate Procurement Approval Worksheet](#). The Worksheet is placed in the case record and a copy attached with the authorization/billing when sent to Financial for final processing of payment. Staff are encouraged to reach out to the Purchasing Agent 2 for assistance when unfamiliar with the process and requirements.

- h. No authorization or commitment should be provided until Federal prior approval is confirmed. Prior approval is required for equipment purchases over \$5,000 per unit. Prior approval is obtained by contacting the IVRS Administrator/Administrative



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Office Assistant with the request including justification for the equipment. The justification is submitted to the Rehabilitation Services Administration (RSA) seeking approval to utilize IVRS Federal grant dollars for the intended purpose. A copy of the approval to move forward should be placed in the case record and a copy sent with the authorization for final billing, along with the [IVRS Job Candidate Procurement Approval Worksheet](#) to financial.

- i. When considering what goods (items/models) or services to purchase for a job candidate, the following questions should always be asked:
 - i. Is the good or service necessary and required by the disability so the individual can successfully perform the training/job function?
 - ii. Is the good or service truly needed for the individual to be able to perform the essential functions of their job?
 - iii. Is there an economical good or service that will permit the individual to perform the essential functions of their job?
 - iv. Are there other parties or entities responsible for providing or contributing to the cost(s) of a good or service?

- j. In the event that a service is delivered by a vendor with whom there is not a contract in place, the area office Supervisor and Bureau Chief will work to develop a contract that outlines these provisions to maintain compliance. In the absence of such a contract, IVRS staff must maintain documentation in the case record demonstrating the bidding process used to determine the cost for the service. The Data Resource Manager will notify staff of the cumulative total for a service, per vendor, per job candidate case record once it reaches \$3,500. Staff may at that time consider the following:
 - i. Document the costs for at least three vendors, including the one being used, demonstrating the lowest bid was accessed; or
 - ii. Document discussion with the job candidate regarding informed choice to justify selection of the vendor based on availability, quality of service, cost of service, and ease of access. This may be accomplished utilizing the [IVRS Job Candidate Procurement Approval Worksheet](#).

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510 E. 12TH STREET

DES MOINES, IA 50319



2. EXCEPTIONS

- a. Supervisory approval and justification documentation are required if the lowest bid is not accepted for purchases that are \$5,000 or higher.
- b. Supervisory approval is required if it is not possible to obtain three bids for a service or good greater than \$5,000.

3. APPLICABLE FORMS/DOCUMENTS

- a. Purchases of Goods or Services over \$5000 require completion of the [IVRS Job Candidate Procurement Approval Worksheet](#).
- b. Purchases for home modifications require completion of the [Home Modification Checklist](#).
- c. Purchases for vehicle modifications require completion of the [Vehicle Modifications Checklist](#).
- d. [Procurement Policy](#)
- e. [Request for Exception](#)

4. TRAINING

- a. [Purchase Principles Policy Training](#)