

## The Right Door for Hope, Recovery and Wellness

Chapter Title	Section #		Subject #
Fiscal	F		250
Subject Title <b>Purchasing</b>	Adopted  3/31/03	Last Revised  5/29/2018	Reviewed 12/19/05; 9/25/06; 1/22/07; 3/26/07; 12/27/07; 4/27/09; 5/24/10; 6/27/11; 4/23/12; 4/22/13; 5/27/14; 5/18/15; 5/23/16; 7/24/17; 5/29/18; 6/24/19

### **POLICY**

#### **Application**

This policy shall apply to The Right Door for Hope, Recovery and Wellness

#### **1.0 Intent**

The intent of this policy is to recognize Section 330.1230 of PA 290 of 1995 (Mental Health Code) as the authorization for execution and administration of fiscal resources and comply with the Uniform Grant Guidance as outlined in 2 CFR 200.

#### **2.0 Policy**

It is the policy of the Authority Board to maintain a documented centralized purchasing system. The system shall operate from a set of procedures designed to guide the decision-making process as it relates to the procurement of supplies and services for use by the agency in accordance with the procurement requirements of 2 CFR 200.

- 2.1 The Authority Board shall conduct its purchasing in a method conducive to full and open competition while following the standards of conduct as described in The Right Door for Hope, Recovery and Wellness' purchasing procedure and secure goods and services from responsible contractors to attain the maximum best value for each dollar expended in promoting the needs and objectives of the agency using procedures developed to meet the procurement requirements of 2 CFR 200. Local, women, and minority vendors shall be given reasonable opportunities to provide goods and services when feasible. The Authority shall identify and address conflicts of interest as outlined in the purchasing procedures.
- 2.2 The ultimate authority and responsibility for maintaining and providing oversight of the purchasing program shall reside with the Chief Executive Officer (CEO). In accordance with Section 330.1230 of PA 290 of 1995, the Chief Executive Officer "... shall execute and administer the program in accordance with the approved annual plan and operating budget, the general policy guidelines established by the Authority Board, the

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applicable governmental procedures and policies, and the provisions of this act.”

- 2.3 Expenditures outside of the approved annual plan and operating budget will be brought before the Authority Board, providing additional oversight to the purchasing process.

### **3.0 CEO Expenditure Authority**

- 3.1 The CEO is authorized to approve purchases less than or equal to \$20,000 without Authority Board approval. Any authorized purchases will be made in accordance the purchase procedures of The Right Door for Hope, Recovery and Wellness.
- 3.2 All expenditures or contracts in excess of \$20,000 will be brought before the Authority Board for formal approval with the exception of medication purchases which the CEO is authorized to approve in excess of \$20,000 based on client need.

### **4.0 Competitive Bids**

Any individual item in excess of \$10,000 must be competitively bid or have multiple rate quotes as outlined in The Right Door for Hope, Recovery and Wellness’ purchasing procedure.

### **5.0 Real Estate**

Any purchase or sale of real estate will be brought before the Authority Board for formal approval.

### **References**

Michigan Mental Health Code, PA 290 of 1995, Section 330.1230

CARF, Section, Board Governance

2 CFR 200 Uniform Grant Guidance

The Right Door for Hope, Recovery and Wellness’ Purchasing Procedure 250.1

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Nancy Patera, Board Chairperson	Date		