

INTER-OFFICE MEMORANDUM

CITY OF HARRISBURG

February 25, 2014

TO: Eric Papenfuse, Mayor
Office of the Mayor

FROM: Charlie DeBrunner, Controller
Office of the Controller

SUBJECT: Purchasing Procedures

I have had several productive meetings with you and Bruce Weber regarding the purchasing and requisition process. We are all in agreement that these systems must be "tightened up" in order to allow me to pre-audit requisitions, as is required by the Third Class City Code. In addition, using proper procedures will allow us to have an accurate picture of where the City is relative to budget and cash positions on a timely basis. Something we don't have now.

Bruce has assured me that he is working with managers to make sure that the rules specified in the Third Class City Code and the City Administrative Code will be followed as of April 1, 2014.

We also agreed that I would approve purchase orders that are out of compliance with the rules until April 1 to allow the Administration some time to get the systems in place. I want to reiterate that the Controller's Office will not approve purchase orders that are out of compliance with the rules effective April 1, 2014.

I am hopeful that all requisitions will be in compliance with the rules because the impact of not approving these purchase orders will be grave.

Additionally, we will be auditing compliance with the procurement rules. I would I would ask that you communicate to your staff the documents they have to retain for these audits.

Will we be asking for documentation of the three bids solicited for each purchase order. This documentation should contain the name of the vendors contacted, the amount of the bid, the date of the bid, and the contact information of the individual/vendor submitting the bid. If the requestor is unable to obtain three bids, documentation must be provided indicating why three bids could not be obtained and some evidence that a good faith effort was made to obtain three bids. In addition, documents related to the specifications for bids should also be maintained. This request applies to all bids requiring a purchase order.

I am looking forward to working with you to bring the City's acquisition system into compliance with the code.

Thank you.

cc: Bruce Weber
Fred Reddig