



State of Ohio · Office of Budget and Management
30 East Broad Street · Columbus, Ohio 43266-0411

MEMORANDUM

To: All Fiscal Officers for All State Agencies

From: David L. White, Deputy Director *DW*
State Accounting

Jeff Westhoven, Chief Administrator
DAS Procurement Services

Date: June 17, 2002

Re: Increase in Debit Voucher Threshold

State Accounting and State Purchasing are pleased to announce that effective July 1, 2002, the threshold for debit vouchers that reference a State Term Contract or Multiple Award Contract increases from \$1,000 to \$2,500.

A debit voucher is an expenditure that does not reference an encumbrance. Please note that an agency's direct purchase authority is unaffected by this increase and that the change from \$1,000 to \$2,500 affects only the debit voucher threshold.

The change is being made for three important reasons: 1) the debit voucher is less expensive to process than a purchase order; 2) both OBM and DAS want to promote the state's payment card and encourage increased usage of it; and 3) the Governor's Management Improvement Commission (MIC) recommended this change in order for state government to operate more efficiently.

If agencies must use an encumbering document for vouchers under \$2,500, the commitment (COM) should be used to encumber funds. Beginning July 1, 2002, the COM will include a field to reference the term contract, as well as one to identify the expenditure as being made with a certified Minority Business Enterprise (MBE).

Even when a formally entered purchase order is not used, agencies will want to maintain records of obligations and purchases through some routine method established for their office so that (1) there is a record of what was ordered, and (2) there is a record of the current total dollar amount obligated. It is not necessary for a copy of a COM to be transmitted to a vendor as it assumes a telephone, fax or internet order.

If you have questions or need additional information about the threshold increase, please contact Kevin Milstead at Kevin.Milstead@obm.state.oh.us or by calling 466-5359.