

versity of Maryland, and the Superintendent or managing heads of the following institutions: Crownsville State Hospital, Eastern Shore State Hospital, Rosewood State Training School, Spring Grove State Hospital, Springfield State Hospital, Maryland Tuberculosis Sanatorium, Maryland State School for the Deaf, Montrose School for Girls and Maryland Training School for Boys.

The Chairman of the Bureau appoints a Secretary-Treasurer who shall be known as the Purchasing Agent.

The Central Purchasing Bureau of Maryland was established in consequence of an act passed by the Legislature of 1920 (Chapter 184, 1920). The Bureau was organized in June, 1920, and immediately took over the purchasing of all State Departments, Boards, Institutions and Commissions with the exception of the State Roads Commission. In 1935 the Bureau took over the purchasing for the State Roads Commission.

During the last fiscal year, purchases in excess of \$3,250,000.00 were made.

The principal functions which this office has endeavored to carry out are as follows:

- First: The securing of lower prices by reason of bulk purchases. Comparison between the prices paid on consolidated quantities and those which individual institutions would pay show a saving of not less than 10 per cent.
- Second: Standardization of commodities in common use, resulting in a decrease in the varieties purchased with the consequent increase in the volume of purchases of standardized articles.
- Third: Because of the volume of consolidated purchases, original sources of supply can be dealt with, resulting in the lowest possible price.
- Fourth: Warehousing. A warehouse of 18,000 square feet capacity is maintained in Baltimore City for the storage of staple supplies purchased in quantities on favorable markets. Such supplies are paid for out of a Revolving Fund of \$100,000, which is available through Legislative appropriation. This provides for prompt payment of bills and all invoices subject to discount are paid within the prescribed period. The saving in cash discounts alone more than pays for the cost of maintaining the warehouse.

Because of this ability to warehouse considerable quantities of staple commodities and cash payment for same, lowest possible prices are secured. An accounting system has been developed, by means of which, through simple debit and credit entries, funds are transferred from Budget appropriations of Using Agencies to reimburse the Revolving Fund. Supplies are withdrawn from the warehouse with a consequent lessening in the amount of clerical labor on the part of the Using Agencies in the payment of invoices.

Monthly meetings are held with the Superintendents of the various State Institutions and other State Agencies present, at which time samples are examined and contracts awarded. These monthly meetings furnish a good opportunity for the heads of the various State Agencies to meet and exchange advice with reference to the conduct of their departments and institutions.

Every advantage is made of the facilities which the State has for the testing of materials, supplies and equipment, determining those