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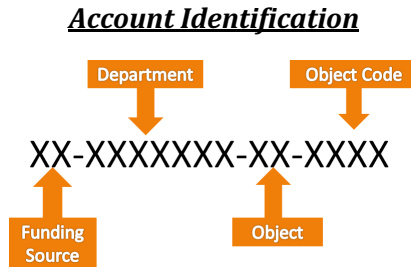
- **Texas A&M University System Regulation 25.07.03, Acquisition of Goods and/or Services**
- **University Purchasing Authority**
- **University Procedures, Acquisition of Goods and/or Services.**

GENERAL INFORMATION

- Each university of The Texas A&M University System (TAMUS) shall establish or contract with a Purchasing department that is responsible for purchases of supplies, materials, services, and equipment.
- With the exception of delegated purchases or purchases from cooperative or State contracts, purchases shall be based on competitive bids and in accordance with the best value decision process. Negotiation of contracts is allowed in the following circumstances:
 - emergency purchases when there is insufficient time to solicit bids;
 - proprietary purchases or purchases of items for which there is only one source of supply;
 - purchases by means of competitive sealed proposals;
 - proposed purchases in circumstances where competitive specifications have been advertised but Procurement Services has received only one acceptable bid, or no acceptable bids; provided, however, such negotiation may not result in a material change to the advertised specifications; and
- The Purchasing Department shall keep open records of all purchases processed through the office. The Business office shall keep records of all purchases behind the voucher after the final payment
- Purchase contracts shall be governed by and interpreted under the laws of the State of Texas.

Types of funds:

With the exception of HEAF funds, there are three main funding types at the University. The State only audits State funds. The other funding types are audited by the University and the Texas A&M University System. It is the responsibility of the departments to ensure that the purchasing rules are followed as it relates to the delegated dollar limits. The three main types of funding with account identification are as follows:



Funding Sources

- 10 – State Appropriations
- 11 – Designated Funds
- 12 – Auxiliary Funds
- 15 – M&O Accounts
- 19 – Restricted Funds (Grants)
- 40 – Renewals & Replacements
- 50 /51 – Foundation
- 52 - Alumni

Department & Object

- Department
 - Unique 7-digit number for the department
- Object
 - Will either be 62 or 92
 - 62 – Budgeted funds for fiscal year
 - 92 – Term of grant or until money is expended

Object Codes

- Four digit code
- An object code is a basic description of the purchase that was made
- The department will select an object code that is an appropriate description of the item(s) purchased
- Any purchases made with state funding (10 account) cannot have an object code in the 6000 level, such as 6012 or 6280

Delegated Purchases –

General Provisions Purchasing Authority & Dollar

Limitations:

\$0 to \$14,999.99 – Departments are authorized to request Quotes between the specific dollar limit (including freight charges) from approved vendors. A quote and requisition must be submitted to the Purchasing Department along with the vendor contact information (email, fax and phone number), within an acceptable timeframe. A purchase order number shall be issued by Purchasing and send to the vendor. Departments are responsible to follow State, System, and University purchasing procedures and return the Receiving Report, along with an Invoice to Purchasing in a timely manner. Online auction companies such as E-Bay are prohibited.

Exceptions to Departmental Delegated Authority (DDA)

The following types of purchases must be processed using a requisition and forwarded to Purchasing Department. for processing, as authority has not been delegated to departments, and cannot be purchased using a Procurement Card, unless approved otherwise by the Purchasing Department.

- All Software and Major Hardware Purchases
- All Telecommunication Purchases
- All Capitalized or Controlled Items
- All State Term Contract Purchases
- All Furniture Purchases
- All TIBH set-aside purchases, ex. nameplates, furniture, etc.
- All Non-Standard Printing (See Definition under Printing/Copying)
- All Purchases of Services and Services from SSC & ARAMARK

Departments are asked that clear specifications accompany the requisition when routed to Purchasing Department.

\$0 to \$14,999.99– “No-Bid” limit. At this dollar range, the Purchasing Department staffs not required to take bids on products or services. But, as a normal practice, obtaining competitive quotes always ensures the “Best Value”.

\$15,000 to \$49,999.99 – Departments are not authorized to purchase goods or services within the stated dollar limit ***regardless of funds*** (Grant Fund Purchases are at the discretion of the Purchasing Department).

Departments are to forward requisitions to the Purchasing Department for processing prior to obtaining quotes or the purchase of the goods or services.

- Departments are asked that clear specifications accompany the requisition when routed to the Purchasing Department.
- Departments should recommend vendors to the Purchasing Department
- The Purchasing Department will then solicit vendors through the bid process.
- Purchasing Department will notify the department of the bid results.
- A vendor will be selected and a purchase order will be issued.
- If the item can only be purchased from a single vendor a sole source letter should be provided by the vendor to ensure this is the correct solicitation method.

To expedite the purchase of goods or services, departments may utilize the following procedures.

- Departments should seek Quotes early, but the HUB requirements should be met! Sufficient time should be given for vendor responses. A quick response, however, will insure quick processing time by the Purchasing Department.
- The Department should give ample time for the Purchasing Department to Process the Requisition / Purchase Order.
- The Department shall not enter into an agreement with the vendor, i.e. purchase the item without a purchase order issued by the Purchasing Department.

Over \$50,000 – Departments are not authorized to purchase within the stated dollar limit. Expenditures within the stated dollar limit require the solicitation of formal bids and listing on the Electronic State Business Daily (ESBD). All requisitions totaling \$50,000.00 or more must be sent to the Purchasing Department for processing.

The departments should provide a list of suggested vendors. Formal bid invitations will be sent to vendors by the Purchasing Department. The standard solicitation and vendor response time for formal bid invitations is 14 business days unless the Historically Underutilized Sub-Contracting Plan is required, which can take up to 25 business days. After such time, the Purchasing Department will notify the department of the bid results. A vendor will be selected and a purchase order will be issued. The entire process can take between 8-12 weeks.

*** Important***

Under no circumstances shall any employee of the University authorize a purchase without a formal means of order placement. An order is official when an employee pays with his/her ProCard, issues a Limited Purchase Order or a Signed Purchase Order is sent to the vendor, by means of an approved requisition.

All reimbursements are subject to approval from the Purchasing Department.

Due to the Capital Threshold set by State Comptroller located in SPA Appendix A: [SPA Process User's Guide – FPP N.005](#). Capital asset requisitions must not be split between multiple accounts. To ensure compliance with state regulations and system limitations, each capital asset must be processed under a single account and associated with a single purchase order.

Unauthorized Purchases

An Unauthorized Purchase otherwise known as After-the-Fact (ATF) purchase/and or irregular purchase, occurs when a department makes a purchase before a purchase order number is issued or procurement card is used. For example, authorizing a vendor to begin work before the Purchasing Department issues a purchase order, even though the department has submitted a requisition, is an unauthorized purchase. Similarly, obtaining goods or services on credit and subsequently submitting the invoice with a payment voucher is an Unauthorized Purchase, unless it is a purchase specifically allowed to be paid by payment voucher. In many cases, these transactions:

- Place the West Texas A&M University at financial and credit risk and result in higher than necessary cost paid for products and services
- Create unnecessary administrative effort

- Bypass State of Texas encumbrance requirement
- Violate procurement rules and procedures
- Result in supplier contracts with unfavorable terms and conditions signed by unauthorized West Texas A&M University Personnel

Unauthorized Purchase Procedures:

1. When an unauthorized purchase has been identified, the Department Head and responsible party will be forwarded a Non-Compliant Purchase Requisition Form with all supporting documentation attached (i.e. invoices, Email threads).
2. The Department Head and responsible party shall review the purchase and complete the Non-Compliant Purchase Requisition Form
3. The Department Head shall return the completed Non-Compliant Purchase Requisition Form to the Purchasing Department who shall review and file the documents. The invoice will be processed according to standard procedures. If denied, one or more of the following actions may be taken:
 - Return of the item(s);
 - Responsible person paying for the difference of item(s) if found to be cheaper by the Purchasing Department; or
 - Responsible person paying for the item(s).
4. The Purchasing Department will monitor and document continual offenses, and will follow established actions below if non-compliance occurs repeatedly.

Actions for Non-Compliance:

1. First offense results in a written warning via the Non-Compliant Purchase Requisition Form and the offender.
2. Second offense results in a verbal warning via a meeting with the non-complying department head/purchaser. Purchasing Department will document warning and can re-assign training through TrainTraq for Purchasing Procedures.
3. Third offense results in disciplinary actions including removal of delegation of authority, A third offense will lead to disciplinary action, which may include revocation of delegated authority, an official reprimand, or termination of employment..

Blanket PO's / Blanket Purchase Orders

Blankets PO's may be used for frequent reoccurring type charges, this will include weekly, bi-weekly, monthly invoices. Blanket PO's will be capped at a dollar value of \$50,000. For reporting purposes, all blanket PO's >\$15,000 will be held to the original dollar value from when it was entered. Additional funding will not be allowed. When the dollar value of a Blanket PO has been met or is in jeopardy of going over the original value, the Blanket PO must be closed and a new Blanket PO should be entered for the additional charges.

For Long Term Projects, Blanket Purchase Orders may have their originally approved amounts increased, subject to Account Managers Approval, to allow for payment of invoices exceeding the initial amount. All documentation related to these increased approval amounts will be maintained with the corresponding blanket purchase order and associated invoices.

Emergency Purchases

An emergency purchase is defined as "a purchase of goods or services so badly needed that [the institution/agency] will suffer financial or operational damage unless they are secured immediately."

When possible, contact the Procurement Office prior to acquiring the goods or services. If the situation allows, informal bids will be taken. Department should submit a requisition after the order has been placed and include a letter of justification that must:

- State the reason for the emergency purchase by explaining what the emergency is and what caused the emergency situation.
- State the financial or operational damage that will occur if needs are not satisfied immediately; and
- State why the needs were not or could not be anticipated so that the items could have been purchased through regular procurement procedures.

Information Technology Purchases

Contact IT End-User Support Staff to obtain pricing and/or quote for all IT equipment.

Non-Controlled Equipment, (under \$1,000.00), departments will provide approval to purchase and account code to be charged to the EUSS. IT will place the order on behalf of the department.

Controlled Equipment, If the department approves of the equipment quote, the department will create the requisition and submit both the requisition and quote to Purchasing department. Purchasing will review the signed requisition to create a purchase order and send the purchase order to the IT Department. IT will place the order with vendor.

Receiving IT Equipment, All IT equipment shall be delivered to IT in the HELC. The IT department will sign the receiving report for all equipment ordered and delivered on behalf of the department.

Bids

For purchases where the estimated dollar amount is to exceed the threshold delegated to the Department, bids (either informal or formal must be solicited). *Note: All bids for Construction or Facilities Maintenance or Renovations must go through SSC and not WTAMU's Purchasing Department or individual University Departments.*

A. Informal bids may be gathered at the department level or by the Purchasing Department for the procurement of goods/services (not requiring a contract) where the expected cost is greater than \$15,000 but less than \$50,000.

- a. A minimum of three (3) vendors must be contacted with at least two of the three being Historically Underutilized Businesses (HUB), whenever possible.
- b. Quotes may be received via mail, hand delivered, e-mail or fax. Include the name of the person giving the response, email, phone number and fax number- date, pricing, delivery and any other relevant information.
- c. If the department is gathering the informal bid information, all documentation should be attached to a Requisition and sent through to the Purchasing Department for verification and purchase order issuance.
- d. Should the Department choose to let the Purchasing Department solicit bids on its behalf:
 - i) clear specifications accompany the requisition when routed to the Purchasing Department.
 - ii) Departments should recommend vendors to the Purchasing Department will then solicit vendors through the bid process. the Purchasing Department will notify the department of the bid results.
 - iii) a vendor will be selected and a purchase order will be issued.

B. Formal bids are required for the purchase of goods and/or services with an expected cost greater than \$50,000. Formal bids may also be secured for goods and/or services with an expected cost greater than \$15,000 at the discretion of the Purchasing Department.

- a. Departments should provide detailed specifications on or attached to the requisition.
- b. Departments should provide a list of suggested vendors.
- c. Formal bid invitations will be sent to vendors by the Purchasing Department. Additionally, the bid will be posted on the Electronic Business Daily website as required by the State of Texas and the Texas A&M University System.
- d. The standard solicitation and vendor response time for formal bid invitations is 14 business days unless the Historically Underutilized Sub-contracting (HSP) Plan is required, which can take up to 25 business days. After such time, the Purchasing Department will notify the Department of the bid results.
A vendor will be selected, and a purchase order will be issued. The entire process can take between 6-8 weeks.

If the item can only be purchased from a single vendor, both a sole source letter (provided by the vendor) and a sole source justification letter (provided by the department) should accompany the requisition to ensure this is the correct solicitation method.

The department shall not enter into an agreement with the vendor, i.e. purchase the item without a purchase order issued by the Purchasing Department.

Bid Submission, Bid Opening and Tabulation

A. Formal bid submission. Bids are solicited by the Purchasing Department on behalf of the requesting Department.

The Department submits its requisition with detailed specifications which are then used in the creation of the bid. The completed bid is then sent out to respective vendors for consideration.

- a. Prospective bidders may request specific bid invitations from the Purchasing Department at any time prior to the bid opening.
- b. A bidder may withdraw its bid by written request at any time prior to the bid opening date and hour.
- c. A bid received after the time and date established by the bid invitation is a late bid and will not be considered.
- d. A bid received which does not contain adequate bid identification information on the outside of the envelope will be opened to obtain such information and will then be processed as any other bid. If the incorrect information on the envelope causes the bid not to be considered in making an award, the bid will be considered invalid and rejected.
- e. An unsigned bid is not valid and will be disqualified.
- f. A bidder or a department may request, in person at the bid opening, that bids be read aloud. No bid shall be required to be read aloud at any time other than during regular working hours and days
- g. A bidder or a department may request, in person at the bid opening, that bids be read aloud. No bid shall be required to be read aloud at any time other than during regular working hours and days
- h. When formal bids are required, bids may not be taken or accepted by telephone, email etc. unless specified within the bid document or instructions.
- i. If an error is discovered in a bid invitation, or departmental requirements change prior to the opening of a bid, the Purchasing Department will transmit an addendum correcting or changing the specifications
to all bidders originally listed on the transmission list for that bid invitation. Bids will not be rejected for failure to return the addendum with the bid, if the change is noted on the bid or the product or service specification would not be changed by the addendum.
- j. By signing and submitting a bid to the Purchasing Department or to a department acting under delegated purchasing authority, a bidder affirms that it has not given or offered any economic opportunity, employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the bid, and that it does not intend to give or offer any of the foregoing in the future. Signing a bid with a false statement shall void the bid and any resulting contract, and the bidder shall be removed from all future

solicitations.

k. By signing and submitting a bid to the Purchasing Department or to a department acting under delegated purchasing authority, a bidder affirms that it has not given or offered any economic opportunity, employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the bid, and that it does not intend to give or offer any of the foregoing in the future. Signing a bid with a false statement shall void the bid and any resulting contract, and the bidder shall be removed from all future solicitations.

B. Bid opening and tabulation.

a. All bid openings conducted by the Purchasing Department shall be open to the public.

b. Bid opening dates may be changed and bid openings rescheduled if bidders are notified in advance of the new opening date.

c. If a bid opening is canceled, all bids will be returned to the bidders.

d. All bid tabulation files are available for public inspection. Bid tabulations may be reviewed by any interested person during regular working hours at the offices of the Purchasing Department. Employees of the University are not required to give bid tabulation information by telephone.

Bid Evaluation and Award

A. Bid evaluation.

a. The University may accept or reject any bid or any part of a bid or waive minor technicalities in a bid, if doing so would be in the University's best interest.

b. A bid price may not be altered or amended after bids are opened except to correct mathematical errors in calculation of units x unit price.

c. No increase in price will be considered after a bid is opened. A bidder may reduce its price provided it is the lowest and best bidder and is otherwise entitled to the award.

d. Bid prices are considered firm for acceptance for 30 days from the bid opening date for bid solicitations and 60 days for proposal solicitations, unless otherwise specified in the invitation for bids.

e. A bid containing a self-evident error may be withdrawn by the bidder prior to an award.

f. Bid prices which are subject to unlimited escalation will not be considered. A bidder may offer a predetermined limit of escalation and the bid will be evaluated on the basis of the full amount of the escalation.

- g. A bid containing a material failure to comply with the advertised specifications shall be rejected.
- h. All bids must be based on "F.O.B. destination – freight included" delivery terms unless otherwise specified.
- i. If requested in the invitation for bids, samples must be submitted or the bid will be rejected. The university will require samples only when essential to the assessment of product quality during bid evaluation. Samples for non-winning bids shall be returned to the bidder, whenever practicable, at the bidder's expense. Otherwise, samples will be disposed of in the same manner as surplus or salvage property.
- j. When brand names are specified, bids on alternate brands will be considered if they otherwise meet specification requirements.
- k. Cash discounts are acceptable but are not considered in making an award. All cash discounts offered will be taken if they are earned by the University.
- l. No electrical item may be purchased unless the item meets applicable safety standards of the federal Occupational Safety and Health Administration (OSHA).

B. Award.

a. All awards shall be made to the bidder complying with the best value criteria stated in the bid document and conforming to the advertised product or service specifications. In determining which bidder is offering the best value, the University shall consider price and may consider and evaluate the factors comprising the best value criteria as may be set forth in the bid.

i. In case of tie bids which cannot be resolved by application of one or more preferences described in the Preferences section of these rules, an award shall be made by flip of a coin.

ii. Best Value Factors. The University may consider the following factor(s) in determining best

value:

- 1. Any installation costs;
- 2. The delivery terms;
- 3. The quality and reliability of the vendor's goods or services;
- 4. The extent to which the goods or services meet the agency's needs;
- 5. Indicators of probable vendor performance under the contract such as past vendor performance, the vendor's financial resources and ability to perform, the vendor's experience and responsibility, and the vendor's ability to provide reliable maintenance agreements;

6. The impact on the ability of the University to comply with laws and rules relating to Historically Underutilized Businesses or relating to the procurement of goods and services from persons with disabilities;
7. The total long-term cost to the University of acquiring the vendor's goods or services;
8. The cost of any employee training associated with the acquisition;
9. The effect of an acquisition on University productivity;
10. The acquisition price; and Any other factor relevant to determining the best value for the University in the context of a particular acquisition that is sufficiently described in a solicitation instrument.

C. Selection and Publication of Best Value Criteria.

- a. In any procurement conducted under the requirements of the Bid Evaluation and Award section, the University must identify the specific factors to be analyzed in determining best value. The selection of best value criteria must be tailored to the specific needs of the University and must not necessarily limit competition or discourage the achievement of University procurement objectives.
- b. Every purchase of goods or services conducted in accordance with the requirements of the Bid Evaluation and Award section must include consideration of price as a factor.
- c. The University must publish notice of the specific criteria to be employed by the University in determining best value. The notice may be published in the solicitation instrument, public notice, or public announcement of a proposed procurement of goods or services.
- d. All bid tabulation files are available for public inspection. Bid tabulations may be reviewed by any interested person during regular working hours at the offices of the Purchasing Department. Employees of the University are not required to give bid tabulation information by telephone.

Centralized Master Bidders List

- A. Texas Procurement and Support Services (TPASS) maintains the Centralized Master Bidders List (CMBL) of the names and addresses of vendors that have applied and have been accepted for inclusion on the CMBL. The CMBL is maintained for the State's use in obtaining competitive bids for purchases, for registering vendors who wish to be designated as qualified information systems vendors and for identifying certified HUB vendors. No vendor will be placed on the CMBL to receive bid invitations for information purposes only. Bid invitations and requests for proposals may be transmitted to vendors on the CMBL for solicited commodities and/or services.
- B. An error in addressing a bid invitation or request for proposal or a failure of the post office to deliver the solicitation will not be sufficient reason to require the University to reject all other

bids or proposals.

West Texas A&M University will use the CMBL for selecting bidders for bid solicitations but may also supplement the CMBL with vendors having the known ability to supply the product(s)/services requested.

Competitive Sealed Proposals

West Texas A&M University has adopted the State of Texas Contract Management Guide for the acquisition of goods and services by the competitive sealed proposal process.

Accessibility Standards for EIR

For detailed information regarding the requirements for the University's EIR Accessibility Standards, please visit the following link:

<http://wtamu.edu/webres/File/About/Accessibility/29-01-04-W1FINALweb.pdf>

Computers

A department needing to purchase a new desktop or laptop should first contact IT Services Department. Their staff will assist in putting together specifications and/or in getting a formal quote. IT Services must approve all computer purchases either by a signature on the Requisition or with an attached formal quote bearing the designee's name. The requisition will route for approval, then to the Purchasing Department who will secure the item(s).

Mobile Communication Devices will be governed by the following procedure:

<http://www.wtamu.edu/administration/purchasing-and-inventories-cell-phone-allowance.aspx>

Consulting Services

A sometimes-confusing aspect of dealing with a consultant contract is recognizing one. A contract with someone who calls himself or herself a consultant is not necessarily a “consultant contract” within the meaning of the Government Code.

Texas Government Code, Chapter 2254, Subchapter B, defines “consulting service” as the service of studying or advising a state agency under a contract that does not involve the traditional relationship of employer and employee.

Studying or advising is the core of a true consultant contract and should be construed broadly. To “study” a state agency typically would mean to consider some aspect of the agency in detail, such as its financial status or its method of performing an administrative function, and to present that information to the agency. To “advise” a state agency typically would mean to provide a recommendation or identify options with respect to some course of action. The service of studying or advising also would include certain direct activities, such as “to assist” or “to coordinate” unless those activities are performed with respect to an exempted service.

One way to recognize whether a would-be consultant is “studying or advising” as opposed to doing something else, is to look at the deliverable involved. Generally speaking, a true “consultant” delivers information or provides assistance that enables the state agency to take some course of action. On the other hand, if the information simply enables the would-be consultant to take some course of action on the agency’s behalf which is itself not a consulting service (such as developing software), then one is likely not dealing with a true “consultant contract” within the meaning of the code.

However, the State recognizes that sometimes true consultant contracts will necessarily involve a mixture of consulting (studying or advising) and other services. Such contracts are referred to as “mixed” contracts.

According to Texas Government Code, Section 2254.038, “A mixed contract is still a true consultant contract when the primary objective is to study or advise”.

Before entering into a consulting contract, consult the Purchasing Department for guidance. As a general rule, however, the following limits apply:

- A. For consulting services less than \$50,000, no bids are required. The Department will be required to submit a “Best Value” letter stating why the particular consultant was chosen.
- B. For consulting services greater than \$50,000, formal bidding through either a Request for Qualification (RFQ) or Request for Proposal (RFP).

The transaction must be completed by the Purchasing Department to ensure legislative requirements are satisfied.

Customized Products

A customized product is defined as any product that is especially prepared for West Texas A&M University and must be purchased from an Approved Licensee

Types of customized products include but are not limited to: Specialty imprinted products

Printing

Screened products, including clothing

Because of production methods common to the industry, customized products are subject to quantity variations either above or below the quantity ordered.

Limitations to such under/overruns are limited to 10% of the quantity ordered.

If under/overruns are not acceptable, then the bid or the purchase order must state "EXACT QUANTITY – NO UNDER/OVERRUNS WILL BE ACCEPTED".

Overruns in excess of the 10% percent will be considered a no-charge donation to the University.

The invoice will be adjusted to the allowable overage based upon the original net quantity indicated on the purchase order.

Emergency Purchases

Emergency purchases. An emergency purchase is defined as “a purchase of goods or services so badly needed that an agency will suffer financial or operational damage unless they are secured immediately”.

the Purchasing Department will approve an emergency purchase in accordance with the following provisions:

- A. At least three informal bids must be obtained whenever possible on all purchases in excess of \$5,000.
- B. For emergency purchase of goods or services exceeding \$5,000, a department must send a full written explanation of the emergency along with other documentation listed below:
 - a. State the reason for the emergency purchase by explaining what the emergency is and/or what caused the emergency situation;
 - b. State the financial or operational damage that will occur if needs are not satisfied immediately (do not just say there will be a loss or some damage); and
 - c. State why the needs were not or could not be anticipated so that items could have been requisitioned through the Purchasing Department or purchased following regular delegated procurement procedures.
- C. The department shall contact the Purchasing Department for advice and assistance in the handling of emergency purchases. the Purchasing Department may not approve an emergency purchase unless the department has complied with either of the above requirements

Exempt Purchases

Due to the nature of the purchase, certain goods and services cannot be competitively bid. Below is a list of goods and services West Texas A&M University will exempt from the competitive bid process regardless of dollar amount.

Item or Nature of Services

Advertising/Market Conference Expenses

Hotels and Conference Rooms

Moving Expenses: (employee) institutional funds only

Lecturers/Guest Speakers/Entertainers: fees for speakers/lecturers/entertainers hired on a one-time basis (does not include fees for speakers on a continuous basis)

Student Travel: expenses related to student travel

Library materials: specific for West Texas A&M University Libraries

Legislative information services: bill analysis services

Membership fees and dues

Newspaper and magazine subscriptions direct from the publisher

Freight

Postage

Services provided by other State of Texas agencies, System members, or by other local governments (inter-agency and inter-local agreements must be reviewed by the Purchasing Department)

Registration fees and associated books and materials
Rental of exhibit space (booths for display purposes)
Goods and services provided by the Texas Department of Criminal Justice
Goods and services provided by the Texas Industries for the Blind and Handicapped
Internal repairs
Insurance premiums
Acquisitions from federal agencies
Utilities
Acquisition of livestock
Catering services (on-campus food services vendor)
Group Purchasing Programs (Co-Op)
Medical Doctor Services Software
Artists (Painters, Sculptors, Compositions, Performers)
Works of Art
Employee & Prospective Employee Travel
Computer Software

Food Purchases made by University Employees

The use of state funds for the purchase of food is very limited. **State funds cannot be used for the purchase of coffee or related items for consumption by employees or departmental visitors.** State funds can be used to pay for food purchases related to research or teaching in a class or lab setting.

Expenditures for food and/or refreshments from institutional funds are authorized to the extent that such expenditures enable the state agency to carry out an educational function, promote education in the State of Texas, or perform public service.

All food purchases must have a Food Purchase/Justification form with the description of who, what, when, where and why the food is being purchased.

Outside food purchases must have an alcohol statement on the request to purchase – “No alcoholic beverages were purchased or consumed”.

Catering – When the food is brought in, set-up, and cleaned up by a vendor. ARAMARK (current contracted service provider) should be used for any catering events on campus.

Outside Food – When departmental personnel purchase the food, perform the set-up and clean-up, then food may be purchased from an outside source. - Outside food delivery is strictly prohibited, food must be brought in by Faculty or Staff.

Group Purchasing Programs

West Texas A&M University Departments may purchase materials, supplies, or equipment through group purchasing programs (cooperatives, alliances, GSA contracts etc.).

Some include:

E&I – www.eandi.org

TIPS/TAPS – www.tips-usa.com

U.S. Communities – www.uscommunities.org
TCPN – www.tcpn.org
BuyBoard – www.buyboard.com
Houston-Galveston Area Council – www.hgacbuy.org
Federal Gov't – www.gsa.gov

Group purchasing programs are responsible for the bidding of the materials, supplies, or equipment to be purchased. Therefore, these purchases are exempt from the bidding process.

Historically Underutilized Businesses (HUB)

In accordance with the Texas Government Code, state agencies **shall make** a good faith effort to utilize Historically Underutilized Businesses (HUBs) in contracts for construction, services, including professional and consulting services, and commodity contracts.

Historically Underutilized Businesses are classified as corporations, sole proprietorships, partnerships, or joint ventures in which at least 51% of the business is owned, operated, and actively controlled/managed by a minority or woman. To be identified as a HUB vendor in the State of Texas, a qualified vendor must be HUB Certified with the State. The State of Texas classifies such businesses as:

- Woman-Owned, Female - WO/F
- Hispanic-Owned, Male - HI/M
- Hispanic-Owned, Female - HI/F
- Black-Owned, Male - BL/M
- Black-Owned, Female - BL/F
- Asian-Owned, Male - AS/M
- Asian-Owned, Female - AS/F
- American Indian-Owned, Male - AI/M
- American Indian-Owned, Female - AI/F
- Service-Disabled Veteran

HUB Program Mission: To encourage and effectively promote the utilization of Historically Underutilized Businesses (HUBs) by all state agencies, and to promote full and equal business opportunities for all businesses in state contracting in accordance with the goals specified in the State of Texas Disparity Study.

HUB vendors may be identified by visiting the Texas Procurement and Support Services (TPASS) web site at: <https://mycpa.cpa.state.tx.us/tpasscmblsearch/index.jsp>. HUB vendors listed under both categories, HUBs on CMBL and HUBs not on CMBL, are certified by the State of Texas.

As stated above, West Texas A&M University is fully committed to the HUB Program and strongly encourage purchases be made with certified HUB vendors whenever possible.

Inspection and Order Cancellation

A. Inspection of merchandise.

- (1) Departments shall inspect all shipments received against orders and report any discrepancies to the Purchasing Department immediately. Central Receiving only verifies the number of boxes received from freight carriers, not their contents.
- (2) If unlisted shortages are discovered, the vendor and the Purchasing Department shall be notified immediately. Unless shipments are checked by the department or University immediately upon arrival and such shortage reports are made within 15 days, the contractor cannot be held responsible for shortages.
- (3) A contractor may be required to pick up any merchandise not conforming to specifications and replace the

merchandise immediately.

B. Substitutions. Substitutions of items called for in a contract are not permitted without the approval of Procurement Service's

prior approval. No such approval will be granted unless substituted items are of equal quality and are offered at the same or lower price.

C. Cancellations.

(1) Cancellations on orders issued by a department are not permitted without Procurement Service's prior approval.

(2) Orders may be canceled without the contractor's consent due to unsatisfactory performance or nonperformance by the contractor.

(3) Orders may not be canceled, without first obtaining the consent of the contractor, if the reason for cancellation is not the fault of the contractor.

(4) A contract or a portion of a contract may be canceled on request of the contractor if the contractor is unable to perform due to circumstances beyond its control. In these instances, the Purchasing Department will consider such requests when presented in writing with proper documentation.

D. Damages for failure to perform.

(1) A vendor who fails to perform as required under a contract shall be liable for actual damages and costs incurred by the University.

(2) If any merchandise delivered under a contract has been used or consumed by a department and upon testing is found not to comply with specifications, no payment may be approved by the University for such merchandise until the amount of actual damages incurred has been determined.

(3) A vendor who fails to pay damages assessed by the University may not be awarded additional contracts until such damages have been paid or the matter has been otherwise resolved.

Institutional Memberships

Institutional Memberships – May be purchased by Procard and or Requisition a Membership Justification Form with signature approval by applicable department designee.

Institutional Memberships must be in the name of the University, not in that of an individual.

The State of Texas requires that **All State Agencies including Higher Education** require Insurance for REPAIR OR IMPROVEMENT TO REAL PROPERTY. This is primarily used in construction and maintenance type items which involve labor.

Examples of improvement to real property include but are not limited to:

- Repair of windows
- Laying of carpet
- Striping of parking lots
- Sidewalk construction

Improvement to Real Property DOES NOT INCLUDE repair to equipment or installation of equipment.

Consult the Purchasing Department for Insurance requirements.

Additionally, the University and Texas A&M University System requires that vendors performing services on campus provide a certificate of insurance meeting certain dollar limits. Those limits may be found on the A&M website located at: <http://www.tamus.edu/offices/risk/riskmanage/guide/review/contract-insurance-language-vendor/>. Departments should contact the Purchasing Department with questions about whether a particular service requires insurance. The Office of Risk Management and Safety may also assist with insurance questions

Lease or Lease-Purchase Contracts

A Department may acquire capital equipment by lease or lease-purchase if it is cost effective.

If a proposed lease or lease-purchase is for information technologies resources, as defined in Texas Government Code, Chapter 2054, the requisition must include written evidence that the Department of Information Resources has approved the university's Biennial Operating Plan. The Purchasing Department will determine the cost effectiveness of a lease or lease-purchase. To establish cost effectiveness, the requisitioning department should submit the following information:

- a. Anticipated interest charges over the life of the purchase to the extent it can be determined;
- b. Anticipated cost savings which would be realized through the present acquisition of the equipment with the outright purchase of the equipment at a later time, when adequate funds become available;
- c. Any other information the Department considers relevant; and
- d. Letter certifying that "in spite of the additional interest cost to the State, this purchase could not be accomplished as economically through any other available means. Therefore, the lease (or installment) purchase of this equipment is the most cost-effective means of obtaining the needed equipment." **NOTE: This letter needs to be signed by the Director of the Purchasing Department or higher authority in the requesting agency.**

Any lease, lease-purchase or installment payment purchase utilizing any state-appropriated funds that is either in excess of \$250,000 or has a term in excess of five (5) years must be submitted to the Texas Bond Review Board for approval.

Merchandise Returns/Repairs

When it is necessary to return an item or ship an item for repair, then an Authorization for Outgoing Freight form must be completed by the department before Central Receiving will be able to pick up. This form can be obtained on the website or from the Central Receiving Department (extension 2155).

Merchandise ordered by the Purchasing Department (Vendor received a hard copy of a Purchase Order):

- The return should be arranged by the Purchasing Department

Merchandise ordered by Department Personnel with a Verbal Purchase Order, Limited Purchase Order, or with the Procurement Card:

- The return should be arranged by the person placing the order.

The department is responsible for packaging the merchandise for shipping. Central Receiving does not provide packaging materials. The package(s) must be sealed with the appropriate mailing label affixed.

Remember to adequately insure all merchandise for return.

Note: Some items may require an RMA (Return merchandise authorization number) this number must be placed on the exterior and should have a copy placed inside the packaging in order to process returns. Please check with vendor prior to making returns.

Multiple Award Contract Procedure

A. The University may use the multiple award contract procedure when a determination is made in the best interest of the university. In arriving at a determination, the Purchasing Department Director or designee will consider the following factors:

- (1) the quality, availability, and reliability of the supplies, materials, equipment, or service and their adaptability to the particular use required;
- (2) the ability, capacity, and skill of the bidder;
- (3) the sufficiency of the bidder's financial resources;
- (4) the bidder's ability to provide maintenance, repair parts, and service;
- (5) compatibility with existing equipment;
- (6) the need for flexibility in evaluating new products on a large scale before becoming contractually committed; and
- (7) any other relevant factors.

B. When the university finds that one or more of the above factors is important to the contract and that objective specifications for those factors cannot be prepared, the university may determine that the multiple award contract procedure will serve the best interest of the university.

C. Bids on multiple award invitations will be evaluated as are other bids under the Bid Evaluation and Award section, except that more than one award may be made. The basis for determining awards shall be reasonably related to the factors relied upon in using the multiple award contract procedure and shall be disclosed in the bid invitation.

Personal Purchases

State resources cannot be used to receive or deliver personal packages. When placing personal orders, **do not** use the Central Receiving address or departmental post office box. West Texas A&M University will not accept personal packages.

Preferences

To claim a preference, a bidder shall mark the appropriate box on the face of the bid invitation. If the appropriate box is not marked, a preference will not be granted unless other documents included in the bid show a right to the preference.

A. Preferences.

- (1) Texas resident bidders.

- (a) A Texas resident bidder shall be given preference over a nonresident bidder when the cost, and quality of the goods or services are equal.
- (b) The University may award a contract to a nonresident bidder only if its bid is lower than the lowest bid submitted by a responsible Texas resident bidder by the same amount that a Texas resident bidder would be required to underbid the nonresident bidder to obtain a comparable contract in the state where the nonresident's principal place of business is located. In evaluating a bid of a nonresident bidder, an amount will be added equal to the amount a Texas resident bidder would be required to underbid a nonresident bidder to obtain a comparable contract in the state where the nonresident bidder's principal place of business is located, otherwise known as reciprocal preference. After the amount is added, an award may be made to the nonresident bidder if it is determined to have the lowest price and best bid. The amount added is for evaluation purposes only; in no event shall an amount be awarded in excess of the amount actually bid.

(2) Texas and United States products.

- (a) Supplies, materials, or equipment produced in Texas shall be given preference over comparable goods produced outside Texas when the cost and quality of the goods are equal. Supplies, materials, and equipment are considered to be produced in Texas if they are manufactured in Texas; "manufactured" does not include the work of packaging or repackaging.
- (b) Agricultural products grown in Texas shall be given preference over comparable products grown outside Texas when the cost and quality of the goods are equal. Agricultural products are considered grown in Texas if they contain any amount grown in Texas. In case of tie bids between agricultural products claiming the preference, the bidder whose product contains the greatest percentage of the product grown in Texas will prevail. For purposes of this preference, agricultural products include, among other things, textiles and fiber products, processed and unprocessed foods, feed, lumber and forestry products, live animals, plants, flowers, and nursery stock.
- (c) Supplies, materials, equipment, or agricultural products produced or grown in the United States shall be given preference over foreign products when the cost and quality are equal. Supplies, materials, equipment, or agricultural products produced or grown in Texas shall be given preference over United States products when the cost and quality are equal.

(3) Products of persons with mental or physical disabilities. A preference shall be given to manufactured products of workshops, organizations, or corporations whose primary purpose is training and employing persons with mental or physical disabilities, if the products meet state specifications as to quantity, quality, and price. Competitive bids are not required for purchases of blind-made goods or services offered as a result of efforts by the Texas Council on Purchasing from People with Disabilities, if the goods or services meet state specifications as to quantity, quality, price, delivery, life cycle costs, and costs no more than the fair market price of similar items.

(4) Recycled, remanufactured or environmentally sensitive products. A preference shall be given to recycled, remanufactured or environmentally sensitive products if the products meet state specifications as to quantity, quality, **price**, and defined best value factors.

(5) Energy efficient products. A preference shall be given to energy efficient products if they meet state requirements as to quantity and quality, and are equal to or less than the cost of other products offered. This preference shall be applied by evaluating the energy use of the products offered and considering the costs of such energy use over the expected life of the equipment. The methodology for evaluating energy use and costs shall be included in the bid invitation.

(6) Rubberized asphalt paving material. A preference shall be given to rubberized asphalt paving material

made from scrap tires by a facility in this state if the cost, as determined by life-cycle cost benefit analysis, does not exceed the bid cost of alternative paving materials by more than 15%.

Pre-Payments

A state agency may not pay for goods or services before their delivery to the agency, **except:**

- A state agency may pay for goods or services before their delivery to the agency if there is legitimate public purpose for making the payment in advance.
- A state agency may use money appropriated for a particular fiscal year to pay for a utility service provided during that fiscal year and September of the next fiscal year.
- A state agency may pay rent for leased space a maximum of seven days before the payment due date.
- A state agency may pay for a periodical subscription a maximum of six weeks before the renewal date.
- A state agency may pay a rental fee for a meeting room, exhibit booth, or registration fee in advance if there is a legitimate public purpose for making the advance payment. Examples of legitimate reasons include significant cost-savings or reserving a space when enrollment is limited.
- A state agency may process a purchase voucher/payment request for the purchase of real property anytime during the seven days before the closing date if the check/state warrant will be delivered to the seller no earlier than the closing date.
- A state agency may pay an annual maintenance agreement, an internet connection, a post office box rental, insurance, or a surety or honesty bond in advance, regardless of whether it covers more than one fiscal year.
- A state agency may make an advance payment to a federal agency or another state agency for goods purchased from the agency if the advance payment will expedite the delivery of the goods.
- A state agency may pay tuition directly to an institution of higher education not earlier than the 6 weeks before the class begins. However, a state agency may not reimburse a state employee for tuition before the class begins.
- An institution of higher education may pay for books and other published library materials before receiving them if reasonably necessary for the efficient operation of the institution's libraries.
- A state agency may make an advance payment if significant cost savings would result from making the payment in advance.
- A state agency may make an advance payment to a vendor who is selling specialized or proprietary goods or services to the agency if the vendor requires the payment be made in advance.

If your department must make an advance payment for a reason not listed above, contact the fiscal office for additional guidance on this issue. A state agency that makes an advance payment to a vendor is responsible for ensuring that the vendor provides the good or service, or for pursuing appropriate legal remedies to recover the payment if the vendor fails to provide the good or service.

Printing & Promotional Material

WT, Print Shop serves as the designated first point of contact and operates similarly to a general contractor. If a project cannot be completed in-house, the Print Shop will coordinate fulfillment through its network of licensed and approved vendors. This network may include any vendor in good standing and ensures proper evaluation, cost-effectiveness, and branding alignment before University funds are committed. This includes the commercial reproduction of WT intellectual property, including name, marks, logos, catchphrases or likeness, regardless of product type or medium, that falls under licensing law, including apparel, signage, packaging, publications, and digital assets.

Professional Services (PSA)

Professional Services are those services directly related to the professional practices as defined by the Professional Services Procurement Act (Texas Government Code, Chapter 2254, Subchapter A). These services include:

- Accounting - a certified public accountant (CPA);
- Architecture - an architect;
- Landscape Architecture;
- Land Surveying - a land surveyor;
- Medicine - a physician, including a surgeon;
- Optometry - an optometrist;
- Professional Engineering - a professional engineer;
- Real Estate Appraising - a state certified/licensed real estate appraiser; or
- Professional Nursing - registered nurse.

However, services provided by professionals outside the scope of their profession, e.g., management consulting services provided by accounting firms, are not considered professional services.

Professional services are exempt from the competitive bid process. Instead, professionals compete based upon their qualifications and the ability to perform the scope of work as described in the Request for Qualifications (RFQ).

Before entering into an agreement for Professional Services, contact the Purchasing Department for guidance. **However, this general rule applies: Contracts for professional services where the estimated cost of the contract is less than \$25,000 do not have to be bid by RFQ.**

The transaction should be completed by the Purchasing Department to ensure legislative requirements are satisfied.

Procurement of any Construction or Facilities Maintenance or Renovations professional services dealing with Architects, Landscape Architects, Land Surveying, Professional Engineering must go through SSC.

Proprietary Purchases (Sole Source)

When the Purchasing Department finds that a department has submitted a requisition containing specifications or conditions of purchase which are proprietary to one vendor and does not permit an equivalent product to be supplied, it shall require written justification before processing the requisition.

- A. A written justification for the use of proprietary specifications or conditions must:
- a. Contain an explanation of the need for the specifications or conditions;
 - b. State the reasons why any competing or equivalent products are not satisfactory, addressing each such product individually. **Compare product(s) to at least two (2) other similar type products and list the feature(s) that is lacking, why this feature(s) is essential to the product being requested and the requirements of the department - OR - complete the Sole Source Justification form provided through the Purchasing Department.**
 - c. Contain any other information requested by the Purchasing Department; and
 - d. Be signed by the Department Head or designee.

All Reimbursement Requests (including Student Reimbursement Requests)

This means that the purchase was unauthorized. **Anyone making a purchase personally without prior approval will not be guaranteed reimbursement.** The entire purchase may be at your own expense. If the reimbursement request is approved, the state sales tax may be an out-of-pocket expense. If this happens in your department, complete a Requisition including a written justification for failure to follow procedures. Submit to the Director of the Purchasing Department for disposition.

Requisitions

A Purchase is initiated when a department submits a requisition containing desired specifications and conditions of the purchase, in Colleague. Once approved, the department is authorizing the Purchasing Department to secure the goods or services indicated. Individual access to Colleague requisition entry must be approved by the Director of Purchasing and Contracts before module permissions are granted. All individuals with access to requisition entry must complete the Requisition Training in the WTAMU training module before screen permission's will be granted.

A Requisition form should never be sent outside of the University.

Requisitions should be submitted to the Purchasing Department far enough in advance to allow sufficient time for preparing and advertising bid invitations, receiving and evaluating bids, awarding contracts and permitting a normal delivery schedule.

the Purchasing Department may require clarification of the specifications in order to foster open competition. If the Department's specifications unreasonably limit competition, the Purchasing Department may require an additional written explanation.

Review of Purchase Documents and Payment Vouchers

The Purchasing Department may review departmental delegated purchases and revoke any delegation as deemed necessary.

(a) Based on the review of the documents, the Purchasing Department may revoke any delegation as deemed necessary.

(b) All delegated departmental purchases are subject to audit.

Software/Site License Purchasing Procedure

Software purchases are not delegated to departments regardless of cost. Most software can be purchased from DIR, so bidding is not needed. Sole-source software purchases, which are not on DIR, are handled on an individual basis. SELL at A&M – College Station also has software available for purchase by A&M System Members.

<http://www.dir.texas.gov> (DIR software link)

<http://cis.tamu.edu/customer-sales/sell/index.php> (A&M College Station software link)

- 1) DIR Website
Search for software publisher on DIR link above to find DIR contracted software vendor.
Some vendors will have price lists accessible through this link, while others will have websites and/or contact information.
Follow “How to Order” instructions on DIR contract page.
If a quote is needed, identify the DIR contract number for the software in your quote request (ex., DIR-SDD-198).
- 2) Purchase Order
The DIR contract number will need to be on the purchase order.
Software purchases require end user information – name, telephone number, and email address.
- 3) Serial Numbers
Software serial numbers arrive by one of a couple of different methods:
on the software disk, in an email to the end user, or by way of an emailed link.

Specifications

- A. the Purchasing Department will review the specifications and conditions of purchase submitted by a department.
The Purchasing Department will not significantly change specifications or conditions of purchase without written approval from the department, but it may correct typographical errors if doing so will not significantly change the specifications. Incorrect, inadequate, or incomplete requisitions may be returned to the department, with a written explanation for the return and the requirements for acceptable re-submission.
- B. The Purchasing Department will normally specify delivery times that are standard in the industry. If a department requires shorter than standard delivery times, it must state the requirement in its requisition. If the delivery requirement can only be met by one vendor, written justification will be required. If a department does not require early delivery but wishes to take advantage of it if available, the bid invitation will state that the ability to make early delivery may be a factor in making the award. In such cases, when it is to the university’s advantage, The Purchasing Department may accept a bid other than the lowest after consulting with the department. If the bid invitation contains no statement regarding early delivery, The Purchasing Department may not consider early delivery in making an award.

- C. Bids are required to be posted on the Electronic State Business Dailey (ESBD) for a state minimum of 14 days for acquisitions \$25,000 and greater. However, if it is determined to be in the best interest of the University, the Purchasing Department may elect to post the solicitation for 21 days.

Writing Specifications:

1. Obtain completed RFP Questionnaire from department for acquisitions \$50,000 and greater.
2. State the NIGP codes when in ESBD and Object Code when in Colleague.
3. State the product or service to be purchased.
4. Describe in simple, concise, and clear language what is required or desired of the product or service, i.e., performance specifications.
5. Describe what the successful bidder must furnish.
6. Identify the minimum requirements of the end user.
7. Allow competition.
8. Provide for verification (testing) - a reasonable means to determine whether minimum requirements are met.
9. When possible, identify some commercially available brand and make or model number or some standard specifications; e.g., State of Texas specifications.
10. Be fair to bidders.
11. If a service, state the period of service and the method of payment.

Characteristics of an Effective Specification:

- SIMPLE: Avoid unnecessary detail, but be complete enough to ensure that requirements will satisfy their intended purpose.
- CLEAR: Use terminology that is understandable to the Agency and bidders. Use correct spelling and appropriate sentence structure to eliminate confusion. Avoid legalese type language and jargon whenever possible.
- ACCURATE: Use units of measure that is compatible with industry standards. All quantities and packing requirements should be clearly identified.
- COMPETITIVE: Identify at least two commercially available brands, makes, or models (whenever possible) that will satisfy the intended purpose. Avoid unneeded "extras" that could reduce or eliminate competition and increase costs.
- FLEXIBLE: Avoid totally inflexible specifications which prevent the acceptance of a bid that could offer greater performance for fewer dollars. Use approximate values such as dimensions, weight, speed, etc. (whenever possible) if they will satisfy the intended purpose. If approximate dimensions are used, it should be within a 10% rule of thumb unless otherwise stated in IFB.

State of Texas Contracts (State Contracts)

Texas Procurement and Support Services (TPASS) establishes term contracts by commodity/service codes as a supply source for user entities. Contracts are based on estimated quantities, specified by TPASS, and may be ordered as needed. There are two basic types of term contract purchases – **managed or TXSMARTBuy**. The term of a contract is

determined by TPASS. A list of term contracts and details may be located on the State's website at:

http://www.window.state.tx.us/procurement/contracts/all_term/index.php

The TXMAS (Texas Multiple Award Schedule) Program adapts existing competitively awarded government contracts to the procurement needs of the State of Texas. The vast majority of TXMAS Contracts are adapted from GSA (General Services Administration) Federal Supply Service contracts.

Independent Party Contracts

If your department is interested in having a guest speaker, performer, presenter or artist on campus then an IPC will need to be filled out and signed by the independent party prior to the event.

Important items on the IPC process:

- Departments should expect a minimum of two weeks for AgiLoft approvals
- Risk, Compliance and IT review all agreements entered into AgiLoft, even IPC's
- The vendor must sign the IPC before their service dates notated in the agreement, i.e. Vendor is giving a lecture at WT on 11.15.2022, but the IPC is signed on 11.16.2022 by the vendor. This type of scenario is not permissible, as we need the vendor to sign before performing a paid service on campus
- When a Dept. initiates an IPC, the same Dept. must also email purchasing@wtamu.edu for vendor setup (if applicable), signed requisition, and invoice from vendor. Purchasing will process IPC payment and submit to AP.
- The IPC template can be found by [clicking here](#)

Contract FAQs

1) How do I know if I need to send a quote or contract to contracts@wtamu.edu

a) If you have received a contract or quote document from your vendor/affiliate that has specific terms and conditions that requires a signature on that document – you will want to send it to contracts for review and signature. Some vendors have terms and conditions on a quote with a signature line, but do not really require a signature, this will also need to be sent to the Contract Administrator for review.

b) The Purchasing Department will also forward any contract or agreement to the Contract Administrator for processing if they are attached to a requisition.

2) So - what happens after I send in a contract/agreement for review and signature?

a) The Contract Administrator will create a new file in AgiLoft and begin the approval processes

which is dependent upon the type of contract/agreement and will always follow the President's Delegation of Authority.

b) Most all of the departments that send requests for review or drafting of a contract, prefer to remain the point of contact with the vendor or affiliate.

c) The Contract Administrator will review the agreement. If there are edits that need to be made, we generally utilize tracked changes for easier viewing, or will draft an amendment. If you are able to obtain the vendor/affiliate's agreement in editable WORD format - that is always appreciated.

d) Keep in mind that all contracts (actual or implied) \$100,000.00 and over are required to be reviewed by TAMUS Office of General Counsel. Contracts with a lesser dollar amount, or State of Texas terms and conditions/language that we are required to have in a contract that the vendor wants to remove or negotiate that may be complex, will also be submitted by Contracts to OGC for their review and opinion.

e) The Contract Administrator will be in direct communication with the vendor if there are terms to negotiate.

f) There are several approval steps required, as noted in the President's Delegation of Authority, for each contract/agreement, including but not limited to, Department Head, Dean, IT, Risk, etc. These approvals are required and recorded PRIOR to final negotiation of terms with the vendor.

g) Along with these required approvals, if applicable, a risk assessment will be completed for the contract/services. If this risk assessment results in a moderate or high score based on the cost or the complexity of the services, an Enhanced Contract Monitoring Form will be completed and recorded. It will be the departments responsibility to track services and deliverables as related to the contract, to identify any ongoing issues or risks.

h) Once all of the approvals have been recorded and the Contract Administrator has successfully negotiated all terms and conditions with the vendor, the signature process will begin. This signature process strictly follows the appropriate authorized signatory as noted in the President's Delegation of Authority. Once the contract/agreement is executed the Contract Administrator will update the AgiLoft file with beginning, ending, renewals and record retention dates for all email notifications. As a courtesy, if there is a requisition number tied to the contract, we do our very best to forward a fully executed copy directly to the Purchasing Department. Please be sure that your Department also forwards that fully executed contract or follows up with purchasing@wtamu.edu on issuance of purchase order.

3. What information does our Contract database contain?

- a) Our database is called AgiLoft. We will set up the vendor/affiliate name, contact, beginning date, date of expiration, \$ amount, etc. We will also scan in the fully executed agreement, certificates of insurance, copies of email messages, and notes.
- b) What is the benefit to your department by having that file setup in our database? We are able to calendar the beginning date of the contract, as well as send reminder emails for any date of upcoming renewals, expirations etc.
 - a. Example: the initial term of your contract is 9/1/19-8/31/20; we will set expiration alarm for 8/31/20, and also a reminder for perhaps 30-45 days prior to the expiration date, unless denoted specifically in the contract. Some contracts require that we notify the vendor/affiliate 60-90 days ahead of us terminating or renewing a contract.
- c) Many of the contracts we calendar have the option to renew another year or so. The Internal Contract Owner and the Contract Administrator will receive an auto generated email as these dates arise.
- d) We understand that each Department may already be utilizing their own tool or method for inhouse calendaring of their contract for expiration dates or renewal dates (You are the Administrator of your contract. It is up to you/each Department's responsibility to calendar and monitor their own agreements). AgiLoft offers a courtesy backup by sending out reminder email notification for those upcoming dates. It helps protect WTAMU by staying current with agreement term, so that continuation of services is not disrupted.

4. Does your contract or event require a Certificate of Insurance?

- a) Usually, all agreements that the Contracts Office reviews, edits, or signs will have mention of insurance. Most all of our templates have the language already inserted.
Think about it this way – if you are holding an event on our campus and you have a speaker, a performance, bouncy houses, carnival rides, a vendor performing services on the WTAMU campus, a minimum of general liability insurance, auto liability and worker's compensation are the base requirements. Other insurance coverage may be required depending on specifics of the work or services to be performed. Having WTAMU specified as additional insured (and not just a certificate holder) on the Certificate is required. We will be in contact with System Risk Management to assist.
- b) Insurance amount changes and/or requests for insurance waivers shall be submitted by the Contracts Office to Risk Management for review and opinion.

- g) Don't worry if you are not sure that the Certificate of Insurance you have obtained is sufficient. Send it to contracts@wtamu.edu for review. We will let you know if your vendor/affiliate needs to make some adjustments to it.
- h) Please keep in mind that the final certificate of insurance must be in place PRIOR to performance of services.

Please feel free to contact your Contract Administrator any time if you have additional questions or concerns at contracts@wtamu.edu. or 806-651-2112

Subscriptions

Subscriptions to magazines, newspapers, professional journals, etc. (documents printed on paper) should be requested via a Procurement Card (ProCard) purchase order is not required.

Taxpayer/Vendor Hold

West Texas A&M University, an entity supported by the State of Texas, is bound by its rules and regulations. Under Section 2155.004, "Certain Bids and Contracts Prohibited" of the Texas State Government Code, the Comptroller's Office has required that all vendors, regardless of type of funds or purchase amount (over \$150), be checked prior to bid or purchase to see if the vendor has paid their State sales and franchise taxes and are compliant with Texas Family Law. When purchasing goods or services, each department is required to search the Taxpayer and Vendor Account database with the Comptroller's Office. The University should not conduct business with a vendor until it is in good standing under State tax law with the Comptroller's Office. Failure to comply may result in delayed or withheld payments.

For questions about sales tax issues, the Comptroller's phone number is 1-800-252-5555.

For questions about franchise tax and Family Law issues, the Comptroller's phone number is 1-800-252-1381.

To search the Taxpayer and Vendor Account web page:

1. Access the Comptroller's Office web page (<https://cpafmprd.cpa.state.tx.us/tpis/search.html>).
2. Enter Business Name.
3. Click on the search button.
4. Check to see if vendor is in good standing and not on vendor hold.

Print the page and retain it in department for audit documentation.

Trade-Ins

Equipment may be purchased with a trade-in of old equipment of a similar type if the following requirements are satisfied:

- a. Describe the age, condition, make, model and serial number (if applicable) of the used equipment;
- b. Give a realistic estimate of the used equipment's value; and
- c. State on the Invitation for Bid, "Less trade-in at state's option: to be picked up by the successful bidder where is, as is."

Amounts offered for trade-ins are reviewed as part of the bid evaluation process. If it is determined that an insufficient trade-in allowance has been offered, then the equipment will be purchased without a trade-in. The older equipment may be disposed of as surplus property.

Used Equipment

As a rule, the purchaser should procure new equipment, but sometimes it is necessary or advantageous to purchase used or demonstrator equipment and supplies. The most common reasons are:

- the inability to secure new equipment;
- the lack of adequate funds for new equipment; or
- used equipment will satisfy the agency's need at a substantial savings.

Purchases of used and demonstrator equipment are to be processed as follows:

The ordering entity must:

- obtain a minimum of three (3) signed bids which have been properly prepared whenever possible;
- if only one bid is received, prepare a statement explaining why no competition exists;
- provide a letter or signed statement from the bidder(s) guaranteeing quality and condition of the merchandise offered;
- provide a letter from an authorized person connected with the ordering entity that: a. states that the equipment or supplies have been personally examined, and b. describes the condition and value of the equipment or supplies;
- forward to the TBPC with an open market requisition if the purchase exceeds your delegated authority.

Ethics

The Purchasing Office has delegated the authority to departments to make purchases of goods and services up to \$15,000 (including freight and/or postage) unless the purchase is on the exception list. All employees making purchases under this delegated purchasing authority shall adhere to the Texas A&M University System Ethics Policy and the NAEP Code of Ethics endorsed by West Texas A&M University.

NAEP Code of Ethics

- Give first consideration to the objectives and policies of my institution.
- Strive to obtain the maximum value for each dollar of expenditure.
- Decline personal gifts or gratuities.

Grant all competitive suppliers equal consideration insofar as state or federal statute and institutional policy permit.

- Conduct business with potential and current suppliers in an atmosphere of good faith, devoid of intentional misrepresentation.
- Demand honesty in sales representation whether offered through the medium of a verbal or written statement, an advertisement, or a sample of the product.
- Receive consent of originator of proprietary ideas and designs before using them for competitive purchasing purposes.
-

with a supplier; and/or be willing to submit any major controversies to arbitration or other authorized third-party review, insofar as the established policies of my institution permit.

- Accord a prompt and courteous reception insofar as conditions permit to all who call on legitimate business missions.

Make every reasonable effort to negotiate an equitable and mutually agreeable settlement of any controversy

- Cooperate with trade, industrial and professional associations, and with governmental and private agencies for the purposes of promoting and developing sound business methods.
- Foster fair, ethical and legal trade practices.

Conflict of Interest

No employee, employee family member or appointee of West Texas A&M University shall have any interest in, or in any manner be connected with, any contract or bid for furnishing supplies, materials, services, and equipment of any kind to any agency of the State of Texas.

Neither shall any member or employee, employee family member or appointee, under penalty of dismissal, accept or receive from any person, firm, or corporation to whom any contract may be awarded, directly or indirectly, by rebate, gift, or otherwise, any money or other thing of value whatever, nor shall any employee receive any promise, obligation, or contract for future reward or compensation from any such party.

Glossary of Definitions

The following words and terms, when used in the West Texas A&M University Guide, shall have the following meanings, unless the context clearly indicates otherwise.

- (1) Approved products list--The list is also referred to as the "approved brands list" or "qualified products list". This is a specification developed by the evaluation of brands and models of various manufacturers and listing those determined to meet the minimum level of quality. Testing is completed in advance of procurement to determine which products comply with the specifications and standards requirements.
- (2) Award--The act of accepting a bid, thereby forming a contract between the university and a bidder.
- (3) Best Value--The optimum combination of economy and quality that is the result of fair, efficient, and practical procurement decision-making and which achieves the procurement objectives of West Texas A&M University
- (4) Bid--An offer to contract with the university, submitted in response to a bid invitation issued by the Purchasing Department.
- (5) Bid deposit – A deposit required of bidders to protect the university in the event a low bidder attempts to withdraw its bid or otherwise fails to enter into a contract with the university. Acceptable forms of bid deposits are limited to: cashier's check, certified check, **Texas A&M University System Bid Bond** (Form C-2), or irrevocable letter of credit issued by a financial institution subject to the laws of Texas and entered on the United States Department of the Treasury's listing of approved sureties; a surety or blanket bond from a company chartered or authorized to do business in Texas.
- (6) Bid sample--A sample required to be furnished as part of a bid, for evaluating the quality of the product offered.
- (7) Bidder--An individual or entity that submits a bid. The term includes anyone acting on behalf of the individual or other entity that submits a bid, such as agents, employees, and representatives.
- (8) Blanket bond--A surety bond which provides assurance of a bidder's performance on two or more contracts in lieu of separate bonds for each contract. The amount for a blanket bond shall be established by the university based on the bidder's annual level of participation with the university.
- (9) Brand name--A trade name or product name which identifies a product as having been made by a particular manufacturer.
- (10) Centralized master bidders list (CMBL)--A list maintained by the Commission containing the names and addresses of prospective bidders and qualified information systems vendors.

- (11) Commission--The Texas Building and Procurement Commission (Commission).
- (12) Commodity – Any good or service to be purchased
- (13) Debarment--An exclusion from contracting or subcontracting with state agencies and TAMUS on the basis of any cause set forth in Texas Administrative Code §113.102 (relating to Vendor Performance and Debarment), commensurate with the seriousness of the offense, performance failure, or inadequacy to perform.
- (14) Director--The director of a Procurement Department for a university.
- (15) Distributor purchase--A purchase of repair parts for a unit of major equipment that are needed immediately or for maintenance contracts on laboratory/medical equipment.
- (16) Emergency purchase--A purchase of goods or services so badly needed that the university will suffer financial or operational damage unless the items are secured immediately.
- (17) Environmentally sensitive products--Products that protect or enhance the environment, or that damage the environment less than traditionally available products.
- (18) Equivalent product--A product that is comparable in performance and quality to the specified product.
- (19) Escalation clause--A clause in a bid providing for a price increase under certain specified circumstances.
- (20) Formal bid--A written bid submitted in a sealed envelope in accordance with a prescribed format, or an electronic data interchange transmitted to the university in accordance with procedures established by the university.
- (21) Group purchasing program--A purchasing program that offers discount prices to two or more state agencies, institutions of higher education or other public entities.
- (22) HUB – Historically Underutilized Business. A small minority or woman owned business.
- (23) Informal bid--An unsealed, competitive bid submitted by letter, telephone or other means.
- (24) Invitation for bids (or IFB)--A written request for submission of a bid; also referred to as a bid invitation.
- (25) Late bid--A bid that is received at the place designated in the bid invitation after the time set for bid opening.
- (26) Level of quality--The ranking of an item, article, or product in regard to its properties, performance, and purity.
- (27) Manufacturer's price list--A price list published in some form by the manufacturer and available to and recognized by the trade. The term does not include a price list prepared especially for a given bid.
- (28) Multiple award contract procedure--A purchasing procedure by which the Purchasing Department establishes one or more levels of quality and performance and makes more than one award at each level.
- (29) Non-competitive purchase--A purchase of goods or services that does not exceed the amount stated in the university rule or delegation of authority (relating to Delegated Purchases).
- (30) National Association of Educational Procurement (NAEP),

- (31) Notice of award--A letter signed by the director or his designee, which awards and creates a contract.
- (32) Performance bond--A surety bond which provides assurance of a bidder's performance of a certain contract. The amount for the performance bond shall be based on the bidder's annual level of potential monetary volume with the university. Acceptable forms of bonds are those described in the definition for "bid deposit".
- (33) Post-consumer materials--Finished products, packages, or materials generated by a business entity or consumer that have served their intended end uses, and that have been recovered or otherwise diverted from the waste stream for the purpose of recycling.
- (34) Pre-consumer materials--Materials or by-products that have not reached a business entity or consumer for an intended end use, including industrial scrap material, and overstock or obsolete inventories from distributors, wholesalers, and other companies. The term does not include materials and by-products generated from, and commonly reused within, an original manufacturing process or separate operation within the same or a parent company. Proprietary--Products or services manufactured or offered under exclusive rights of ownership, including rights under patent, copyright, or trade secret law. A product or service is proprietary if it has a distinctive feature or characteristic which is not shared or provided by competing or similar products or services.
- (35) Public bid opening--The opening of bids at the time and place advertised in the bid invitation, in the presence of anyone who wishes to attend. On request of any bidder or department in attendance, bids will be read to the assembled group.
- (36) Purchase orders--A document detailing the specifications, terms and conditions of goods or services being offered to purchase to a supplier.
- (37) Purchasing functions--The development of specifications, receipt and processing of requisitions, review of specifications, advertising for bids, bid evaluation, award of contracts, and inspection of merchandise received. The term does not include invoice, audit, or contract administration functions.
- (38) Qualified information systems vendor catalogue proposal--A request for offers or quotations of prices from catalogue vendors (QISV).
- (39) Recycled material content--The portion of a product made with recycled materials consisting of pre-consumer materials (waste), post-consumer materials (waste), or both.
- (40) Recycled materials--Materials, goods, or products that contain recyclable material, industrial waste, or hazardous waste that may be used in place of raw or virgin materials in manufacturing a new product.
- (41) Recycled product--A product that meets the requirements for recycled material content as prescribed by the rules established by the Texas Natural Resource Conservation Commission in consultation with the Commission.
- (42) Remanufactured product--A product that has been repaired, rebuilt, or otherwise restored to meet or exceed the original equipment manufacturer's (OEM) performance specifications; provided, however, the warranty period for a remanufactured product may differ from the OEM warranty period.
- (43) Request for proposal--A written request for offers concerning goods or services the university intends to acquire by means of the competitive sealed proposal procedure.
- (44) Purchase requisition--An initiating request from a department describing needs and requesting the Purchasing Department to purchase goods or services to satisfy those needs.
- (45) Responsible vendor--A vendor who has the capability to perform all contract requirements in full

compliance with applicable state law, ethical standards, and applicable university rules.

- (46) Reverse auction--A bidding process that allows bidders to view previously submitted bid prices and allows for the re-submittal of bid pricing for a specified period of time.
- (47) Sealed bid--A formal written bid which is opened in accordance with the bid/ proposal instructions.
- (48) Solicitation--An invitation for bids or a request for proposals.
- (49) Specification--A concise statement of a set of requirements to be satisfied by a product, material or service, indicating whenever appropriate the procedures to determine whether the requirements are satisfied.
- (50) Standard specification--A description of what the purchaser requires and what a bidder or proposer must offer.
- (51) Successor-in-interest--Any business entity that has ownership similar to a business entity. For purposes of the Procurement Code (relating to Vendor Performance and Debarment), it shall be presumed that a business entity that employs, or is associated with, any partner, member, officer, director, responsible managing officer, or responsible managing employee, of a business entity that was previously debarred is a successor-in-interest.
- (52) TBPC – Texas Building and Procurement Commission (Commission).
- (53) Tabulation of bids--The recording of bids and bidding data for purposes of bid evaluation and record keeping.
- (54) Testing--An element of inspection involving the determination, by technical means, of the properties or elements of item(s) or university(s), including function operation.
- (55) Texas uniform standards and specification--Standards and specifications prepared and published by the standards and specifications program of the Commission.
- (56) Total expenditures on products with recycled material content, remanufactured products, and environmentally sensitive products--The total direct acquisition costs (vendor selling price plus delivery costs) of all such products.
- (57) Uniform standards and specifications—Specifications and standards developed by nationally recognized standards-making associations.
- (58) Unit price--The price of a selected unit of a good or service, e.g., price per ton, per labor hour, or per foot.
- (59) University-- An agency, university or health science center within The Texas A&M University System.
- (60) Vendor--A supplier of goods or services to the state.