

TARLETON STATE UNIVERSITY
STANDARD ADMINISTRATIVE PROCEDURE
FOR PURCHASING AUTHORITY

In accordance with

25.99.02 University Purchasing Authority

September 25, 2001

GENERAL INFORMATION

- A. 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.
- B. Whenever possible, 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:
 - (1) emergency purchases when there is insufficient time to solicit bids;
 - (2) proprietary purchases or purchases of items for which there is only one source of supply;
 - (3) purchases by means of competitive sealed proposals;
 - (4) proposed purchases in circumstances where competitive specifications have been advertised but the Purchasing Department 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
 - (5) catalogue purchase procedures.
- C. The Purchasing Department shall keep records of all purchases processed through the office.
- D. Purchase contracts shall be governed by and interpreted under the laws of the State of Texas.

Advertising

All types of advertising (including, but not limited to, display ads, classified ads, on-line ads) require a Request to Purchase routed through the proper approval process.

The approved ad copy, that will be submitted to the vendor, must be attached to the Request to Purchase.

Some requests require additional approvals:

1. Personnel ads:
 - (a) Faculty positions – requires approval by the Provost and Vice President for Academic Affairs, and the Director of Human Resources or their designee.
 - (b) Staff positions – requires approval by the Director of Human Resources or designee.

Aircraft Rental

When a state employee will be a passenger in a rented aircraft, it must be pre-approved by the State of Texas Aircraft Pooling Board (in accordance with House Bill 1, Article V, section 20, paragraph 2-a). The approval must be obtained before a purchase order number can be issued or a flight can be scheduled. Submit a Request to Purchase including:

1. Date of trip
2. Number of passengers and names
3. Name of charter company
4. Cost
5. Destination/purpose
6. F.A.R. 135 certification number or charter company
7. Airplane type (single/twin engine, pressurized/non-pressurized, model)

The University is responsible for:

1. Obtaining three bids.
2. Insuring that the charter flight is more cost effective than using state aircraft for the flight.
3. Verifying that the owner/operator of the chartered aircraft possess a current F.A.R. 135 certificate.

Following written approval from the Aircraft Pooling Board the Purchasing Department will issue a purchase order number to the user department. A copy of the authorization must accompany the purchase voucher.

These rules do not apply to commercial airlines.

Bids

Dollar Thresholds

- \$0 to \$1,999.99 – No bids required (delegated to the departmental level).
- \$2,000.00 - \$9,999.99 – Informal or Formal bids (Purchasing Department - may be delegated back to the departmental level at the discretion of the Purchasing Department).
- \$10,000.00 and over – Formal Bids only (Purchasing Department)

Requisitions and Specifications; Proprietary Purchases; Leases and Lease-Purchases

A. Requisitions (Request to Purchase).

- (1) A purchase is initiated when a department submits a requisition containing desired specifications and conditions of the purchase, on a form provided or approved by the Purchasing Department. The approved Request to Purchase form is located on the Purchasing web site: <http://www.tarleton.edu/~purchasing>.
- (2) Requisitions shall 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.
- (3) 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.

B. Specifications.

- (1) 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.
- (2) 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.
- (3) Bids are no longer required to be posted on the Texas Market Place. However, if it is determined to be in the best interest of the university, the Purchasing Department may elect to post the bid for 21 days.

C. Proprietary purchases (Sole Source).

- (1) 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.

- (2) 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.

D. Lease or Lease-purchase contracts.

- (1) A department may acquire capital equipment by lease or lease-purchase if it is cost effective.
- (2) 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 contract;
 - (b) anticipated cost savings which would result from outright purchase; and
 - (c) any other information the department considers relevant.
- (3) 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.

Bid Submission, Bid Opening, and Tabulation

A. Bid submission.

- (1) Prospective bidders may request specific bid invitations from the Purchasing Department at any time prior to the bid opening.
- (2) A bidder may withdraw its bid by written request at any time prior to the bid opening date and hour.
- (3) A bid received after the time and date established by the bid invitation is a late bid and will not be considered.
- (4) 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.

- (5) Bids may be submitted by telefacsimile (fax). The telephone number for fax bid submission will be identified in the solicitation; no other number may be used for bid submission. Bids submitted by fax need not be confirmed in writing, but must comply with all legal requirements applicable to formal bids. If all or any portion of a bid submitted by fax is received late, is illegible, or is otherwise rendered non-responsive due to equipment failure or operator error, the bid or the applicable portion of the bid will not be considered. The university shall not be liable for equipment failure or operator error, nor will such failure or error require other bids to be rejected or the bid invitation to be re-advertised. **A bid that is received in the memory of a fax machine, prior to the bid opening time, will be considered valid. The official time for receipt of bids will be determined by the activity report printed by the fax machine.**
- (6) Bids by telegram are not allowed.
- (7) An unsigned bid is not valid and will be disqualified.
- (8) 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.
- (9) When formal bids are required, bids may not be taken or accepted by telephone, email etc. unless specified within the bid document or instructions.
- (10) 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.
- (11) 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.

- (1) All bid openings conducted by the Purchasing Department shall be open to the public.
- (2) Bid opening dates may be changed and bid openings rescheduled if bidders are notified in advance of the new opening date.
- (3) If a bid opening is canceled, all bids will be returned to the bidders.
- (4) 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.

- (1) 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.
- (2) 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.
- (3) 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.
- (4) 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.
- (5) A bid containing a self-evident error may be withdrawn by the bidder prior to an award.
- (6) 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.
- (7) A bid containing a material failure to comply with the advertised specifications shall be rejected.
- (8) All bids must be based on "F.O.B. destination – freight included" delivery terms unless otherwise specified.
- (9) 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.
- (10) When brand names are specified, bids on alternate brands will be considered if they otherwise meet specification requirements.
- (11) 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.
- (12) No electrical item may be purchased unless the item meets applicable safety standards of the federal Occupational Safety and Health Administration (OSHA).

B. Award.

- (1) 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.
- (2) 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.

(3) Best Value Factors.

The university may consider the following factor(s) in determining best value:

- (a) Any installation costs;
- (b) The delivery terms;
- (c) The quality and reliability of the vendor's goods or services;
- (d) The extent to which the goods or services meet the agency's needs;
- (e) 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;
- (f) 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;
- (g) The total long-term cost to the university of acquiring the vendor's goods or services;
- (h) The cost of any employee training associated with the acquisition;
- (i) The effect of an acquisition on university productivity;
- (j) The acquisition price; and
- (k) 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.

(4) 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.

Catalog Purchase Qualified Information Systems Vendors

Catalog Purchase rules and regulations apply to any computer or telecommunications related product – this includes all equipment and supplies, including software.

- A. Upon registration on the commission's (Texas Building and Procurement Commission) Centralized Master Bidders List (CMBL), a vendor wishing to sell or lease automated information systems to governmental entities in accordance with Texas Administrative Code Rule 113.19 shall apply to the Commission for designation as a qualified information systems vendor (QISV) by completing and submitting an application and catalogue.
- B. Tarleton State University shall, whenever possible, attempt to contract with QISV suppliers. **If it is determined the item(s) to be purchased could be secured better from a non QISV supplier, then the Purchasing Department may elect to document the purchase and procure through an alternate purchasing method. The Purchasing Department will be required to check with at least three (3) QISV suppliers before using an alternate method.**

Central Stores

This service is provided to all departments to allow prompt delivery of bond and recycled paper, toner, and some standard office supply items. Please check the Stores Catalog to determine what items are available. The Stores Catalog is found on the purchasing web site, <http://www.tarleton.edu/~purchasing>, along with the Stores Supplies Request form. All departments are required to purchase goods from STORES. Fill out the Stores Supplies Request form and route or fax to the Purchasing Department. The order will be filled and delivered to your department. A departmental transfer charging your department will be entered in FAMIS.

Note: If the item(s) required is offered through Stores, then the item must be obtained through Stores and not purchased from the campus wide contract for office supplies or from a different outside source.

Centralized Master Bidders List

- A. The Commission (Texas Building & Procurement Commission) 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.

- C. **Tarleton State 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

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

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.

The code 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. An agency may contract with private consultant only if:

There is a substantial need for the service and;

The agency cannot adequately perform the service with its own personnel or through another agency.

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.

Before entering into a major consulting contract (consulting contracts exceeding \$15,000.00), the LBB and the GOBP must be notified of the intent to contract with a consultant and must obtain a finding of fact from the GOBP that the consulting services are necessary.

In order to obtain a finding of fact from the GOBP, an agency must explain why there is a substantial need for the contract. This justification should describe:

The need to be addressed;

The proposed role of the consultant;

The consequence of not procuring the assistance of a consultant;

How the cost was determined; and

How the cost relates to the expected benefits or level of effort to be undertaken.

The agency must include a copy of the proposed or published request for proposals (or invitation for contracts) and any further information about the services to be delivered under the contract. The agency should also explain how the final product would be incorporated into agency operations, or into the agency's future legislative appropriations requests.

Before entering into a consulting contract in excess of \$15,000.000 consult the Purchasing Department for guidance.

Contract Workforce

Contract workforce and contract workers are defined as independent contractors, temporary workers supplied by staffing companies, contract company workers and consultants. The following have been identified as contract workforce activities falling under the provisions of the procedures documented herein:

Foreign Office Activities	Consultant Services
Educational & Training Services	Financial & Accounting Services
Legal Services	Medical Services
Veterinary Services	Lecturers – Higher Education
Other Professional Services	Investment Counseling Services
Architectural & Engineering Services	Maintenance & Repair – Computer Software
Maintenance & Repair – Computer Equipment	Temporary Employment Agencies
Computer Programming Services	Cleaning Services
Client Worker Services	Data Processing Services
Purchased Contracted Services	

For individual contract workforce contracts and expenditures totaling less than \$10,000, normal purchasing procedures and guidelines will remain in effect. For individual contracts and expenditures of \$10,000 or more paid from sources other than state funds, normal purchasing procedures and guidelines will remain in effect. The Purchasing Department may be contacted regarding questions on these requirements.

For contracts or individual expenditures of \$10,000 or more from state funds, the following process will be followed:

A Request to Purchase will be completed as per normal purchasing procedures and forwarded to the Office of Business Services for review. Any Request for services, which may fall within the listing of contract workforce activities shown above, will be reviewed for adequacy of funding and fund propriety, and forwarded to the Vice President for Finance and Administration for review.

The Vice President for Finance and Administration will approve or reject the Request based upon information to be supplied by the requesting department as per the document titled Contract Workforce State Compliance Requirements. The information must be supplied in complete form before consideration of the Request is given. The information requested includes:

- a. determination of the legal and personnel issues associated with the contract.
- b. a cost benefit analysis of the contract.
- c. documentation of how the contract fits into the university strategic staffing plan.

If approved, the Request to Purchase with supporting documentation will be returned to the Office for Business Services for further processing, and for reporting as required by the State Auditor and the State Comptroller.

Contact either The Purchasing Department or Business Services for guidelines and the relevant checklists and analysis contained in the Best Practices and Guidelines for Effectively Using a Contract Workforce.

Customized Products

A customized product is defined as any product that is especially prepared for Tarleton State University.

Types of customized products include but are not limited to:

- Specialty imprinted products
- Printing
- Custom feed rations
- 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.

Delegated Purchases

- A. General delegation. Tarleton State University has delegated the following purchasing functions to departments:
 - (1) commodity purchases of goods up to \$2,000;
 - (2) emergency purchases less than \$5,000; and
 - (3) purchases of services of which the estimated cost does is less than \$2,000 per year per contract;
- B. Adherence to ethical standards. Employees of departments who perform purchasing functions under delegated authority shall adhere to the same ethical standards required of the Purchasing Department employees, and shall avoid all conflict of interest in their purchasing activities.
- C. Provision(s) generally applicable to delegated purchases:
 - (1) Competitive bidding is not required for purchases less than \$2,000.00 except for printing; Departments are strongly encouraged to utilize HUB vendors whenever possible for these small dollar purchases.
 - (2) Items that are not carried in the Tarleton Central Stores (office supply type items); and

D. Withdrawal of delegated purchase authority. The Purchasing Department will verify compliance with established procedures for delegated purchases and may withdraw delegated purchase authority in whole or in part from a department for continued violations. When a purchase is made outside of normal purchasing procedures, the person placing the order will submit a memo, accompanied by the invoice and voucher preparation form, to the Director of Purchasing indicating why the purchase did not comply with purchasing procedures. The Director will then approve or decline the processing for payment.

E. Provisions applicable to particular delegated purchases.

(1) Commodity purchases. Commodity purchases may be made in accordance with the following provisions:

(a) Departments are encouraged to solicit participation by Historically Underutilized Businesses for delegated purchases. Departments may refer to the Commission's HUB Directory, which is maintained and accessible electronically, to locate Historically Underutilized Businesses.

(2) 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:

- (1) State the reason for the emergency purchase by explaining what the emergency is and/or what caused the emergency situation;
- (2) 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
- (3) 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.

F. Specific delegations. The authority to grant specific delegations resides with the Purchasing Department. At a minimum, departments granted specific delegations shall meet the following criteria:

(1) procurement audit standards as set forth in the Auditing of Purchase Documents and Payment Vouchers section;

(2) minimum training standards established;

- (3) processes and procedures for the specific type of delegation being requested. All processes and procedures are subject to the prior review, revision and approval of the director.
- G. Protest Procedures. Each university shall adopt and maintain protest procedures.
- H. Debarred Vendors. Departments shall make an effort to ensure that debarred vendors do not participate in state or TAMUS contracting and shall establish procedures to ensure awards are not made to debarred vendors.
- I. Purchases may not be broken down into smaller purchases in order to stay under the delegated purchase amount.**

See the following sections for detailed purchasing guidelines for the following types of delegated purchases:

- Procurement Card procedures,
- Verbal Purchase Order;

Procurement Cards

A University issued Credit Card. Department Heads designates person(s) within their area who are to be issued the procurement card.

- **Items that CANNOT be secured using the procurement card:**
 - Printing – All printing must be bid.
 - Advertising - All advertising requires a Request to Purchase
 - Computer Systems – Requires a Request to Purchase routed through Information Resources for approval
 - Membership Fees – Requires a Request to Purchase with Dr. McCabe’s approval
 - Items Carried in Central Stores (General Office Supplies) – Items carried in Stores must be secured from Stores
 - Catering Services – Must be secured from dining hall/CTC.
 - Travel– Must use the Corporate Bank One Travel Card.
 - Fuel – Must use Voyager Card
 - Personal Items/Purchases
- The Procurement Card is a major credit card. You can use your procurement card anywhere the credit card is accepted (currently the procurement card is a Master Card).
- Delegated Spending Limits: \$2,000.00 or less single transaction limit (includes any freight charges)
\$5,000.00 per month (cycle)

Orders cannot to be split between vendors to stay under the delegated limit.

Computer and telecommunications purchases must be secured from a state approved Catalog Purchase Vendor (<http://www.tbpc.state.tx.us/>)

Food Purchases require a request to purchase stating who, what, when, where and why the food is being purchased. This request to purchase must be included in your transaction log envelope.

Postage Stamps and U.S. Post Office Services require a request to purchase stating the purpose for purchasing the stamps or service.

Other non routine type purchases such as gift certificates etc. require a request to purchase stating who, what, when where and why the item is being purchased.

Registration Fees require a copy of the approved travel request be included in your transaction log envelope.

- Tax Verification: The State Comptroller's office requires that for any purchase over \$150.00 the agency must check the Vendor's tax status for holds. **YOU MAY NOT PURCHASE FROM ANY VENDOR THAT IS ON HOLD FOR EITHER FRANCHISE TAX OR SALES TAX!**

Vendor tax status may be obtained in one of two ways:

- (1) FAMIS Screens 103 or 204
- (2) Texas Comptroller of Public Accounts web site – <http://ecpa.cpa.state.tx.us/vendor/tpsearch1.html>

- Transaction Log: Record each purchase/return made on the transaction log. You will have a new transaction log per month. You must obtain a receipt for each purchase and include it in the transaction log envelope. (Ask the vendor to include the receipt with the merchandise or ask that it be faxed to you.) Please instruct the Vendor not to send the invoice to Accounts Payable but directly to you. This will prevent duplicate payments.
- It is your responsibility to reconcile your statement and handle any disputes. After reconciling, submit your transaction log envelope to your department head for review. **Transaction logs must be received in Business Services by the 15th of each month. CARDS ARE SUBJECT TO CANCELLATION IF THE TRANSACTION LOG IS RECEIVED LATE MORE THAN TWO (2) TIMES!**
- Delivery: Items purchased with the procurement card **can be shipped to Central Receiving.** Please ask the vendor to use the following format for the shipping label:

PC- (last 6 digits of credit card number)
Tarleton State University
201 St. Felix Street
Stephenville, Texas 76401

Central Receiving will record receipt of merchandise, prepare a delivery receipt, and deliver to your department.

Verbal Purchase Orders

The Purchasing Department has delegated the authority to departments to make purchases of equipment and supplies up to \$2,000 (including freight) with the exception of printing, and items handled through the Tarleton stores operation.

- (A) This delegation refers to orders that can be placed verbally only. When the vendor requires a written order, this procedure does not apply and a Request to Purchase must be processed.
- (A) Departments are not to exceed the authorized delegated limit. Purchases may not be broken down into small purchases in order to stay under the delegated amount (including freight). Delegation of purchasing authority may be revoked for misuse of authority.
- (B) Departments are encouraged to purchase equipment and supplies, less than \$2,000, from Historically Underutilized Businesses (HUBs) whenever possible. HUBs may be found through the TBPC web site: <http://www.tbpc.state.tx.us/cmb/cmbhub.html>

(C) How to place a verbal order:

- (1) Determine needs, estimated cost, and source.
- (2) Call Purchasing Department (9611). A Purchase Order number will be issued.
- (3) Call vendor. In placing order please include:
 - (a) Agreed upon price, including who is responsible for freight charges;
 - (b) Ship to address (for all freight or express service deliveries);
 - (c) Tarleton State University
Central Receiving
201 St. Felix Street
Stephenville, TX 76401

Ask vendor to put PO number on shipping label.

- (d) Bill to address
Tarleton State University
Box T-0120, Tarleton Station
Stephenville, TX 76402

NOTE: If a vendor will not accept a verbal order then you must process a Request to Purchase for the Purchasing Department to handle.

- (4) Departments are strongly encouraged to maintain a log of Purchase Order numbers issued. This should include PO number, date, vendor, cost, terms of sale (i.e., freight shipping and handling costs, etc.), and account number.

(D) If a vendor will not take the PO verbally and requests something from you in writing listing items being purchased; then this is no longer a verbal PO.

Please do not

- **Send a letter stating the PO number and items to be purchased.**
- **Copy of the Request to Purchase**

These are not binding purchase orders for the University.

If a vendor requires something in writing then submit a Request to Purchase and the Purchasing Department will handle the ordering process.

REMEMBER: All Request to Purchase must be sent to Business Services (Box T-0120) for certifications of funds before being sent to the Purchasing Department!

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 Tarleton State University will exempt from the competitive bid process.

Item or Nature of Services

Advertising

Automobile – State safety inspection fees

Blind-made goods or services offered for sale to state agencies
Consulting services or services of a Private Consultant as defined in
Texas Government Code 2254.021 et. Seq.

Council on Competitive Government Contracts
Demurrage/Gas Cylinder use/rental
Employee moving expenses (state employee relocation)

Exhibit space, rental of booths for display purposes
Gifts or Grants: Industrial & Federal grants in support of research,
grants – in aid payments

Governmental Services:
News wire services
Database access services
Postal services – stamps and boxes
Purchases from USDA, NASA, and other governmental entities
Storage fees paid by a state agency for those commodities warehoused in
federal storage facilities (contracted or owned)

Guest speaker, guest panelists at invitation of agency - selection based on
qualifications and competence

Interagency Agreement Contract (IAC) payments

Intern
Students from a public high school, college or university which are selected
through cooperative programs with the agency. Same rate paid to any
individual.

Internal repair of machinery and equipment

Interpreters for the Deaf – Readers for the Blind; Language interpreter

Items for resale

Items required by statute to be purchased from a particular source

Library materials & services, university or institutions of higher learning
or for state-owned hospital or clinics (including Amigos Library services)

Membership fees and dues in professional organizations
Approval by head of agency is required.

Organized activities: relating to instructional departments of institutions
of higher learning & similar activities of other state agencies

Pianists, entertainers and performers, music, theater

Professional services & fees: services listed in Texas Government
Code 2254.001 et. Seq.

Publications , professional, trade, periodicals, magazines and reports
Subscriptions

Purchases made from gifts or grants, including industrial grants or contracts in support of research or federal grants or contracts in support of research

Purchases of products & services of workshops, organizations, or corporations whose primary purpose is training & employing mentally retarded or physically handicapped persons (TIBH set-aside contracts)

Services of an Employee of a state agency

Utilities (services of public utilities):

Natural Gas service for buildings, Electric service,

Water services, sewage & garbage services, other services & charges

For utility services, local telephone service provider

Food Purchases

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 instructional food purposes only (labs).

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 request to purchase 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:

Stephenville Campus – The Dining Hall (current contracted service provider) must be used for all catering events on the campus.

Killeen Campus – Central Texas College must be given the opportunity to do all catering events on the 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.

Group Purchasing Program

Tarleton State University may purchase materials, supplies, or equipment through group purchasing programs (cooperatives, alliances, GSA contracts etc.).

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)

It is the policy of Tarleton State University and the Texas A&M University System to involve qualified Historically Underutilized Businesses (HUBs) to the greatest extent allowed by law in construction contracting, professional services, commodity purchases, lease or rental of all supplies, materials, services and equipment.

A HUB vendor is a small or minority owned business. In order to be a certified business, the business must be at least 51% owned, operated, and controlled by qualifying groups which include Asian Pacific Americans (AS), Black Americans (BL), Hispanic Americans (HI), Native Americans (AI) and American Women (WO). These categories are also further defined according to gender – females (F) and males (M).

HUB vendors may be identified by visiting the Texas Building and Procurement Commission's web site at: <http://www.tbpc.state.tx.us/cmb1>. HUB vendors listed under both categories, HUBs on CMBL and HUBs not on CMBL, are certified by the State of Texas.

As stated above, Tarleton State 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 Purchasing Department'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 the Purchasing Department'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 – Requires a Request to Purchase and approval by the President of the University or an approved designee.

Institutional Memberships must be in the name of the university and not in that of an individual.

Merchandise Returns/Repairs

When it is necessary to return an item or ship an item for repair, then a Shipping Request form must be completed by the department before Central Receiving will be able to pick up. This form can be obtained from the Central Receiving Department (extension 9835) or may be downloaded from the Purchasing web site.

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.

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. Tarleton will not accept personal packages.

Preferences

- A. Claiming a preference. 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.
- B. 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%.
- (7) Recycled motor oil and lubricants. A preference shall be given to motor oils and lubricants that contain at least 25% recycled oil if the quality is comparable and the cost is equal to or less than new oil and lubricants.

Pre-Payments

Payment in advance of receipt of merchandise is prohibited by state law. Departments should contact the vendor's credit manager explaining that Tarleton State University is a state university and as such cannot prepay orders. The company will usually be able to invoice and charge the university. However, when a vendor refuses to ship without payment, submit a Request to Purchase with complete information to the Controller (Business Services), for review and action. A Pro-forma invoice must be included with the Request to Purchase before sending to the Controller.

Preview Items

Often books, videos, etc. are ordered for preview. **A Purchase Order number must be secured prior to ordering any item for preview.** If the items are returned, then send the Purchasing Department an e-mail asking that the Purchase Order number be cancelled. If the items are kept then use the Purchase Order number for processing the invoice. Also, by securing a Purchase Order number, prior to requesting the merchandise for preview, enables Central Receiving to deliver the merchandise to the proper location.

Printing

According to State Statute, all printing must be competitively bid (no dollar minimum). Therefore, this is an exception to the delegated Purchase Authority.

All printing requests must be approved by the Graphics Design Department. A Request to Purchase is required unless otherwise specified. Bids will be obtained and a purchase order issued.

Professional Services

Professional Services are those services directly related to the professional practices as defined by the Professional Services Procurement Act (Government Code, Section 2254.002). 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 Proposal.

Purchases Not Requiring Purchase Order Numbers

Only applies to purchases less than \$2,000.

(A) Subscriptions

Complete the order form and mail to the vendor. Keep copies. If pre-invoiced, process for payment by completing an Invoice Approval Voucher Preparation Form and forwarding to Business Services for payment.

Subscriptions must be made in the name of Tarleton State University, not in an individual's name. The beginning and ending dates of the subscription period must appear on the invoice. Subscriptions cannot be paid more than six weeks in advance of the start or renewal date.

NOTE: It is the department's responsibility to keep up with departmental subscriptions. No other area on campus will have information on departmental subscriptions. It is also the department's responsibility to ensure duplicate payments are not made for subscriptions. Since there is no Purchase Order number, the accounting system will have no way to catch duplicate payments to vendors.

(B) Maintenance agreements (does not include campus wide contracts; i.e., IBM typewriter, pest control, uniforms, etc.)

Request invoice from vendor when placing order, then process invoice accordingly for payment.

NOTE: The Purchasing Department will have no record of departmental maintenance agreements. **KEEP GOOD RECORDS.** Avoid duplicate payments.

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 Request to Purchase including a written justification for failure to follow procedures. Submit to the Controller (Business Services) for disposition.

Repairs

A Purchase Order number must be issued for all repairs if charges will be incurred. Follow same procedures as described in Merchandise Returns.

Request To Purchase

The Request to Purchase form is an internal document to the University. By submitting a Request to Purchase, the department is authorizing the Purchasing Department secure the goods or services indicated. **This form should never be sent outside of the university.**

Approval Routing Process for Request to Purchase – signatures required:

1. Department Head or designee.
2. Any other required departmental signature for specialized funding.
3. Controller or designee (Business Services, Box T-0120).

The request to purchase is then forwarded to the Purchasing Department for processing.

A Request to Purchase is always required for the following types of purchases. Verbal Purchase Orders will not be issued.

Advertising
Computers, must be submitted to Information Resources for approval prior to submitting to
Business Services
Food
Membership Fees
Printing

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.

State of Texas Contracts (State Contracts)

The Texas Building and Procurement Commission (TBPC) establishes term contracts by commodity/service codes as a supply source for user entities. Contracts are based on estimated quantities, specified by the TBPC, and may be ordered as needed. There are two basic types of term contract purchases - **automated** and **non-automated**. The term of a contract is determined by the Commission.

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.

Departments may utilize state contracts but are not required. **Exception: copier rentals and vehicles** will still be purchased utilizing the state contracts unless waived by the Director of Purchasing.

Taxpayer/Vendor Hold

Tarleton State University utilizes FAMIS (Financial Accounting Management Information System) which is designed for use by The Texas A&M University System. This electronic system downloads Taxpayer/Vendor information from the Texas State Comptroller's file nightly. FAMIS has incorporated into the Accounting and Purchasing Modules a feature that will not allow an award or payment to be made to a vendor not in good standing unless specifically allowed by an override.

Tarleton will utilize FAMIS for complying with the comptroller's taxpayer verification process. If the vendor is not found in FAMIS then the comptroller's web site will be used for verification – <http://ecpa.cpa.state.tx.us/vendor/tpsearch1.html>.

All Purchase Orders, including limited and verbal P.O.s will be checked no matter the dollar amount before a Purchase Order number is issued.

All procurement card transactions over \$150.00 must be checked before placing the order.

Any vendor found not to be in good standing will not be issued an order.

Trade-Ins

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

- (1) Describe the age, condition, make, model and serial number (if applicable) of the used equipment;
- (2) Give a realistic estimate of the used equipment's value; and
- (4) 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 new equipment must be purchased, but sometimes it is necessary or advantageous to purchase used or demonstrator equipment and supplies. The most common reasons are:

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

Used equipment may be purchased with both state and local funds.

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

- (1) Obtain a minimum of three (3) bids whenever possible
- (2) If only one bid is received or you are unable to obtain bids, prepare a statement explaining why no competition exists;

The following will be required unless the item is obtained through the competitive bid process:

- (1) Provide a letter or signed statement from the supplier guaranteeing quality and condition of the equipment offered; and
- (2) Provide a letter from an authorized person connected with the university which:
 - (a) states that the equipment or supplies have been personally examined, and
 - (b) describes the condition and value of the equipment or supplies

The Purchasing Department will determine if the purchase is appropriate. Additional approval may be required, Vice President approval, etc., for some equipment.

If the purchase is appropriate, a purchase order will be issued.

The purchase of computer and telecommunications equipment will follow the same process as described in the Catalog Purchase (QISV) section.

Worker's Compensation Insurance

The State of Texas requires that **All State Agencies including Higher Education** require Worker's Compensation 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:

- 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 Worker's Compensation Insurance requirements.

Glossary of Definitions

The following words and terms, when used in the Tarleton Rules, 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 Tarleton State 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 Purchasing 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) Notice of award--A letter signed by the director or his designee, which awards and creates a contract.
- (31) 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".
- (32) 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.
- (33) 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.
- (34) 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.

FORMS

All forms listed below may be found on the Purchasing web site - <http://www.tarleton.edu/~purchasing>. **Please use the forms provided instead of creating your own form.**

Shipping Request/Merchandise Return

Procurement Card Transaction Log

Request to Purchase

Stores Supplies Request