

**PRAIRIE VIEW A&M UNIVERSITY
UNIVERSITY ADMINISTRATIVE PROCEDURE**



25.07.03.P0.01 Acquisition of Goods and/or Services

Supersedes 21.99.99.P0.02

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UAP Purpose

Procurement Procedures are to serve as the guide for the purchase of goods and services at Prairie View A&M University (PVAMU). This includes purchases that exceed the purchasing delegation of authority provided to department personnel as well as other small dollar purchases required to be processed through the Procurement Office (i.e. unallowable pro-card expenditures, services, purchases for which a vendor will not accept the pro-card, etc.). In addition to being a guide to promote Fair and Open Purchasing Practices, these procedures incorporate standards for implementing the requirements of Texas statutes, System Regulation [25.07.03 Acquisition of Goods and/or Services](#), [Federal Uniform Guidance](#) and best practices for the purchase of goods and services at PVAMU. This procedure is a necessary resource to ensure the application of consistent and sound business practices in purchasing.

Definitions

Best Value – a method by which bids are selected within the procurement process as defined by [Texas Education Code Sec. 51.9335](#) and outlined in the [Texas A&M University System Contract Management Handbook](#). The process allows the university to compare each proposal to the solicitation requirements. Each proposal evaluation includes a comparison of price and non-price factors, with a best-value trade-off analysis determining the most advantageous bid for the university. As a general rule, a best value analysis will consist of the following factors:

- Quality and benefits of the award;
- Quality of the performance metrics and measurement approach;
- Safety and risks associated with the award;
- University policy and controls;
- Vendor experience and past performance; and,
- Total cost of award.

Contract - a written agreement that binds PVAMU and another party or parties to the obligations within the document. See [Federal definition of contract](#) or [State Comptroller definition of contract](#).

Emergency Purchase - a situation requiring the university to make a procurement more quickly to prevent a hazard to life, health, safety, welfare, property or to avoid undue additional cost to the state. When a purchase is deemed to be an emergency, a written emergency purchase justification must be submitted by the requesting department. The justification is subject to review and approval by Procurement Office management and must be maintained in the procurement file in accordance with the university's [records retention requirements](#).

Encumbrance - funds set aside or reserved against a designated account to support a specific purchase request. Funds are automatically encumbered when a purchase requisition, purchase order (PO), or non-PO invoice is closed in PantherBuy and in the Financial Accounting Management Information System (FAMIS).

End-user - the department requesting to make a purchase who will ultimately receive the goods or services ordered.

Exempt Purchases - purchases of commodities that are exempt from PVAMU and State Comptroller purchasing requirements. Purchases are classified as exempt when it has been determined that the competitive bid process adds no measurable value due to the nature of the purchase. Although exempt purchases are exempt from the bid process, they are still subject to state guidelines pertaining to allocation and use of funds as well as PVAMU compliance guidelines and procedures. The [PVAMU Exempt Purchases List](#) is maintained by the Procurement Office.

Expenditure - the act of expending or disbursing funds. As it relates to procurement, expenditure is the transaction that is posted to a departmental account when payment is made to the vendor.

FAMIS – the Financial Accounting Management Information System used exclusively by Texas A&M University System to manage accounting activity and prepare reports. (Contact the Financial Administration Office for access, training, and information).

Goods - supplies, materials, or equipment.

Group purchasing program - a program administered by a business entity that offers discount prices on goods and services to participants in the program.

Historically Underutilized Business (HUB) - a minority, Service Disable Veteran or woman-owned business as defined by [Texas Government Code Title 10, Subtitle D, Chapter 2161](#) or [Texas Comptroller](#).

Invitation for Bid (IFB) - an offer to contract with the university that is submitted in response to a bid invitation. Bids are usually non-negotiable.

Liquidate - to release funds that were previously encumbered. Funds may be liquidated by payment of a commitment or by modification or completion of a purchase requisition or purchase order (PO).

Non-PO Invoice (Replaces FAMIS E-Doc) - a document created in PantherBuy to capture descriptive and financial information regardless of the dollar amount, when the purchase is exempt from PVAMU, state, and federal purchasing requirements.

Proprietary or Sole Source Purchase - a proprietary or sole source product or service has a distinctive characteristic that is not shared by competing products or services. When the specification limits consideration to one manufacturer, product or service provider, a written [Justification of Sole Source Purchase Questionnaire](#) is required. The questionnaire must be submitted by the requesting department. The justification is subject to review and approval by Procurement Office Management and must be maintained in the procurement file in accordance with the university's [records retention requirements](#).

Purchase Order (Departmental) – (Replaces FAMIS Limited Document L-Doc) – documents created in PantherBuy in order to record the purchase of goods that are below the PVAMU and State Comptroller dollar bid requirements. Currently, the threshold amount for PVAMU is \$5,000 for all funding sources. Departmental purchase orders may not be used for purchases requiring special approval (IT equipment, chemicals, etc.)

Purchase Order (PO) - an official document issued by the Procurement Office to a vendor indicating the type, quantity and agreed prices for products or services the seller will provide to the buyer. Sending a PO to a supplier constitutes a legal offer to buy products or services. Acceptance of a PO by a seller usually forms a contract between the buyer and seller. No contract exists until the PO is accepted. POs should provide detailed descriptions (specifications) such as the quantity and price of the item(s) to be purchased, specific terms for payment, liability and freight responsibility and required delivery date.

Purchase Requisition - an electronic document created in PantherBuy (FAMIS) to identify and communicate end-user needs to the Procurement Office. It is a formal request to purchase goods or services that exceeds the department's delegated purchasing authority or that are required to be processed through the Procurement Office.

Request for Proposal (RFP) – a document posted by the university, to elicit a response -- a formal bid -- from potential vendors for desired goods or services. The RFP outlines the bidding process and contract terms and provides guidance on how the bid should be formatted and presented. Additionally, the RFP will specify what the customer is looking for and describes each evaluation criterion by which a vendor's proposal will be assessed.

Request for Qualifications (RFQ) – a qualifications-based selection process, NOT a bid process. It is a request for suppliers to submit their qualifications to be considered for a project. The RFQ process is used to pre-qualify suppliers who will be considered eligible to submit proposals during the RFP process.

Service - the furnishing of skilled or unskilled labor or professional work, but does not include:

- professional services subject to [TX Gov't Code Chapter 2254, Subchapter A](#);
- services of a federal or state agency employee;
- consulting services or services of a consultant as defined by [TX Gov't Code Chapter 2254, Subchapter B](#); or,
- services of a public utility.

Specification - a detailed description of a product or service that a user seeks to procure as well as a description of what a bidder must offer to be considered for an award.

Unallowable Purchases – purchases that are not allowed from a particular funding source.

Vendor - a business entity or individual that has a contract to provide goods or services to the university. Used interchangeably with the term “contractor” or “supplier”.

Official Procedures and Responsibilities

1. RESPONSIBILITIES AND DELEGATION OF AUTHORITY

- 1.1. University employees involved in the procurement of goods and services have a responsibility to uphold federal and state laws, Texas A&M University System policies and regulations, and PVAMU procedures and guidelines, and to serve the best interests of PVAMU. This responsibility requires a thorough knowledge of [The State of Texas Procurement and Contract Management Guide](#) and the [Texas A&M University System Disbursement of Funds Guidelines](#) as well as the PVAMU procurement procedures in this University Administrative Procedure.
- 1.2. All contracts are to be processed in accordance with the [CEO's Delegation of Authority](#). Each vice president, dean, director and department is responsible for ensuring that all contracts are processed through the appropriate administrative channels for reviews and approvals, as indicated in the contracting delegations.
 - 1.2.1 PVAMU Contracts Office will review contracts, coordinate the requisite reviews by the System Office of General Counsel (OGC) and will verify compliance with the contracting delegations.
- 1.3. It is the responsibility of the Procurement Office to provide support to university departments by purchasing requested goods and services in the most efficient manner and at the best value to the university.

2. BIDDING PROCEDURES

- 2.1 The university will utilize the following thresholds for bids when making purchases:

Amount	Bid Requirement
\$5,000 or below	No bid required. A written vendor quote is required.
\$5,000.01 - \$25,000.00	Three written bids. (Faxes and e-mails acceptable. Must comply with HUB Rules to include bids from at least two certified HUBs.)
\$25,000.01 or above	Sealed written bids. Must be advertised for a minimum of 14 days or 21 days for construction bids. (Faxes and e-mails are only acceptable in accordance with submittal instructions within the bid. Must comply with HUB Rules to include bids from at least two certified HUBs.)

- 2.2 Exceptions to bid requirements may be approved by Procurement Office management. Allowable justifications for exceptions include:
 - 2.2.1 Emergency purchases (justification required);
 - 2.2.2 Proprietary (sole source) purchases (justification required);
 - 2.2.3 State contract purchases;
 - 2.2.4 Group purchases to include cooperative or other available contracts; and,
 - 2.2.5 Best Value purchases based upon [Texas Education Code Sec. 51.9335](#) (justification required).
- 2.3 Additional bids may be required by the Procurement Office if the bids received appear too high or when it is deemed to be in the best interest of PVAMU.

3. PURCHASING METHODS

- 3.1 Procurement Card for purchases under \$2,000, purchases within a department's delegated limit, or purchases approved by Procurement Office management. (See [Procurement Card Guidelines](#)).
- 3.2 Non-PO Invoice documents for purchases determined to be exempt from PVAMU and State purchasing requirements and is in an approved purchase category code as outlined in the related procedures. (See [Exempt Purchase Procedures](#)).
- 3.3 Non-PO Invoice documents for purchases under \$5,000, for which it has been determined that the competitive bid process adds no measurable value due to the dollar amount and nature of the purchase. (See [Non-PO Based Invoices Procedures](#)).
- 3.4 Purchase Order (PO) for purchases required to be processed through the Procurement Office.

4. PURCHASE REQUEST/INITIATION

- 4.1 The end-user will communicate to the Procurement Office the goods or services needed by submission of a purchase requisition in PantherBuy. The requisition should include the specifications of the goods or services that the end-user seeks to procure.
- 4.2 Specifications are the primary means of communication between the end-user and the Procurement Office and between the Procurement Office and a vendor, and therefore must provide specific details to describe the desired purchase. Specifications control the following procurement aspects:
 - 4.2.1 Quality of the product;
 - 4.2.2 Amount of competition;
 - 4.2.3 Suitability of the product or service for the job; and,

- 4.2.4 Method of evaluation used in making an award, as well as determining the bid with the best value for the purchase.

5. PURCHASE APPROVAL, MODIFICATION, AND CANCELLATION

- 5.1 After obtaining the required approvals in PantherBuy, the purchase requisition is routed to Procurement Services. Procurement Office management will assign the purchase requisition to a Buyer for processing. The Buyer will validate the information on the purchase requisition and obtain bids, quotes, or other criteria to aid in the vendor selection. The purchase will be awarded by issuance of a purchase order to the vendor required by statute or determined to provide the best overall value to the university. A copy of the PO will be forwarded to the vendor and the requesting department.
- 5.2 Any changes in specifications, prices or other terms must be requested through the Procurement Office and a modification will be made to the original order.
- 5.3 If an approved purchase is determined not to be needed, the requesting department must notify the Procurement Office in writing to request cancellation of the order with the vendor and liquidation of the funds.

6. PURCHASE VIOLATIONS

- 6.1 Failure of an employee to follow the above procedures constitutes a purchasing violation. Copies of documents supporting purchases found to be in violation of university procurement procedures are to be forwarded to the Procurement Office for review, documentation and approval for processing as deemed necessary. Departments submitting a purchase requisition to the Procurement Office for a good or service already ordered or received (after the fact) by the requesting department will be subject to the following administrative actions:
 - 6.1.1 **First and Second Violation** - If the purchase violation is the account holder's first or second non-compliance notice in a fiscal year, the Procurement Office will issue a notification to the account holder and the individual responsible for making the commitment. The notification will inform the account holder and the employee of the university's guidelines, the proper procurement procedures and any administrative actions that will be taken in the event of additional violations. Additionally, a notification will be sent to the vendor to inform them of the university's procurement guidelines which require a PO prior to filling an order for delivery of goods and services.
 - 6.1.2 **Third and Subsequent Violations** - If an account holder has more than two purchase violations within a fiscal year, the Director of Procurement will issue a notification to the account holder and the individual responsible for making the commitment. The notification will inform the account holder and employee of the university's guidelines and the proper procurement procedures. The notification will also require the person responsible for the purchase to submit a memorandum to the Senior Vice President for Business Affairs (SVPBA), through the account holder, explaining why the proper procurement procedures were not followed and what actions will be taken in the future to avoid additional violations. Based upon the justification

provided, the SVPBA may take any action(s) deemed appropriate for the infraction. Possible actions may include, but are not limited to the following:

- 6.1.2.1 Accepting the explanation and approve the purchase;
- 6.1.2.2 Issuing a warning letter;
- 6.1.2.3 Issuing a letter of reprimand;
- 6.1.2.4 Requiring the employee to pay for the goods or services; or,
- 6.1.2.5 Revoking budget head authority.

6.1.3 Procurement training is mandatory for any budget authority receiving more than two non-compliance notices within one fiscal year. Refer to the [Business Affairs Training Calendar](#) for schedule of trainings.

7. ADDITIONAL APPROVALS AND RESTRICTIONS

- 7.1 Some purchases require review and approval by other departments that have oversight responsibility for the item(s) to be purchased prior to issuance of a purchase order.
- 7.2 Requesting departments are encouraged to obtain and submit the required approvals with the purchase requisition. When prior approval is not obtained, the Procurement Office will attempt to obtain the approvals. However, if a problem arises in obtaining the approvals, the purchase requisition will be returned to the requesting department to resolve the problem with the oversight department before approval of the purchase will be granted.
- 7.3 Below is a list of items (and the oversight department) that should be routed for approval before initiation of the procurement process. The list is not intended to be all inclusive. Buyers will consider whether a department other than the requesting department has an interest in the items to be purchased and make inquiries as warranted to ensure proper handling.
 - 7.3.1 Orders of \$100,000 or more – HUB Office, Office of General Counsel (OGC);
 - 7.3.2 Information Technology (IT) equipment or software – Office of Information Resource Management (OIRM);
 - 7.3.3 IT equipment or software for the network or security sensitive purchases – OIRM;
 - 7.3.4 Physical Plant Operations;
 - 7.3.4.1 Building or grounds maintenance and repairs – AVP for Physical Plant
 - 7.3.4.2 Installation of building signage – AVP for Physical Plant

7.3.4.3 Construction – Facilities Maintenance or TAMUS Facilities Planning and Construction

7.3.5 Reproduction of university registered logos for resale – Office for Marketing and Communications;

7.3.6 Chemical or hazardous waste supplies, equipment, or disposal – Office for Risk Management and Safety;

7.3.7 Institutional memberships - Must be routed and approved using the [Membership Justification Form](#). Memberships in professional organizations should be in the name of the university and not in the name of the individual. In instances where a professional organization requires a membership to be in the name of an individual, this requirement should be documented and attached to the justification form for membership fees.

7.3.8 Print materials for distribution using university logos, emblem, etc. - Office for Marketing and Communications.

7.3.9 Vehicle purchases – Transportation Services

8. **UNALLOWABLE AND RESTRICTED PURCHASES**

8.1 Any purchase that is not official business.

8.2 Employees committing funds on behalf of the university are responsible for ensuring purchases are allowable. Below is a list of unallowable purchases that may not be purchased with educational and general state or federal funds:

8.2.1 Alcoholic beverages.

8.2.1.1 State and federal funds may not be used to purchase alcohol or alcoholic beverages for personal consumption or entertainment.

8.2.1.2 Alcoholic beverages may be purchased using concession, Interest income, gift funds or other institutional funds as permitted by state law.

8.2.2 Membership fees.

8.2.2.1 State and federal funds may not be used to pay a membership fee. State agencies may pay a membership fee to a professional organization if the agency has specific or implied statutory authority for the payment; the payment would serve a public purpose; and the agency would receive adequate consideration/benefit in exchange for the payment.

8.2.2.2 State and federal funds may not be used for memberships in discount clubs such as SAMS or Costco or any social organizations. [Guideline for the Disbursement of Funds](#).

- 8.2.2.3 In the interest of conserving funds, the university requires justification and approval of all memberships before processing them for payment. A [Justification for Request for Memberships or Dues to Professional Organizations](#) form must be completed and routed for approval. The approved form must be submitted along with the vendor invoice, when submitting payment documents (i.e., procurement card or non-PO invoice). The Justification form is required for all renewals.
- 8.2.3 Promotional purchases (items given away to promote the university), unless specific statutory authority is given.
- 8.2.4 Promoting and advertising.
 - 8.2.4.1 The university may not use money to publicize or direct attention to an officer or employee of state or federal government. The university also cannot engage in advertising or public relations campaigns, unless given specific statutory authority to do so.
- 8.2.5 Support or maintenance of alumni organizations and activities.
- 8.2.6 Food purchases such as sugar, coffees, cream, bottled water or similar items that employees or visitors of institution would consume.
- 8.3 Purchases of gift cards must comply with university procedures and applicable federal, state, and System Regulations and require prior written approval from Disbursements Office management.
- 8.4 Renting, leasing or purchasing of 15-passenger vans must comply with university procedures and applicable federal, state, and System Regulations and require prior written approval from the Procurement Office.
- 8.5 Some purchases are permitted from educational and general state funds with restrictions as stated below:
 - 8.5.1 Food restricted to employee/prospective employee meals on overnight travel and meals related to research or teaching in a class or lab setting. Food purchases must be clearly documented and coded as Food Purchases (expense object code 4050) if directly related to conferences, seminars, research or teaching. Expenses for food and/or refreshments from local or institutional funds are also authorized to the extent that such expenses enable the university to carry out its educational function pursuant to [System Regulation 21.01.12](#). Food purchases for business meals and other allowable purchases other than business meals must be coded appropriately as designated in the [University FAMIS Expense Object Subcodes](#).
 - 8.5.2 Plants restricted to purchases of vegetation, dirt, potting soil, fertilizer, and seeds need for erosion prevention, research, or agriculture.
 - 8.5.3 Student travel, only as allowed by [Texas Government Code – Section 660.004](#), for the Academy of Collegiate Excellence and Student Success

Program, Research Apprenticeship Program, and Prairie View A&M Undergraduate Medical Academy.

8.5.4 Consulting Services Contracts, which must comply with Texas Government Code, Chapters 2155 – 2158.

8.5.5 Refer to the [Texas Comptroller's expenditure website](#) for additional restrictions.

9. INDEPENDENT CONTRACTORS

9.1 Purchases of services from independent contractors (guest lecturers, researchers, trainers, disc jockeys, etc.) are to receive the same consideration as other goods or services to determine if the service is biddable. (See Bid Limits in Section 2 above).

9.2 Vendor selection reminder - A vendor is not approved to provide services until a purchase order has been issued.

9.3 If the service to be provided exceeds \$5,000; can be obtained from multiple sources; there is no justification for making the purchase from a particular source (i.e. instruction, research, etc.); and it is not an emergency, then the purchase will require bidding to select a vendor. Otherwise, the order will be placed with the vendor selected by the department.

9.4 Below is a list of required documentation from the requesting department. A PO will not be issued until all the required forms are completed, approved and received in the Procurement Office.

9.4.1 PantherBuy purchase requisition;

9.4.2 Completed [Contract Cover Sheet](#), when a dual signed agreement is required;

9.4.3 Detailed scope of work (SOW) which should include a clear description of the services to be provided, such as dates of performance, schedules, reporting requirements, milestones, other specific expectations from the vendor and payment terms (i.e. upon completion of service, after submission of reports, monthly upon submission of invoice, etc.). If necessary, the SOW may be submitted as a separate document to support the purchase requisition;

9.4.4 If fees exceed \$5,000 or services to be performed include complex specifications or terms and conditions which make it prudent to have an agreement signed by both parties, the request will be forwarded to a contract specialist for preparation and execution of a contract;

9.4.5 Completed [Employee/Independent Contractor Classification Checklist](#);

9.4.6 Completed and approved Employee/Independent Contractor Certification (Requires approval by the Office of Human Resources or Payroll Office and the Accounts Receivable Office); and,

9.4.7 [Independent Contractor Performance Report](#) (Only required for payment).

10. DELIVERY OF SERVICES

- 10.1 Upon receipt of goods from Central Receiving or directly from the vendor purchased by PO or Non-PO Invoice, department personnel are responsible for completing the appropriate receiving document in PantherBuy.
- 10.2 Services provided to the university are generally provided to the requesting department. The department receiving the services is responsible for completing the receiving document in PantherBuy.
- 10.3 Within three (3) business days of receipt, all receiving must be entered into PantherBuy. See [PantherBuy Quick Reference Guides](#) (Receivers Manual) or contact PVAMU Procurement or Accounts Payable for additional assistance.

11. BILLING FOR PURCHASES

- 11.1 Invoices or billings should be sent directly to the Accounts Payable Office by the vendor as directed on the PO. However, vendors occasionally do submit invoices directly to the departments. In this event, it is the responsibility of the receiving department to forward the invoice to the Accounts Payable Office along with the requisite proof of delivery within three (3) business days.
- 11.2 When an invoice is received for an amount greater than the purchase order amount, a documented copy of the invoice will be forwarded to the responsible Buyer in the Procurement Office for resolution with the vendor of the disputed amount. The Buyer will request corrected billing from the vendor or adjust the PO accordingly. A documented copy of the invoice will be returned to the Accounts Payable Office to explain what action was taken to resolve the dispute.

12. PAYMENT FOR PURCHASES

- 12.1 Three-way match: Confirmation that the invoice, purchase order, and receiving are verified in PantherBuy. Absence of any of these items will delay payment. If all three items are present, a purchase voucher is prepared in FAMIS and processed for payment. Expenditure of State funds require three-way match. Some expenditures using other funds will require three-way match.
- 12.2 Two-way match: Confirmation that the purchase order and invoice information match within pre-established limits and guidelines. Expenditure of state funds does not allow two-way match.
- 12.3 Funds previously encumbered to support the purchase are liquidated and the purchase is expensed against the account designated on the purchase requisition and purchase order.
- 12.4 Payment will be made to the vendor by check or direct deposit within 30 days of the latter; receipt of a correct invoice or receipt of goods or services.

13. REQUEST FOR PROPOSAL PROCEDURES

- 13.1 A request for proposals (RFP) is used to competitively select vendors/contractors when competitive bidding is not feasible. This process is similar to the bid process; however, other than a low bid, the vendor selection is based upon pre-established and published criteria. A negotiation phase is included, and a best and final offer is permitted.
- 13.2 To initiate the process, the requesting department must request a sample RFP from the Procurement Office to assist in drafting the RFP. The requesting department will submit the RFP draft to the Procurement Office for review and modification, as necessary, prior to issuance. The requesting department will identify appropriate selection criteria that are considered key issues of concerns. Examples of such selection criteria include:
 - 13.2.1 Number of years the company has been in business;
 - 13.2.2 Experience of the company in area of desired services;
 - 13.2.3 Financial strength of the company;
 - 13.2.4 Proposed charge/income to the university;
 - 13.2.5 Quality of similar program/services provided elsewhere, and
 - 13.2.6 Compliance with specification in the RFP.
- 13.3 The Procurement Office, in coordination with the requesting department will develop a calendar of events that will include the following:
 - 13.3.1 Issue date;
 - 13.3.2 Vendor tour question and answer session date;
 - 13.3.3 Response date;
 - 13.3.4 Closing date for submission of the proposals;
 - 13.3.5 Negotiation period;
 - 13.3.6 Award date; and
 - 13.3.7 Vendor selection.
- 13.4 The RFP process also includes appointment of a selection committee comprised of representatives from appropriate constituencies within the university community who will be impacted by the purchase. The Procurement Office, in cooperation with the requesting department, will be responsible for appointing the selection committee. Each committee member will be required to submit a signed Non-Disclosure form prior to receipt of vendor proposal responses.
- 13.5 The requesting department may require bid bonds for more significant programs and services to ensure that only serious vendors submit proposals. If required, the

amount and the requirement should be documented in the RFP. Additionally, state statutes require performance bonds for certain types of contracts. If a performance bond is required, said requirement must be communicated in the RFP. The Procurement Office is responsible for ensuring performance bonds are utilized as required when necessary.

- 13.6 The RFP will be posted by the Procurement Office for a minimum of 14 calendar days and inquiries and responses submitted by potential proposer should be directed to the Procurement Office.
- 13.7 The Procurement Office will forward bid tabulations and responses to the selection committee for review and recommendation. The committee will evaluate each response based upon the established criteria, document their results, and return the information to the Procurement Office. The Procurement Office will tally all responses and notify the selection committee and proposer(s) of the final results. All negotiations with the top proposer(s) will be coordinated by the Procurement Office. A contract will be awarded to the successful proposer. Contract reviews and approvals are subject to the university contract approval procedures.
- 13.8 If the committee determines that none of the responses are acceptable, all proposer(s) will be notified of this decision and the requesting department will consider whether to revise and/or reissue the RFP.

14. ADDITIONAL UNIFORM GUIDANCE (UG) RULES

This section only applies to purchases using federal funds.

- 14.1 The university must be accountable for the use and disposition of equipment and supplies purchased with federal funds. Buyers should be familiar with the following UG sections:
 - 14.1.1 Equipment: §200.33 and §200.313;
 - 14.1.2 Supplies: §200.94 and §200.314;
 - 14.1.3 Reasonable cost: §200.404;
 - 14.1.4 Allocable cost: §200.405;
 - 14.1.5 General Provisions for Selected Items of Cost 200-420 through 200-474.
- 14.2 The university is responsible for the oversight for procurement of goods or services. Requirements include:
 - 14.2.1 Avoiding unnecessary purchases §200.318;
 - 14.2.2 Placing orders with responsible vendors/contractors §200.318;
 - 14.2.3 Ensuring the circumstances forming the transaction were reasonable §200.404;
 - 14.2.4 Ensuring the item or service purchased is allocable to the grant §200.405;

- 14.2.5 Determining the price was reasonable §200.320 (a);
 - 14.2.6 Providing required Federal terms and conditions with every order §200.326;
 - 14.2.7 Distributing micro-purchases equitably among qualified suppliers §200.320 (a).
- 14.3 The UG requires institutions affiliated with their state government, i.e. a state agency or agency of a political subdivision of a state, have a process to procure only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable §200.322.
- 14.4 UG training of impacted staff and faculty is imperative to ensure movement to the UG standards is as smooth as possible. Providing accurate records of extra-institutional activities of grant recipients will be key to complying with new conflict of interest policies. Faculty should be aware of new bid limits if they are different from those currently in effect. Agents, buyers and P-Card holders should be trained on the accountability standards when purchasing items below the micro-purchase limits using grant funds. Procurement and department administrators have the authority to override faculty/staff decisions, which may violate UG policy.

Related Statutes, Policies, Regulations and Rules

[System Regulation 25.07.03 Acquisition of Goods and/or Services](#)

[Texas Government Code Chapter 2254, Subchapter A](#)

[Texas Government Code Chapter 2254, Subchapter B](#)

[State Purchasing – Historically Underutilized Business \(HUB\) Program](#)

[Texas Government Code Title 10, Subtitle D, Chapter 2161](#)

[Texas Education Code Sec. 51.9335 Acquisition of Goods and Services](#)

[Federal Guidelines defined by Uniform Guidance](#)

Forms

Forms are available on the Internet in the [Business Affairs Forms Library](#).

Contact Office

Office of Procurement and Disbursement Services 936-261-1902

