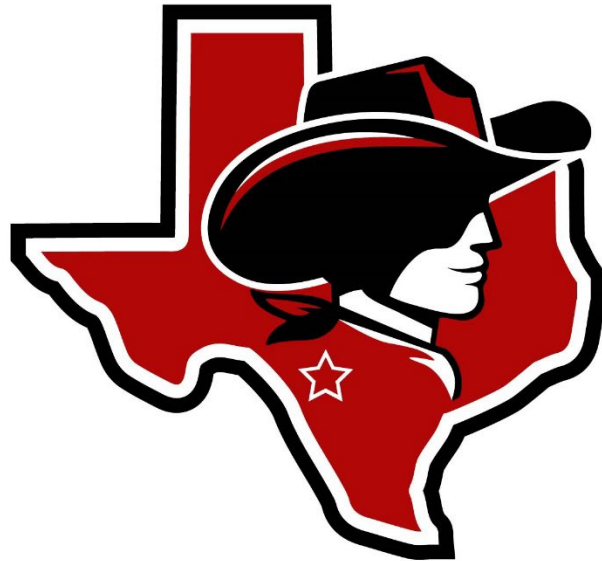


Policies and Procedures for Purchasing



SOUTHWEST
TEXAS ★ COLLEGE

(While Southwest Texas College's policies are maintained online by the Texas Association of School Boards and include both LEGAL and LOCAL policies, <https://pol.tasb.org/PolicyOnline?key=1174> the following reflect internal policies for the Business Office.)

Purchasing

The Purchasing Department offers the following services:

- Processes requisitions to purchase orders
- Assists P-Card Administrator

A. Purchase of goods and services

1. Requisition

A requisition is used to communicate a request for the purchase of goods or services from off campus suppliers. Requisitions are:

a) Initiated by a campus department designee (requisitioner) for the purchase of goods or services

- The Requisitioner must describe each item in detail with such information as the quantity, size, color, trade name and catalog or model number along with a brief description.
- If the item cannot adequately be described in the manner indicated above, the originating department is responsible for providing the necessary specification literature supplied by vendors. Specifications should describe the article clearly and in sufficient detail to ensure purchase of the correct product. They must permit the procurement of standard products rather than items of special manufacture. Consideration must also be given to the availability of parts and of responsible repair facilities. Contact the Purchasing Agent if you need assistance.

b) Submitted to Purchasing Department in Self-Service and quote sent via email with requisition number. See Video <https://www.youtube.com/watch?v=BoA06-l-GtE>

2. Purchase Orders

Purchase Orders are issued by the Purchasing Department to specific supplier(s) as an authorization for purchase and commitment of future payment.

a) One-time Purchase Order

A one-time Purchase Order is issued to identify a specific requirement at a firm price, generally with a single delivery. One-time orders are:

- Issued to off-campus suppliers
- Identified by a unique Purchase Order number
- Issued and authorized by the College's Purchasing Department

b) Blanket Purchase Order

A Blanket Purchase Order is issued to identify recurring goods or services, or specific supplier/user within a fiscal year. Each Blanket Purchase Order will be issued to a single supplier and may not exceed bid limits except for the following items:

1. Utilities
2. Telephone Service
3. Recurring payments on leases or mortgages
4. Goods or services under existing consortiums/contracts and have been competitively bid

- Other items as deemed necessary by the Purchasing Agent and approved by the Vice President of Finance.
- Each Blanket Purchase Order will have a unique Purchase Order number.
- For a Blanket Purchase Order where monthly billing of goods or services varies, the invoice must be approved by an appropriate department representative prior to payment.

3. Purchase by Check

In situations where a check is necessary for a purchase to be made, that is not being paid with a purchase order, a request for payment must be entered into Self-Service with supporting documentation.

4. Changes to Requisitions and Purchase Orders

To cancel or modify a Requisition, the initiator must do this online via Self-Service, if not already a Purchase Order. If a Purchase Order number has been issued, the requisitioner should consult the Purchasing Department to determine the status of the goods or services and the potential for canceling or modifying the order.

Once a Purchase Order is issued, no person outside the Purchasing Department can contact the vendor to make any changes in quantities or specifications. If an error is discovered by the originator when he/she reviews his copy of the requisition or if circumstances dictate a change or deletion, immediate notification should be given to the Purchasing Department. Any such changes should be made before the vendor has filled the order, as changes or cancellations after delivery will often result in extra charges for handling or restocking.

5. Office Supplies Purchases

With appropriate authorization, departments may purchase office supplies utilizing the current designated online program. User ID and instructions for ordering may be obtained from the Purchasing Department or P-Card administrator.

6. Purchasing Department Role

The Purchasing Department reserves the option to purchase from other than suggested vendors or supply alternate items for comparable services, supplies, and/or equipment if obtainable at a lower price or total cost or a better value. This may include items which are part of a pre-purchase contract. If changes are made to the requisition request for other reason(s) the requisitioner will be consulted.

The necessity to plan for equipment and supply requirements cannot be over-emphasized. The time required to process a requisition from initiation by the individual to issuance of a purchase order may vary from a few days to many weeks. The Purchasing Department must secure competitive prices when appropriate, obtain evaluation and approval of bids, and issue a purchase order. The time required for processing by the Purchasing Department may vary according to the nature and value of the transaction and the existing workload of the Purchasing Department. The lead time required for the vendor to complete the order will depend largely upon the type of merchandise or service involved.

When requests are made for purchase order follow-up or expediting, the Purchasing Department will contact the vendor, obtain detailed information about the status of the order, and relay the information to the person making the request. If the information obtained by the Purchasing Department as to the projected order completion date is unsatisfactory, the originating division may request alternative action. Action may be initiated following established procedure. Such action may include accepting a substitute or cancellation of the order and re-ordering from another vendor.

The procedures for allowing any sales, sales calls, and/or sales demonstrations at the College shall be:

- Any solicitations or sales calls must first be approved by the Purchasing Agent.
- If the demonstration is approved, the Purchasing Agent will then set a time and place where the representatives may set up the demonstrations. Representatives shall not solicit or contact employees at their workstations.
- College employees may attend the demonstrations in their free time or at the discretion of their immediate supervisor.

7. Bidding

The Requisitioner has state responsibility to solicit quotes from three suppliers when the estimated value of the requested purchase is \$10,000 or more for goods (equipment, materials, supplies) or \$50,000 or more for services (including in the aggregate for all campuses), unless the items can be obtained under existing contracts. The purchasing of goods over \$50,000 (including in the aggregate for all campuses) requires a competitive bid process as per CH legal or TEC 44.031 (Additional quantities may be purchased at the same bid price from the successful vendor.) For purchases over \$50,000 (including in the aggregate for all campuses), the Purchasing Agent shall secure competitive bids to be opened at a definite time. The Notice of Bid shall be published in the local newspaper's official section at least fourteen days before the scheduled bid opening date. The Purchasing Agent shall receive, and open the bids, make tabulation thereof, and make recommendations as to the lowest and best value bid. The final approval for the purchase shall be required from the Board of Trustees. The Board may waive the right of final approval by prior action. (Note: Competitive bidding of professional services, such as a consultant, architect, attorney, or fiscal

agent is prohibited by State law.) The Purchasing Department may bid on any request regardless of the dollar amount when, in their judgment, it best serves the campus.

- a) Request for Quotation (RFQ) An RFQ is used to solicit vendors for specific goods via a simple quote (up to \$50,000).
- b) Request for Proposal (RFP) An RFP is used to solicit vendors in a competitive bid process (over \$50,000). The supplier response generally includes pricing, proposed implementation plan, and timeline for delivery of goods. RFP's must be published in the local newspaper once a week for at least two weeks. The Purchasing Department shall receive, and open the bids, make tabulation thereof, and the evaluation committee makes recommendations as to the lowest and best value bid. Final approval for the purchase shall be required from the Board of Trustees. The Board may waive the right of final approval by prior action.
- c) Request for Information/Qualifications (RFI/Q)
 - This request is issued to suppliers within a specific commodity or market to determine the viability of a concept and to obtain market information.
 - In the event professional services are required (and may not be bid), a preliminary selection process must be followed.

8. Waiver of Competitive Bidding

The campus secures goods and services competitively wherever applicable. The Vice President of Finance and Purchasing Agent may waive competitive bidding and approve waiver request(s) when justified. This authorizes the Purchasing Agent to purchase without competitive bidding, goods or services that exceed the bid thresholds. Lack of planning does not constitute a situation for emergency purchasing. Emergency purchases are defined by Education Code 21.901(e). It states, "contracts for the repair or replacement of a school building or school equipment that has been destroyed or severely damaged may be made without resort to competitive bidding if the Board determines that the time delay posed by competitive bidding would prevent or substantially impair the conduct of classes or other essential school activities."

The following are reasons to consider granting a waiver of competitive bidding:

- a) Sole Source: There is not another company who provides goods or services similar to the requested purchase; the request for goods or services is unique in design, performance, or user specification.
- b) Emergency: The goods or services are needed to correct or prevent an emergency repair or replacement of existing equipment essential for daily operation.

9. Authorization for Procurement

- a) Signing Authority
All purchases require approval by a Vice President.

b) Special Approvals Review

The following purchases require additional approvals:

1. Computer Equipment/Software: Information Technology Department
2. Construction: Vice President of Finance
3. Leasing: Vice President of Finance
4. Insurance (Health and Risk Management): Vice President of Finance
5. Alcohol only for Criminal Justice program as necessary and with President's approval

c) Board of Trustees Approval

Board of Trustees approval is needed only for unbudgeted items/services.

Exceptions can be made for emergency repairs to buildings or grounds. Approval must be obtained at the next opportunity.

d) Unauthorized Purchases

If merchandise is obtained by an unauthorized person; or in a manner that does not follow established procedures, the individual making the purchase will be deemed to have entered into a private transaction with the company involved. Payment for any unauthorized purchase shall be the responsibility of the person placing the order.

e) Impermissible Practices

"Component purchases" means purchases of the component parts of an item that in normal purchasing practices would be made in one purchase. "Separate purchases" means purchases, made separately, of items that in normal purchasing practices would be made in one purchase. A trustee or employee shall not intentionally or knowingly make or authorize separate, sequential, or component purchases to avoid the competitive bidding requirements set out in this policy.

10. Special Buying Opportunities

These consortiums have many products which have been bid on a statewide/nationwide basis. When purchasing an item, these contracts should be considered. Participation in this service satisfies all bidding requirements.

a) State Use Program/TCPPD/TIBH

The Texas Council on Purchasing from People with Disabilities (TCPPD) is a state agency whose purpose is to further the state's policy of encouraging and assisting persons with disabilities to achieve maximum personal independence by engaging in useful and productive employment activities. TCPPD contracts with TIBH Industries, Inc. (TIBH) to market and provide program management for the State Use Program.

b) Texas Correctional Industries (TCI)

TCI is a division of the Texas Department of Criminal Justice (TDCJ) whose purpose is to provide inmates with marketable job skills to help reduce recidivism through a coordinated program of job skills training and other resources. Through the

Prison-Made Goods Act of 1963, state agencies allow to buy prison-made products when specifications of standards and quality are met.

c) Historically Underutilized Business (HUB)

In Texas in which the owner(s) have proportionate interest and demonstrate active participation in the business' management and are identified as economically disadvantaged according to 34 TAC, §20.12. The HUB mission statement is: "To encourage and effectively promote the utilization of Historically Underutilized Businesses (HUBs) by all state agencies, including institutions of higher education."

11. Contracts/Consortiums

A purchase contract is usually the result of a bidding process identifying and combining volume requirements. Contracts with firm pricing or discounts for specific goods, services, and terms are established to obtain the best possible value for the College. Negotiation and approval of term contracts is coordinated by the Purchasing Agent. Contracts will be reviewed for basic components and must be approved by the Vice President of Finance. The Vice President of Finance reviews for insurance liability, budgetary considerations, and determination/coordination of legal opinion.

The Purchasing Department encourages the use of the following contracts/consortiums, when possible, in order to obtain previously bid/negotiated pricing and other value-added features:

a) State of Texas Contracts

- Term Contracts - The Comptroller of Public Accounts (CPA) has established term contracts on certain commodities and services as a supply source for state agencies. These contracts are based on forecasted amounts specified by CPA and may be ordered as needed.
- Texas Multiple Award Schedule Contracts (TXMAS)- The TXMAS program was established by CPA to permit state agencies to take advantage of previously competitively awarded federal (GSA) contracts. The price on the contract is considered the most favored customer pricing, but purchasers may seek to negotiate lower pricing.

b) Department of Information Resources (DIR)

DIR is a state agency serving as the chief information officer for Texas. DIR provides contracts for computer hardware, software, technical services, and telecommunications infrastructure and services for the state. All DIR contracts are competitively bid and comply with applicable purchasing laws.

c) Educational and Institutional Cooperative (E&I) Contracts - A national consortium comprised of colleges and universities

d) BuyBoard

Buyboard is a local government Purchasing Cooperative that is an administrative agency created in accordance with Section 791.001 of the Texas Government Code. Its purpose is to obtain the benefits and efficiencies that can accrue to members of a cooperative, to comply with state bidding requirements, and to identify qualified vendors of commodities, goods, and services. The Cooperative also relieves the burdens of governmental purchasing by effectively using current technology and realizing economies of scale.

Other Buying Consortiums that may be utilized:

https://www.swtxc.edu/documents/business_office/swtx-consortiums.pdf

12. International Purchases

Due to tax implications international purchases are not allowed.