



Purchasing

Purchasing Policies & Procedures

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MISSION & LOCATION

Mission: The mission of the Purchasing Office is to procure goods and services to support the educational and research requirements of the University according to the rules and regulations prescribed by state law.

Location and contact: The Purchasing Office is located in the Administration Building, 2601 W. Avenue N, Room 110, San Angelo, Texas 76909. Hours of operation are 8:00am to 5:00pm, Monday through Friday, excluding University holidays. You may also reach us by phone at (325) 942-2012 or fax at (325) 942-2010 or email at asu_purchasing@angelo.edu

GENERAL

Whether you are responsible for creating requisitions, approving requisitions, or you are researching a prospective purchase for your department, making purchases for the university mandates that you serve as a good steward of state resources. University purchases are required to follow established University policy and applicable state statutes or federal law.

The total anticipated transaction amount effects Bidding Requirements.

GENERAL

The Fund Source determines the statutes and reporting requirements that must be followed.

Specific requirements on certain goods or services may require additional approval and documentation.

The two primary methods for purchasing goods and services are by a Purchase Order or Procurement card (ProCard).

Overview of the Purchase Order Process

Online Requisitions: Requisitions are submitted electronically by the Requestor for approval by the Budget Authority and Purchasing. A requisition is the process for requesting permission to purchase goods. All known details should be provided on requisitions to include the purpose for the purchase. Once all approvals are obtained and any issues are resolved, authorized Purchasing staff will turn requisitions into PO's.

Overview of the Purchase Order Process

Purchase Orders (PO's): Purchase Orders are considered binding business contracts which commit funds on behalf of the University. The Purchase Order (PO) is the process for formally placing the order with the vendor. Without the official PO, the University is not obligated to make payment to the vendor.

The PO provides the correct shipping and invoicing addresses for the University. The PO is payable to vendors when goods/services are rendered and all terms of compliance are followed.

Overview of the Purchase Order Process

Vendor contracts require additional review by Contract Administration. Contract Administration ensures the appropriate signature authority is included on each contract and that all terms and conditions are acceptable for the University.

It is a state requirement that funds must be encumbered prior to getting a good or service.

Procurement Spending Thresholds

Vendor of Choice: Purchases of \$5,000 and below allows for selection of vendor of your choice. However, departments are encouraged to utilize HUB's and award based on best value.

Informal Bids: Three informal bids are required when purchases are between \$5,000.01 to \$25,000, two of which must be HUB vendors. Awarded based on best value.

Procurement Spending Thresholds

Formal Bids: Formal bids are required when purchases are \$25,000.01 and above. Departments should contact Purchasing as soon as possible after the determination of need is made and the estimated cost is greater than \$25,000. The formal bid process requires 45 to 120 days lead time of requested receipt of product or delivery of service, depending on the complexity of the bid. The lead time includes time for developing, posting, and obtaining responses from the solicitation, and awarding the bid. Awarded based on best value.

Best Value

Section 51.9335, Education Code: In determining what is the best value to an institution of higher education, the institution shall consider:

- the purchase price;
- the reputation of the vendor and of the vendor's goods or services;
- the quality of the vendor's goods or services;
- the extent to which the goods or services meet the institution's needs;
- the vendor's past relationship with the institution;

Exception to Bidding Requirements

- State Term Contracts awarded by the Texas Procurement and Support Services (TPASS)
- Cooperative Group Purchases
- Proprietary Purchases (Sole Source)
- Emergency Purchases
- Exempt Purchases

State Term Contracts

State contracts are agreements issued by the TPASS for frequently used items.

Visit TPASS at:

<http://www.window.state.tx.us/procurement/contracts/>

Some of the contract links available on this website include:

- TxSmartBuy Contracts
- TXMAS Contracts
- DIR Contracts

Cooperative Group Purchases

Group purchase contracts are competitively bid and awarded to national vendors in accordance with purchasing procedures mandated by state procurement laws and regulations.

Cooperative Group Purchases

Listing of Cooperative Group Purchasing Organizations:

- US Communities
▪ <http://www.uscommunities.org/>

- E&I
▪ <https://www.eandi.org/>

- TCPN
▪ <http://www.tcpn.org/>

- BuyBoard
▪ <http://www.buyboard.com/default.html>

Proprietary Purchases (Sole Source)

A proprietary purchase (also known as a “Sole Source”) is one in which a product or service is available only from one vendor.

It may be that a vendor holds a patent or copyright for a particular product.

In order to complete a proprietary purchase, an end user will have to prepare the “ASU Justification for Proprietary Purchase” form in RamPort.

Proprietary Purchases (Sole Source)

The form is not required on a purchase of less than \$5,000. Justification must be based upon unique technical or performance characteristics.

Personal preferences for certain brands or products does not adequately justify limiting competition.

Resellers cannot be sole source.

Emergency Purchases

A purchase of goods or services so badly needed that the University will suffer financial or operational damage unless they are secured immediately.

Competition may not be precluded and normal purchasing procedures are not necessarily followed.

Lack of planning or loss of funds at end of fiscal year does NOT constitute an emergency.

Emergency Purchases

These purchases require written justification to be attached to the requisition with the following information:

- The reason for the emergency
- The financial or operational damage/risk possible to the University
- Why standard procedures could not be used to obtain the products/services
- The reason and process used for selecting the vendor

Exempt Purchases

Exempt purchases are purchases that are exempt from the competitive bidding process. They include:

- Classified advertisements
- Conference expenses
- Direct publications (e.g. direct subscriptions, prepared videos, and software packages purchased directly from the developer)
- Exhibit space
- Freight
- Hotels and conference rooms
- Internal repairs

Exempt Purchases

- Inter-agency purchases (purchases from other state agencies)
- Lecturers/guest speakers
- Legislative information services
- Membership fees and dues
- Moving expenses (employee)
- Newspaper and magazine subscriptions directly from the publisher
- Registration fees and associated books and materials
- Student Travel
- Purchases from federal agencies

Exempt Purchases

- Purchases from the Texas Department of Criminal Justice
- Purchases from Texas Industries for the Blind and Handicapped
- Utilities

Procurement Credit Cards (ProCard)

- The ProCard program is designed to provide a fast and efficient method of procurement by departments for their day to day operations.
- ProCard purchases are limited to goods or services where orders do not exceed a specific limit authorized for each individual cardholder and the purchase meets guidelines established by ASU policy and as outlined in the ProCard Program Guide.

Procurement Credit Cards (ProCard)

- Procards are available to only full time University employees that are approved to obtain one by the responsible Budget Authority.
- All individuals who participate in the ProCard program must receive initial cardholder training prior to receiving the credit card.

HUB Responsibility

- ASU is dedicated to assisting Historically Underutilized Businesses (HUBs). Our responsibility is to promote and increase procurement opportunities with HUBs by demonstrating a good faith effort for HUB vendors to participate in bidding opportunities.
- A HUB is defined as 51% owned by a minority including Black, Hispanic, Asian, American Indian and Female.
- As a state institution of higher education, ASU must submit a Semi-Annual and Annual HUB performance/compliance report to the Comptroller.

Identifying HUB Vendors

- Go to the Texas Comptroller Site:
<http://www.window.state.tx.us/procurement/cmb1/hubonly.html>
- You can search by vendor name or categories
- A listing of some Texas HUBs can also be found at the following site:
<http://www.angelo.edu/services/purchasing/Vendor%20Lists.html>

ASU Operating Policies and Procedures

- OP 54.01 - Entertainment Policy
- OP 54.02 - HUB Policy
- OP 54.03 - Purchase of Food
- OP 54.04 - Purchase of Goods and Services

Helpful Links

The Texas Comptroller of Public Accounts created eXpendit to provide information to state agencies and institutions of higher education on how to properly carry out purchase transactions while complying with certain provisions of the constitution, statutes and rules of Texas related to expenditures.

- <https://fmx.cpa.state.tx.us/fm/pubs/purchase>

Purchasing Office Website

- <http://www.angelo.edu/services/purchasing/>
- Staff: Margaret Mata, Elicia Rankin, Stacey Sauer and Janice Smith