



Handbook Of Operating Procedures

DETAILED PURCHASING PROCEDURE

A. Purpose

The purpose of this policy is to explain in detail the University's various procedures for purchasing.

B. Request for Routine/Specialized Items

1. All purchases are to be originated by completing the Requisition to Purchase. The requisitioning department will fill out this form and then forward the requisition on to the Purchasing Department
2. Normally, the Purchasing Department will handle the transactions from this point forward, including the solicitation of bids, evaluation of bids, and selection of supplier except in the case where verbal bids are applicable, the requisitioner will provide this information. However, it is recognized that there will be instances in which the character of the item requisitioned is so specialized and particular to the requisitioning department, that the requisitioner will prefer to assist in the preparation of technical specifications, and evaluation of bids. The requisitioning department shall then prepare a recommendation as to the successful bidder, which must be forwarded to the Purchasing Office for review before any commitment is made to any vendor. A justification also must be prepared if other than the low bid meeting specifications is recommended. The University assumes no liability for any order until it has been reviewed and signed by the Purchasing Director.
3. The Purchasing Department will comply with the recommendation of the requisitioning department in the selection of the supplier unless it is of the opinion that the recommendation does not comply with good business practices or is not in the best interests of the university, in which case the Purchasing Department will consult with the requisitioning department before a final decision is made on the selection of the supplier.
4. If the requisitioning department and Purchasing Department cannot agree upon the selection of a supplier after consultation, the matter will be



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submitted to the Vice President for Business Affairs for review and decision.

C. Processing Purchase Request

Upon receipt of a properly completed Requisition to Purchase the Purchasing Department classifies the transaction according to the type of order which will be required, marks this classification on the requisition, and processes it accordingly in one of the following manners:

1. State Contract Order
 - a. If the items requisitioned are on state contract, non-automated manual processing, the class and item number, the prices and the name and address of the contractor will be verified and noted on the Requisition to Purchase. Seven copies of the Contract Purchase Order are prepared and three are forwarded to the General Services Commission. The order is then separated and distributed according to the notation on each copy. A confirmation copy of the order is returned by the General Services Commission and copies are distributed accordingly.
 - b. If the items requisitioned are on state contract, automated processing, the class and item number, commodity number, the departmental code are verified and recorded on the requisition. Five copies of the Contract Purchase Requisition are prepared. One copy is forwarded to the General Services Commission. Copies are forwarded to the requisitioning department, Business Office, Central Receiving, and one copy is held in the Purchasing Department pending receipt of the completed order from the General Services Commission. Upon receipt of completed order, copies are distributed to each of these departments.
2. General Services Commission Open Market Requisition
 - a. If the purchase involves state appropriated funds, is for non-state contract items, and exceeds a total value of \$5,000, an Open Market Purchase Requisition is prepared and forwarded to the General Services Commission. Copies of the Open



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Market Purchase Requisition are then distributed as indicated on the form.

3. Spot or Emergency Order

- a. If the purchase involves the use of state appropriated funds, is for non-state contract items, and totals less than \$5,000, it is classified as a Spot Purchase Order. If an emergency need exists which makes it imperative to spend more than \$5,000 of state funds without going through the Open Market Purchase Requisition procedure described under 2a above or 3b below, it is classified as an Emergency Purchase Order. An emergency purchase is defined as the purchase of supplies which are so badly needed that the University will suffer financial loss or operational damage if supplies are not secured immediately. Reasons for the emergency and why requirements were not anticipated must be documented and made part of the order.
- b. In either of these cases, the Purchasing Office solicits bids and selects the supplier. The Purchase Order and Spot Purchase forms are then completed with the name of bidders, price information, etc., and distributed as indicated on the form. The vendor copy of the Purchase Order is mailed to the successful bidder. Payment for such orders from state funds will not be authorized by the General Services Commission and the State Comptroller unless the following accompanies the voucher.
 - 1) for purchases exceeding \$2,500,
 - a) the tabulation of all formal bids indicating successful bidder;
 - b) reason for award if other than to low bidder, if applicable;
 - c) copies of signed written bids (Invitation to



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- Bid Forms);
- d) list of vendors to whom Invitations to Bid were sent; and
 - e) letter justifying the use of proprietary specifications, if applicable.
- 2) for purchases form \$1,001 to \$2,500,
- a) spot purchase form providing information on names of all vendors contacted, the names of individuals making bids, and vendor responses;
 - b) reasons for rejection of any bid; and
 - c) letter justifying the use of proprietary specifications, if applicable.
- 3) for purchases of \$1000 or less, no documentation required except for writing the words “Spot Purchase - \$1,000 or Less” on the purchase voucher.
- 4) Local Order
- a). If the purchase is to be made from local funds under the jurisdiction of the University Comptroller, the Purchasing Office will solicit bids, select the supplier, and complete the order in the same manner as described under 3b above except documentation need not be submitted to the General Services Commission or the State Comptroller. The following documentation is required:
 - 1) for purchases exceeding \$5,000:



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- a) the tabulation of all formal bids indicating successful bidder;
 - b) reason for award if other than to low bidder, if applicable;
 - c) copies of signed written bids (Invitation to Bid Forms)
 - d) list of vendors to whom Invitations to Bid were sent; and
 - e) letter justifying the use of proprietary specifications, if applicable.
- 2) for purchases from \$1,000.01 to \$5,000:
- a) tabulation of all informal bids taken providing information on names of all vendors contacted, the names of individuals making bids, and vendor responses;
 - b) reasons for rejection of any bid; and
 - c) letter justifying the use of proprietary specifications, if applicable.
- 3) for purchases of \$1,000 or less, no documentation required.
- a). In instances in which the total expenditure is less than \$1,000 and bidding is not required, payment may be made to the Vendor by a cash purchase order by submitting a Requisition to Purchase to the Purchasing Department. The cash



The University of Texas at Brownsville and Texas Southmost College

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SYSTEM
APPROVED: 11/17/99
POLICY
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purchase order may be used with state appropriated funds; however, local funds will be used and reimbursement through the State Comptroller's Office will be requested.

D. Review

This policy/procedure will be reviewed annually by the Director of Purchasing.