

**Sam Houston State University
A Member of The Texas State University System**

“Major Consulting Services Contract” (as per the Texas Government Code Chapter 2254) means a consulting

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Procedures for Securing Professional or Consulting Services

1. Determine if the need is for that of a professional or a consultant service.
2. Determine if the selection of a professional or consulting service provider would be enhanced by informal price or qualifications comparisons or a formal Request for Proposal or Request for Qualifications process.
3. Complete the applicable Professional/Consulting Services Agreement and obtain all necessary signatures.
4. **ENTER THE BearKatBuy REQUISITION.** Amounts may be estimated. If the vendor will perform same service on multiple dates, a Blanket Requisition is to be entered with separate lines for each date.

Responsible for Implementation:

Contact for Revision:

Forms: "Authorization of Professional Services" form found under Procurement and Business Services:

Amount/Approval of Bid:

\$0 - \$15,000, No bids required.

\$15,001 - \$50,000

TEXAS SALES TAX EXEMPT CERTIFICATES

A copy of the Texas Sales and Use Tax Exemption Certification ("Exemption Certificate") will be available for download and use from the following website: <http://comptroller.texas.gov/forms/01-339.pdf>

Employees of SHSU with signature authority who are purchasing an item necessary to Sam Houston State University's exempt functions should complete all blank sections of the Exemption Certificate, sign it, and provide it to the Texas vendor to ensure the purchase is tax free. Please be specific as possible when completing the "Description" area of the certificate. A copy of the completed Exemption Certificate should be maintained in your records. Upon any questioning during a state audit, responsibility for explaining the purchases will fall upon the individual whose signature is presented at the bottom of the certificate.

Tax Exempt forms should be issued for individual Purchase Orders rather than blanket tax exemptions.

The Tax Exemption form is issued to the vendor who requests the form and the department should attach a copy of the exemption form to the BearKatBuy Requisition/PO. There is no need to send a copy of the exemption form to Disbursements or Procurement and Business Services.

INTERNAL REPAIRS

Bids are not required for internal repairs to state-owned property that cannot be reasonably defined prior to the actual repair. An internal repair occurs when the extent of the repairs could not be determined until the problem was clearly defined.

CAUTION: By definition an internal repair must contain labor and may also include parts; the term "internal repairs" must be indicated on the purchase documentation.

PROPRIETARY (SOLE SOURCE) PURCHASES

A proprietary purchase is justified only when equivalent product or service competition is not available. When the specification requirement limits consideration to one manufacturer, one product or one service provider, a written justification must be provided and is subject to Procurement and Business Services approval. The proprietary specifications must be stated in the solicitation when the purchase exceeds \$15,000. A proprietary letter is not needed for purchases under \$15,000.

Requirements

A justification of proprietary purchases must be submitted by the department on the form found at:

<https://www.shsu.edu/intranet/policies/forms/documents/Requirements%20and%20Accountability%20in%20Recommending%20a%20Sole%20Source%20Product%20or%20Service%20%2009-8-20.pdf>

The form must be signed by the department head or the Principal Investigator (of a grant account), justifying why no

HISTORICALLY UNDERUTILIZED BUSINESSES' (HUBs) PURCHASES:

The Statewide Procurement Division (SPD), Historically Underutilized Business (HUB) Program administers the HUB program in accordance with Texas Government Code §2161 and Texas Administrative Code, Title 34, Chapter 20, Subchapter D, Division 1, Sections §20.281 to §20.298. The State of Texas requires that state agencies and universities increase their efforts to allow Historically Underutilized Businesses the opportunity to sell to the state. Departments and purchasers shall contact a minimum of two certified HUBs. HUB is defined as Hispanic American, Black American, Asian American or Native American. Ownership is defined as controlling interest (51%). The key is that we are required to make an effort to identify and call these businesses. The vendor must be a certified HUB with the state of Texas

How To Find HUB Bidders

Procurement and Business Services and departments have access to the Statewide Procurement Division (SPD) on-line registry of certified historically and underutilized businesses. We encourage departments to contact us before soliciting informal bids and we will assist the department in determining the correct commodity classification. The website for certified HUB vendors is <https://mycpa.cpa.state.tx.us/tpasscmlsearch/tpasscmlsearch.do>

TECHNOLOGY PURCHASES

All technology resource related purchases and gifts must be reviewed by SHSU Information Technology Division and receive approval, prior to a formal submission of request for acquisition or acceptance of gift per IT-S03 Technology Acquisition Oversight Statement.

USED EQUIPMENT

As a rule, the purchaser should procure new equipment, but sometimes it is necessary or advantageous to purchase used or demonstrator equipment and supplies. The most common reasons are:

- x the inability to secure new equipment;
- x the lack of adequate funds for new equipment; or
- x used equipment will satisfy the agency's need at a substantial savings. (Cost comparison to new equipment must be provided by requesting department.)

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

The ordering entity must:

- x obtain a minimum of three (3) signed bids which have been properly prepared whenever possible;
- x if only one bid is received, prepare a statement explaining why no competition exists;
- x provide a letter from an authorized person connected with the ordering entity that:
 - a) states that the equipment or supplies have been personally examined, and
 - b) describes the condition and value of the equipment or supplies.

Reviewed by: Tessy Rappe', AVP Finance & Operations
Renee' Starns, Exec. Director, Procurement & Business Services

Review Date: September 2020

Next Review Date: August 2023