

Texas Facilities Commission (TFC) Procurement Training

GENERAL

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Course Outline & Objectives

- TFC Procurement Program Overview
- Statewide Procurement Program Overview
- Procurement Basics
- Know your Procurement \$ Thresholds
- Know your Procurement Methods/Choices
- TFC Historically Underutilized Business (HUB) Program
- Procurement Lead Times
- Summary



TFC Procurement Program

- **What does the TFC Procurement Program do?**
 - Procure Goods/Services for TFC use
 - Anything from office supplies to new construction of State Office property
 - Procure Goods/Services for other agencies as mandated by statute
 - Custodial, Security, HVAC Repair, MEP, A/E Services, etc...
 - Uses all methods of procurement from term contracts to complex solicitations
 - Administer the Payment Card program
 - Administer the Automated Procurement System (APS)
 - Work closely with the TFC HUB Program



TFC Procurement Program

■ Procurement Totals:

	Purchase Orders	POCN's	Totals
FY05	858	466	\$125,497,339
FY06	1,144	573	\$ 62,305,718
FY07	1,395	454	\$ 47,260,087
FY08	1,301	431	\$ 79,926,342
FY09	1,424	524	\$174,742,325
FY10	1,110	625	\$158,626,015
FY11	737	296	\$ 39,304,009
FY12	973	632	\$60,870,082
FY13	979	650	\$61,457,734
FY14	1238	634	\$126,684,196
FY15	1291	160	\$79,560,813
FY16	1165	1330	\$167,000,000
FY17	988	1318	\$387,307,377
FY18	969	980	\$445, 881,682



TFC Procurement Program

- Richard D. Ehlert, CTCD, CTCM Procurement Director
- John T. Goodrich, CTPM, CTCM Purchaser FDC/PREM/General
- Colin M. Gresham, CTPM, CTCM Purchaser FDC/PREM/General
- Rico Gamino, CTPM, CTCM Purchaser FDC/PREM/General
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Statewide Procurement

- Statewide Procurement Statute: Texas Government Code (TGC)
 - §2155, §2156, §2157, §2158, §2269
- Statewide Procurement Rule: Texas Administrative Code (TAC)
 - Title 34, Part 1, Chapter 20
- Statewide Procurement Manual and Contract Management Guide
 - <https://comptroller.texas.gov/purchasing/publications/>
- TFC Procedures
 - <https://portal.tfc.state.tx.us/>



Statewide Procurement

- The Statewide Procurement Division is housed at the Comptroller of Public Accounts (CPA), known as SPD.
- The Statewide Procurement Division awards contracts that can be utilized by all state agencies.
- These contracts include the procurement methods listed on the following slides.
- Some of these statewide contract awards **require** usage, by statute.
- Benefits of Statewide Procurement contracts:
 - No \$ thresholds
 - Goods/Services have already been solicited and/or awarded with a best value criteria
 - Procurement path is typically quicker than Open Market, or 'on the street' solicitations
- Program's must perform some 'best value' analysis for high dollar set-aside procurements



Statewide Procurement

- If you are a TFC employee, and you:
 - Enter requisitions
 - Spend state funds by ordering goods/services
 - Manage contracts

then you should have the following webpage bookmarked on your workstation:

<https://www.comptroller.texas.gov/purchasing/>

This is the homepage of the Statewide Procurement Division.

- This page accesses statewide contracts, statewide bidders lists, the statewide Historically Underutilized Business (HUB) program, access to the State of Texas approved open market posting website, and other useful tools to source your goods and/or services.



Statewide Procurement

- There are two basic ways to procure goods and/or services:
 - Statewide approved procurement method
 - **Is not** subject to \$ threshold requirements
 - DIR Procurements do have \$ thresholds that require a certain number of vendors to request bids from; and
 - Remember 'best value' analysis is required for high dollar procurements
 - Open Market, or 'on the street' solicitations
 - **Is** subject to \$ threshold and public solicitation requirements



Statewide Procurement: NIGP

What is the first step I should take towards sourcing my goods/service through a state approved procurement method?

- Locate the National Institute of Governmental Purchasing (NIGP)

Commodity Code assigned for the item and/or service:

<https://www.comptroller.texas.gov/purchasing/nigp/>

- Example:

- 031-67 HVAC Parts and Accessories

(Commodities, or 'goods', are 005-899)

- 208-90 Computer Software

- 910-14 Door Installation, Maint & Repair (Metal)

(Services start in the 900's)

- The three-digit 'Class' is a broad category
- The two-digit 'Item' is more specific to the Class broad category



Statewide Procurement: NIGP

- **You can search the Commodity Book several ways:**
 - Commodity Book Listing by Class
 - Alphabetical index of Commodity Book (search field)

- Procurement recommends beginning with 'Commodity Book Alpha Index – Keyword Search'

- **Why is this important to me?**
 - **CLUE – PROCUREMENT METHOD AND VENDOR LIST**
 - This is your first clue as to where to look for an approved source to obtain your desired item.
 - For example, Term Contracts, a required state approved purchase method, are organized by Class/Item code.
 - The Centralized Master Bidders List (CMBL) contains a list of vendors, including HUB's, registered by Class/Item code.
 - For Open Market procurements, certain dollar thresholds require state agencies to utilize the CMBL in the procurement process.



Statewide Procurement: CMBL

- **Centralized Master Bidders List**

- The CMBL is the state of Texas official 'bidders list'
- Vendors pay to be on this list (\$70.00/yr)
- Vendors register by NIGP Class/Item Code
- For Open Market procurements, certain \$ thresholds require use of the CMBL, which includes obtaining minimum HUB quotes

- **How do I access the CMBL?**

- Also from the CPA Statewide Procurement Division website
 - <https://mycpa.cpa.state.tx.us/tpasscmbsearch/index.jsp>
 - Search by Class/Item code; VID#; and/or Vendor Name



Statewide or Open Market?

- In order to legally source your goods and/or services, you must determine the following:
 - Approximate \$ amount of purchase
 - NIGP Class/Item Code
 - Is there a Statewide Procurement Method I must use?
 - How to locate options – upcoming slides
 - If not using a Statewide Procurement Method, what are the minimum solicitation requirements for Open Market procurements? (next slide....)



Open Market \$ Thresholds

- Open Market Purchasing \$ Thresholds

- **\$0.00 - \$5,000.00** Spot Purchase
 - Use of the state bidders list (CMBL) **not required**
 - ONE bid required, as long as you feel the purchase is 'best value'
 - HUB's suggested
 - Always obtain a hard copy quote
- **\$5,000.01 - \$25,000.00** Informal Purchase
 - Use of the state bidders list (CMBL) **required**
 - THREE bid notices required, from the applicable Class/Item code, with at least two of the three being HUB's
 - Award to low bidder, unless justifiable reason
 - Always obtain hard copy quotes and records during bidding process
 - Procurement can facilitate, or Program (checklist required, more on that later)
- **\$25,000.01 - UP** Formal Purchase
 - Notification to the applicable state bidders list (CMBL) **required with formal notification**
 - Minimum posting times (14-21 days)
 - Formal process and statutory requirements apply
 - Procurement always facilitates



Statewide or Open Market?

These \$ threshold's DO NOT apply to the following allowed exceptions and set asides:



Procurement Methods/Choices

Purchase Methods not subject to \$ thresholds:

- **Warehouse Stock**
 - Inventory for TFC use
 - Light bulbs, ballasts, other MEP
 - Warehouse Stock is available on the TFC Work Order System
 - Warehouse staff contacts:
 - Warehouse Manager: Troy Arambula @ 463-4920
 - Warehouse Purchaser: James Wooley @ 475-2457

- **Surplus Property**
 - Anything valued at less than \$200.00 is free to State employees for State use
 - Search by Location
 - Inventories on line
 - <http://portal.tfc.state.tx.us/surplus/state/>
 - Surplus Director: Kristy Fierro 512-463-3458



Procurement Methods/Choices

Purchase Methods not subject to \$ thresholds:

- Procurement 'Set-Asides'
 - WorkQuest (formerly Texas Industries for the Blind & Handicapped - TIBH)
 - HRC 122 / TGC 2155.441 / TAC 20.38
 - <https://workquesttx.com/>
 - Texas Correctional Industries (TCI)
 - TGC 497.024 / TGC 2155.065 / TAC 20.43
 - <http://www.tci.tdcj.state.tx.us/>



Procurement Methods/Choices

Purchase Methods not subject to \$ thresholds:

- **Term Contracts and TXMAS Contracts**
 - Term Contracts: These are commodities and services that have been publicly solicited and awarded by the Statewide Procurement Division.
 - All state agencies are required to use term contracts whenever possible if the product or service meets their requirements.
 - TXMAS Contracts (Texas Multiple Award Schedule): These are commodities and services that been competitively awarded by the federal government (usually GSA), state cooperative agreement, or another state government
 - All state agencies have the option to use TXMAS Contracts if the product or service meets their requirements.
- You may search Term and TXMAS Contracts via the TxSmartBuy website:
 - <http://www.txsmartbuy.com>
 - You can search by Keyword, Part Number, or NIGP Class/Item Code

Procurement Methods/Choices

Purchase Methods not subject to \$ thresholds:

- TxSmartBuy

Use the Search Bar at the top to enter your search criteria

TEXAS SMART BUY

Commodity Code, Supplier Part #, NIGP or Keyword Search

Rico Gamino ▾ Saved Carts ▾ 0 Items

Contracts ▾ SPD Applications ▾ Help


Procurement Oversight & Delegation

The Statewide Procurement Division (SPD) is pleased to announce the new Procurement Oversight & Delegation (POD) team, formally known as the Contract Advisory Team-Review and Delegation (CAT-RAD) team. The name has been changed to add clarity to the team's role in the contract review process. The CAT-RAD web application has also been renamed; it's now the [Procurement Oversight & Delegation Portal](#).

As always, solicitations that must be submitted through the Procurement Oversight & Delegation portal include:

- Solicitations associated with Major Information Resources Projects that require Quality Assurance Team review.
- Solicitations and delegation of purchasing authority requests for contracts for services at a value of \$100,000 or greater, including the attachment of any applicable proprietary justifications.
- Solicitation documents and contract documents for contracts that have a value of at least \$5 million or greater during the full term of the contract, including any renewal periods authorized under the contract.

SPD News and Updates



Effective January 1, 2019
The Statewide Procurement Division (SPD) transitioned to the Minnesota Multistate Contracting Alliance for Pharmacy (MMCAP) for Vaccines and Biologicals on July, 1, 2018. The current contract for 269-M2, Influenza Vaccines, expires Dec. 31, 2018. SPD will be transitioning this contract to MMCAP. If you have already submitted an application to join MMCAP, you do not need to submit a new one in order to access the Influenza Vaccine program.

For contract and application information, please visit the [269-C1 Texas SmartBuy Contract Details page](#). Texas state agencies and Texas SmartBuy members are eligible for membership.

Procurement Methods/Choices

Purchase Methods not subject to \$ thresholds:

- TxSmartBuy

Narrow your search results by:

- Contract Type: Term or TXMAS
- Vendor Name
- Item Category

The screenshot displays the Texas Smart Buy website interface. At the top, there is a search bar with the placeholder text "Commodity Code, Supplier Part #, NIGP or Keyword" and a "Search" button. To the right of the search bar, the user's name "Rico Gamino" and "Saved Carts" are visible. Below the search bar, there are navigation links for "Contracts", "SPD Applications", and "Help".

The main content area shows search results for the query "28550". It indicates "5736 Results Found for '28550'". There are buttons for "Compare Items" and "Export to CSV". The results are sorted by "Ordered Search" and show "100 results per page".

The results are filtered by "Contract Type" (Term and TXMAS), "Contract Number" (285-A1, TXMAS-11-73030, TXMAS-15-51V03, TXMAS-17-51V03, TXMAS-17-5608), "Contractor" (American Hotel Register Co., Apfelbaum Industrial, Inc., College Station Auto Parts DBA Texas Fleet Outfitters (NAPA Auto Parts), Divine Imaging, Inc., Facility Solutions Group, Inc., Fastenal), and "Item Category" (Abrasives, Electrical Equipment And Supplies (Except Cable And Wire), Hardware And Related Items, Janitorial Supplies, General Line).

The first three results are for "Fluorescent Lamps". Each result shows the commodity code, item description, price, UOM, and minimum order quantity. The first result is priced at \$3.29, the second at \$1.73, and the third at \$1.84. Each result includes an "Add to cart" button and a "Compare" checkbox.

Procurement Methods/Choices

Purchase Methods not subject to \$ thresholds:

- TxSmartBuy

Once you have found your item, enter a requisition into APS with the Contractor, item description, part #, Commodity Code, Unit and Pricing.

If the contractor is not available in the APS Vendor drop down list, the vendor information can be found by clicking on contract link.

The screenshot displays the APS procurement interface. On the left, there are filter sections for Contract Type (Term), Contract Number (285-A1), Contractor (Apfelbaum Industrial, Inc.), and Item Category (Electrical Equipment And Supplies). The main content area shows search results for 'Fluorescent Lamps' with a commodity code of 28550145295. The listing includes item details (Lamps, Fluorescent, T8), contractor information (Apfelbaum Industrial, Inc.), and pricing (\$1.73 EACH). A red box highlights the product listing area, which also includes 'Add to cart' and 'Compare' buttons. Navigation elements like 'Sort By' and 'Show: 100 results per page' are visible at the top and bottom of the listing area.

Clear all Filters

- Contract Type
 - Term
- Contract Number
 - 285-A1
- Contractor
 - Apfelbaum Industrial, Inc.
- Item Category
 - Electrical Equipment And Supplies (Except Cable And Wire)

Sort By: Ordered Search Show: 100 results per page

Narrowed By:

Fluorescent Lamps

Commodity Code 28550145295

Lamps, Fluorescent, T8

ITEM	CONTRACTOR
Contract 285-A1 Supplier Part Number 28550145295 Manufacturer Part # 281618	Contractor Apfelbaum Industrial, Inc.

Price **\$1.73** UOM **EACH**
Min. Order Qty: 1

Add to cart

Compare

Sort By: Ordered Search Show: 100 results per page



Procurement Methods/Choices

Purchase Methods not subject to \$ thresholds:

- **TxSmartBuy – Search Tips**

- Before searching in TxSmartBuy, research the item(s) that are needed
- Use websites of vendors specific to the product needed to get part numbers and specifics
- Look up NIGP Codes
- Use the filters on the left
- Use 'unique' keywords to narrow your searches
- Export search results to Excel to sort your results
- If item description is vague and you need help with selecting the right item, do not be afraid to contact the vendor for assistance
- As always, if you need assistance, ask Procurement



Procurement Methods/Choices

Purchase Methods not subject to \$ thresholds:

- TxSmartBuy – Contract Information within TxSmartBuy
 - Listed for each contract will be:
 - **Contract Standard Terms** such as contract term, delivery lead times, minimum order, shipping information, etc.
 - **Contractors Information** lists the available vendors to provide the goods or service along with their contact information
 - **Dealers Information (TXMAS)** lists available resellers or dealers available to purchase the goods or services along with their contact information
- There is a link at the top of the page to display all items available through TxSmartBuy on the contract
- Shipping costs are generally included in the price listed on the term contract
- Always review the Contract Terms to check for additional charges such as pallet charges, or a freight dollar threshold



Procurement Methods/Choices

Purchase Methods not subject to \$ thresholds:

- TXMAS (Texas Multiple Award Schedule)
 - The TXMAS contracts can also be searched from the CPA website:
 - By TXMAS Schedule: <http://www.txsmartbuy.com/contractsearch>
 - Using search fields such as Contract Number, Contractor/Dealer, Contract Category, GSA Schedule, Keyword, or VID
 - Once you locate a contract, click on the TXMAS contract number to go to the TXMAS contract details:
 - The initial page is an introductory page that details the general terms and conditions of the contract
 - At the top of the page is a link to items available on contract
 - If the goods and/or services you desire are not listed on this contract link, then what you desire is not TXMAS eligible.
 - Determine if item description, cost, and lead time fit your needs.



Procurement Methods/Choices

Purchase Methods not subject to \$ thresholds:

- **TXMAS (Texas Multiple Award Schedule)**
 - Pricing quoted should be equal to or less than the pricing listed on the TXMAS contract.
 - Pricing should coincide with the on-line TXMAS catalog or contract pricing
 - Incidental, off contract items may be purchased as 'Open Market', however the ratio cannot be less than 50/50, and cannot total more than \$5K without approval from the Statewide Procurement Division (TFC Procurement will obtain).
 - Negotiation is allowed
 - TXMAS Program Manager: Jason Ochoa 512-463-3894



Procurement Methods/Choices

Purchase Methods not subject to \$ thresholds:

- Department of Information Resources (DIR) 'Cooperative Contracts'
- These are contracts and awards for Information Systems (IS) hardware, software, staffing services, maintenance, managed services, technology training, DBITS, and other products/services with high customer demand
 - The contracts can be searched from the DIR website at:
<http://dir.texas.gov/>
 - Click on 'All Contracts and Services' link at the top
 - Search by Category, Vendor Name, Contract Number, Brand, or by Class/Item Code
 - Once you locate the contract you want, click on the link to take you to the contract details
 - Links to the contract, terms, pricing, and HUB plan are listed on each contract page
 - If under \$50K, you are not required to obtain competitive quotes from other DIR vendors, however you are welcome to do so to demonstrate 'best value'



Procurement Methods/Choices

Purchase Methods not subject to \$ thresholds:

- Department of Information Resources (DIR) 'Cooperative Contracts'
 - DIR quotes must contain the following:
 - DIR Contract Number
 - Pricing should coincide with the DIR contract pricing, usually listed in the Appendix C – Pricing List:
 - Include part numbers
 - If DIR contract pricing is structured as '% discount from list' or 'MSRP', then the quote should reflect the 'List' or 'MSRP' price, the applicable DIR % discount, and resulting price
 - Negotiation is allowed
 - All DIR contracts have an officially filed HUB Subcontracting Plan (HSP)
 - If your goods/and or services from the DIR vendor involve subcontracting other than what is currently filed, the DIR vendor will have to revise the filed HSP with DIR prior to use of the contract



Procurement Methods/Choices

Purchase Methods not subject to \$ thresholds:

- **DIR and TXMAS Quoting**

- If the DIR or TxMAS item or service you are procuring is under \$50K, you may award directly to the vendor of your choice, as long as you feel the purchase is of a 'best value' determination
- If the DIR or TXMAS item or service you are procuring is over **\$50K**:
 - Advertise to at least three (3) competing DIR or TXMAS vendors (if available)
 - If this is not done your requisition may be rejected and you may have to start the process over again
 - There are exceptions – check with Procurement.



Procurement Methods/Choices

Purchase Methods not subject to \$ thresholds:

- DIR – SB20 Requirements
 - If the DIR or TXMAS item or service you are procuring is over \$50K:
 - Advertise to at least two (3) competing DIR or TxMAS vendors (if available)
 - If this is not done, Procurement will do this for you.
 - If the DIR or TXMAS item or service you are procuring is over \$1M:
 - Advertise to at least six (6) competing DIR or TXMAS vendors (if available)
 - If this is not done, Procurement will do this for you.
 - If the DIR or TXMAS item or service you are procuring is over \$1M:
 - Procurement will advertise to at least six (6) competing DIR or TXMAS vendors (if available)
 - Procurement will do this for you.



Procurement Methods/Choices

Purchase Methods not subject to \$ thresholds:

- DIR – SB20 Requirements (con't)
 - Statement of Work Portal: DIR DBITS (services), Managed Services for IT, IT Security Services, Cloud Services, and Comprehensive Web Development procurements over \$50K that cannot be purchased from an existing DIR contract catalogue, the following are required:
 - The agency must submit a Statement of Work, from a DIR template, through the DIR portal for review and approval prior to posting.



Procurement Methods/Choices

Purchase Methods not subject to \$ thresholds:

- DIR and TxMAS Contracts and the HUB Subcontracting Plan (HSP):
 - DIR
 - an HSP is already be on file with DIR, however if there are changes to that HSP due to the items and/or services you are procuring, DIR will have to approve the revised HSP before TFC can place the order
 - TxMAS:
 - If the TXMAS item or service you are procuring is over \$100K, The vendor will be required to complete and submit an HSP to the TFC HUB Program;
 - **It is the responsibility of the Requisitioner to provide the HSP to the HUB Program for review.**
 - You should have a discussion with the TxMAS vendor re this while in the planning/quoting phase so that proper outreach is done.
 - If you follow the guidelines above, it will hasten the order placement process once you enter the requisition.



Procurement Methods/Choices

Other methods of procuring your goods and/or services:



Procurement Methods/Choices

- Proprietary Purchases

- Texas Government Code Section §2155.067
 - Defined as: product that is proprietary to one vendor and do not permit an equivalent product to be supplied
- Justification Form Required – Template on TFC Web Portal:
 - Procurement Docs: <http://portal.tfc.state.tx.us/>
- For Formal procurements (>\$25K), is **NOT** exempt from the procurement solicitation process
- Attach Justification Form and quote to the requisition
- Select 'Yes' on the requisition to the question 'Is this a proprietary purchase?'



Procurement Methods/Choices

- Proprietary Purchases (con't)

The Proprietary Purchase Justification must include the following information in order to document best value to the State:

- describe the product or service the agency proposes to purchase, and provide a statement regarding the agency's business need and planned use;
- explain why the agency specifications for the product or service are written as they are, and why those specifications are necessary to accomplish the agency's goal for the procurement;
- state the reason that no other competing products or services will satisfy the need of the agency and provide examples of the technical, practical, or operational risks that would occur if competing products or services are selected;
- specify whether the purchase is sole source or competitive
- **NEW FORM ON THE WEBPORTAL**



Procurement Methods/Choices

- Proprietary Purchases (con't)

Examples of **Non-Compliant** Proposed Proprietary Purchase Justifications:

- “Our professionals have identified [vendor’s product] as the most durable, safe, and efficient system of its kind.” **NONSTANDARD TESTING**
- “[The vendor] has claimed their technology is proprietary and we agree.” **UNSUBSTANTIATED**
- “[Vendor] is the exclusive patent holder of US Patents [X, Y, and Z]. No other manufacturer can legally produce [the product] with the same properties.” **NON-COMPETITIVE, SPECS TOO STRINGENT, ALLOWANCES FOR CERTAIN SPECIALTY PURCHASES (LAB, R&D)**
- “Our agency has performed research [on these products]. The manufacturer can provide [a range of products] that will enable [our agency] to [meet our statutory requirement].” **UNSUBSTANTIATED**



Procurement Methods/Choices

- Proprietary Purchases (con't)

Examples of **Non-Compliant** Proposed Proprietary Purchase Justifications:

- “Our staff tested [these products] against others, and only [the identified products] that passed our rigorous qualification process were placed on the agency’s approved products list. We can only buy products on our approved products list; therefore, these products are proprietary.” **NONSTANDARD TESTING**
- This vendor is our incumbent and only their products will work with the equipment we already have. **UNSUBSTANTIATED, UNLESS PROVEN; SOFTWARE HAS ALLOWANCES**
- “The [brand] furniture purchased will be used to provide a comfortable and aesthetically pleasing work environment for employees’ working in the office so they may provide customers frequenting the building excellent customer service in a welcoming atmosphere.” **THIS IS THE STATE OF TEXAS, NOT GOOGLE. DEFINING AN ACCEPTABLE MINIMUM REQUIRMENT = BEST VALUE.**



Procurement Methods/Choices

■ Emergency Purchases

- Defined by Texas Gov't Code Section §2155.137;
- Defined by Texas Administrative Code Rule §20.210;
- Rule §20.82 Delegated Purchases applies to your purchase;
- Further explained in the Procurement and Contract Management Guide;
- Emergencies occur as the result of unforeseeable circumstances and may require an immediate response to avert an actual or potential public threat. If a situation arises in which compliance with normal procurement practices is impractical or contrary to the public interest, an emergency purchase may be warranted to prevent a hazard to life, health, safety, welfare, property, or to avoid undue additional cost to the state.
- Emergencies are NOT defined as a potential lapse in funding, unless the case can be made that it would cost the state additional monies if not acted upon before the current biennium funds lapse. However, this is not a typically valid reason, which is typically attributed to poor planning.
- Justification form required, and the form must be in the file, and if the purchase is >\$25K, the form is to be sent to SPD.
- For Formal procurements (>\$25K), the purchase is **NOT** exempt from the procurement solicitation process or the formal procurement requirements....however the minimum posting times do not apply.



Procurement Methods/Choices

- Internal Repairs

- Definition: When the extent of the repair cannot be reasonably determined until the equipment is disassembled and an analysis performed.
 - Example: Repair of an air conditioner or some other piece of equipment that quit working.
- Initial estimate must be below the 'spot purchase' \$ threshold of \$5,000.00
 - If not, then it is an Informal Purchase, and there are minimum bidding requirements
- The initial quote from the vendor must include the following:
 - Hourly labor rate
 - Estimate for repair
 - Any known component costs that may be required



Procurement Methods/Choices

- Internal Repairs – After Hours Process
 - System of Award Management (SAM)
 - <https://www.sam.gov/portal/public/SAM/>
 - Click on 'Search Records' link
 - Search by vendor name
 - Provide Procurement Division with reason for internal repair, vendor name, and quote with estimated cost
 - Submit requisition the same day or next business day
 - You should include the initial Comptroller Check and SAM check on the requisition
 - Obtain purchase order number from Procurement, or, if on a weekend or after hours, use the requisition number or another identifier
 - Procurement issues purchase order based on estimated cost
 - User program submits invoice to Fiscal with final cost
 - User completes Purchase Order Change Request (POCR) requisition, which Procurement will turn into a Purchase Order Change Notice (POCN) to reflect final cost
 - Fiscal pays vendor



Procurement Methods/Choices

- Determining 'Best Value' in your Program's Procurements
 - TFC Procurement defers to the using program as the technical subject matter expert on whether or not the quote is reasonable and customary
 - When there is no competition ('spot' purchase, TXMAS, DIR, Proprietary), the following guidelines should be followed in order to make a 'best value' determination:
 - Scope of Work is detailed and acceptable to TFC employee
 - Quoted hourly rate is usual and customary for the services requested
 - The number of labor hours are justified
 - Parts are itemized and separate from labor – **no flat fees allowed**
 - An analysis of the above in order to determine 'best value'



IDIQ/Requirements Contracts

- TFC awarded IDIQ and Requirements Contracts

- For many services, TFC has solicited and awarded multiple vendors for TFC use as opposed to soliciting for the services over and over again
- Awarded from a competitive solicitation and according to 'best value'
- FDC
 - IDIQ Contracts for Professional Services; Multiple Disciplines
- PREM
 - Many services such as Plumbing, HVAC, Remodeling, etc.
- Minor Construction
 - Service levels are \$0-\$25K; \$25k-\$100K; and >\$100K
- For any of these, you must check with the Contract Administrator of the IDIQ or Requirements Contract prior to requesting a proposal or quote from a selected vendor



IDIQ Contracts

- FDC IDIQ Contracts

- Architectural services (various)
- Engineering services (various)
- Limitations and Requirements
 - Contract Term NTE amounts \$250K - \$400K
 - Used for projects up to \$400K



IDIQ Contracts

- FDC IDIQ Contracts

- Texas Government Code: Sec. §2254.003. Selection of Provider: Fees
 - (a) A governmental entity may not select a provider of professional services or a group or association of providers or award a contract for the services on the basis of competitive bids submitted for the contract or for the services, but shall make the selection and award:
 - (1) on the basis of demonstrated competence and qualifications to perform the services; and
 - (2) for a fair and reasonable price.
 - (b) The professional fees under the contract may not exceed any maximum provided by law.
- Texas Government Code: Sec. §2254.004. Contract for Professional Services of Architect, Engineer, or Surveyor
 - (a) In procuring architectural, engineering, or land surveying services, a governmental entity shall:
 - (1) first select the most highly qualified provider of those services on the basis of demonstrated competence and qualifications; and
 - (2) then attempt to negotiate with that provider a contract at a fair and reasonable price.
 - (b) If a satisfactory contract cannot be negotiated with the most highly qualified provider of architectural, engineering, or land surveying services, the entity shall:
 - (1) formally end negotiations with that provider;
 - (2) select the next most highly qualified provider; and
 - (3) attempt to negotiate a contract with that provider at a fair and reasonable price.
 - (c) The entity shall continue the process described in Subsection (b) to select and negotiate with providers until a contract is entered into.



IDIQ Contracts

- FDC IDIQ Contracts

- What does that mean to me?
 - You cannot competitively bid two or more IDIQ awarded vendors against one another and use price as the determining reason why you would choose one vendor over another
 - You must make the decision based upon 'most qualified' for that particular assignment
 - You will negotiate with the 'most qualified' vendor first, and if a reasonable fee schedule cannot be agreed upon you may proceed to negotiate with the next 'most qualified' vendor for that assignment
 - You must provide a 'most qualified' statement **on the requisition and on the CRF** when selecting a vendor for an assignment from the IDIQ pool
 - You must provide a proposal and fee schedule for the assignment and it should also be attached to the requisition



Requirements Contracts

- Requirements contracts

- Many services such as Plumbing, HVAC, Security Controls, Fire Alarm, Fire Sprinklers, Chillers, Boilers, Remediation, Minor Construction, etc.
- Contracts are usually awarded for a Not-to-Exceed dollar amount for a two year period with one or two renewal options for a total of four (4) years
- Contracts are usually awarded with contracted labor rates and a percentage discount from a catalog or list price for materials
- Orders, in the form of a 'Delivery Release', are issued against the contract amount



Requirements Contracts

- Requirements contracts – Delivery Releases
 - To use a Requirements Contracts:
 - Verify on APS that there is a Requirements Contract for you to use
 - Request a quote from one or more of the contracted vendors for service
 - Over \$50K, you should request a quote from at least two (2) awarded requirements contract vendors (if available)
 - Quote should contain a breakdown of material (major parts) and labor
 - Quoted parts and labor rates must correspond to the awarded vendor's contract rates
 - As the end user, **you** must determine that the quoted price is within the contract pricing, terms, and conditions, and that the purchase is 'best value'
 - Verify that there is a sufficient amount remaining on the contract using APS or Contract Administrator / Administrative Assistant



Requirements Contracts

- Requirements contracts – Delivery Releases (con't)
 - Enter 'Delivery Release' requisition
 - **YOU MUST ADD THE REQUIREMENTS CONTRACT 'CONTRACT MANAGER' TO THE REQUISITION APPROVAL ROUTING**
 - This is to alert the Contract Manager that you are using the contract, and \$ amount, and the correct Org Code
 - CM is 'Requestor' on original requisition, or Program Manager of that discipline
 - Add as 'Pre' approver to the requisition approval routing
 - Once fully approved, Purchasing will release the 'Delivery Release' in APS which will notify the program by e-mail
 - Program contacts the vendor to schedule the service
 - **You should fax or email the Delivery Release to the Vendor notifying them that work is authorized to begin – Contract states this is the process**
 - Services may begin prior to issuance of a 'Delivery Release' for emergency situations – Contact Procurement



Professional Services

- Professional Services Contracts

- Defined by Texas Government Code Chapter §2254
- IDIQ is one option
- You may contract up to \$25K without a formal solicitation:
 - Must make your decision to hire based upon the vendor qualifications for the scope
 - Cannot send scope out to several firms and ask for their best price
 - Provide **demonstrated** qualifications from the vendor you choose
 - Attach proposed fee schedule/quotes, and **demonstrated** qualifications to requisition
- Requires a formal contract routed through Legal Services



Interagency Contracts

- Interagency Contracts (IAC's)
 - Signed Contract/Memo with another agency
 - You must route through Legal Services using a Contract Routing Form
 - Template on TFC Web Portal:
 - Legal Services Docs: <http://portal.tfc.state.tx.us/>
 - You must also submit a requisition for an Interagency Contract when TFC pays for the goods/services from another agency.



Payment Card Program

- **Payment Card**

- A business to business MasterCard credit card which allows designated employees to pay for spot purchases under delegated authority and dollar limit directly from merchants.
- Goals of the Program:
 - Cost reduction through time/money saved
 - Shortened procurement cycle
 - Employee empowerment
- Benefits
 - Efficient tool.
 - Faster payment to vendors.
 - Provides online transaction log through Global Card Management System (GCMS)



Payment Card Program

- Payment Card
 - Departmental delegated authority:
 - Single purchase limit: \$2,000 per cardholder (standard)
 - Monthly limit: \$5,000 per card (standard)
 - These limits can be increased/decreased to fit program needs
 - State law mandates that large purchases shall not be broken down into small purchases to avoid the competitive bid process.



Payment Card Program

- Payment Card
 - Can I use my Pcard to purchase...?
 - **NO**
 - Cash advance or cash refund
 - Consultants and Professional Services
 - Food & Alcoholic Beverages
 - Insurance or Surety Bonds
 - Maintenance agreements/renewals
 - Newspaper advertisements – Procurement only
 - Off-site records storage
 - Personal items
 - Software license agreements
 - Travel-related expenses (Contact AP about Travel Card)
 - Weapons and Ammunition
 - Memberships, subscriptions, training & licensing fees (Procurement ONLY)
 - Item or service from another State agency
 - Basic office supplies (i.e. pens, copy paper, highlighters)



Payment Card Program

■ Payment Card

- Can I use my Pcard to purchase...?
 - **YES**
 - Services (do not prepay) (remember to acquire proof of insurance)
 - <https://portal.tfc.state.tx.us/insurance/>
 - IT-related items (with IRM approval)
 - Program-specific office supplies
 - Specialty printing services (check with Records first)
 - Everything else!
- Payment cardholders
 - When placing orders for goods, ensure vendor lists contact information on packaging for proper routing upon delivery



Procurement Methods/Choices

■ Payment Card

- There is additional required training and test in order to obtain and utilize a TFC Payment Card

- Contact the Agency Payment Card Administrator, Rico Gamino, if you feel your program would benefit from the use of a payment card.

- P-Card Program Contacts
 - Rico Gamino, Payment Card Administrator
512-936-3567
 - Brian Wells, Payment Card Fiscal Administrator
512-463-4838
 - Richard D. Ehlert, Director of Procurement
512-463-0209
 - Payment Card Manual, Handouts & Training Materials are available on the TFC Web Portal:
 - Procurement Docs: <http://portal.tfc.state.tx.us/>



Procurement Methods/Choices

- Open Market Competition
 - Spot Purchase, Informal, and Formal
 - Remember your \$ thresholds



Open Market \$ Thresholds

- Open Market Purchasing \$ Thresholds

- **\$0.00 - \$5,000.00** Spot Purchase
 - Use of the state bidders list (CMBL) **not required**
 - ONE bid required, as long as you feel the purchase is 'best value'
 - HUB's suggested
 - Always obtain a hard copy quote
- **\$5,000.01 - \$25,000.00** Informal Purchase
 - Use of the state bidders list (CMBL) **required**
 - THREE bid notices required, from the applicable Class/Item code, with at least two of the three being HUB's
 - Award to low bidder, unless justifiable reason
 - Always obtain hard copy quotes and records during bidding process
- **\$25,000.01 - UP** Formal Purchase
 - Notification to the applicable state bidders list (CMBL) **required with formal notification**
 - Minimum posting times (14-21 days)
 - Formal process and statutory requirements apply



Open Market \$ Thresholds

- Spot Purchase helpful tips \$0.00 - \$5,000.00
 - Promote Competition
 - Use of the CMBL, although not required, is encouraged as opposed to using the same vendor over and over again
 - Vendors, including HUB's, are ready to respond to quotes
 - Always obtain a hard copy quote/bid and attach this documentation to the requisition
 - Hard copy quote should contain the following:
 - Description of services
 - Breakdown of material and labor – no flat fee
 - Hourly labor rate with estimated number of hours
 - Any discounts should be reflected after 'standard' or 'list'
 - No taxes



Open Market \$ Thresholds

- Informal Purchase helpful tips

\$5,000.01 - \$25,000.00

- **Procurement Facilitation**

- Prepare a 'Scope of Work' for the item or service you require
 - The 'Scope of Work' should include the following:
 - Description of items along with manufacturer part number and spec sheet
 - Description of services – services Scope of Work development on the next few slides
 - Anticipated term
 - Is there a site walk through required or recommended
 - Insurance requirements – standard or additional?
 - Attach your Scope of Work to the requisition – template located on the Portal, select 'Procurement Docs', 'Solicitation Templates and Forms'
 - Procurement will work with you to refine your Scope of Work
 - Procurement will obtain the required bids from the CMBL, with input from the end user regarding additional vendors to quote
 - After the informal bid period and the bids have been received (typically 3-5 days), Procurement will tabulate the bids and send to you for approval and award.



Open Market \$ Thresholds

- Informal Purchase helpful tips

\$5,000.01 - \$25,000.00

Self-Service Method – CHECKLIST AND SUPPORTING DOCS MUST BE ATTACHED TO REQ

- Contact Procurement to obtain the required minimum bid list from the CMBL
 - Minimum three CMBL vendors; two must be HUB's – all from the same Class/Item code
 - 'A' for 'active' HUB
 - By Class/Item Code – must be **applicable** Class/Item code
 - Highway District '14'
 - Select Fields for Detail:
 - Phone; Fax; Email; Gender (for HUB purposes); Ethnicity (for HUB purposes)
- Save this Excel file; you will need it for the requisition
- You may augment the CMBL with additional vendors not on the CMBL, however the bidding procedures below apply to all vendors, CMBL and non-CMBL. Use of the CMBL still required.
- You MUST use the Informal Bidding Template – copy and paste into your notification email



Open Market \$ Thresholds

- Informal Purchase helpful tips

\$5,000.01 - \$25,000.00

Self-Service Method – CHECKLIST AND SUPPORTING DOCS MUST BE ATTACHED TO REQ (con't)

- Send the same scope of work to all vendors, at the same time, and set a deadline for response
 - “no bid’ or no response fulfills the bidding requirement
 - If there is a ‘walk-through’, all vendors should be invited to be at the same walk-through at the same time
 - You should prearrange the walk-through with your selected bidders to insure all can attend. If all cannot attend, then change the schedule to a date when all can attend.
 - Walk through sign in sheet (for your protection)
- The bid notice should include minimum insurance requirements and a deadline for bid submission
- Keep records of the above for attachment to the requisition
- Hard copy quote should contain the following:
 - Description of services
 - Breakdown of material and labor – no flat fee
 - Hourly labor rate with estimated number of hours
 - Any discounts should be reflected after ‘standard’ or ‘list’
 - No taxes
- Attach the informal bid template, the CMBL list provided by Procurement, the notification email, any walk through and addendums issued, all quotes/bids received to the requisition - make a note that there were ‘x’ number of no bids or no responses – and this checklist, to the requisition.



Open Market \$ Thresholds

- Formal Purchase helpful tips \$25,000.01 and up
 - Statutory posting requirements
 - Minimum 14 day posting: all solicitation documents posted on day one; no addenda
 - Minimum 21-day posting: when there are addenda that address technical clarifications
 - Construction and complex services solicitations can be 30-days
 - Formal TFC Solicitation Process
 - **Checklist available on webportal**
 - Additional 'TFC Formal Solicitation Process' training available, also on the webportal



Open Market \$ Thresholds

- Formal Purchase helpful tips (con't)

\$25,000.01 and up

- Requirements for Solicitation

- Construction Projects:

Risk/Needs Assessment
Solicitation document
Project Manual
Drawings
2015 UGC/Supplemental/Special Conditions
Budget tool
Insurance Requirements
Any other

- A/E projects:

Risk/Needs Assessment
Solicitation document w/ detailed description
Study (optional)
Budget tool
Any other

- All other services

Risk/Needs Assessment
Statement of Work – New Services
or
Previous contract with mark-ups- Repeat Services
Fully developed contract through Legal
(based upon your Scope of Work, dev/ w/ Legal)
Budget tool
Any other



Open Market \$ Thresholds

A fully approved requisition must be received by Procurement prior to posting a formal solicitation.



Risk / Needs Assessment

- The Sunset review of TFC (2012) and a recent SAO audit for contracts (2014) cited the Program for not having a documented Needs/Risk Assessment
- A Risk/Needs Assessment should be developed PRIOR to your Statement of Work
- A Needs Assessment and a Risk Assessment assist you in developing your Statement of Work
- Procurement has developed, with PREM, a newly detailed Needs Assessment and a Risk Assessment for your use, and this at 'no charge'
- All formal procurements must have a Needs Assessment and a Risk Assessment attached to the requisition when routed for approval
- Procurement will work with the End User on the RFP development

Developing the Statement of Work

- The Statement of Work (SOW) forms the basic framework for the resulting contract
- The SOW is a detailed description of what is required of the contractor to satisfactorily perform the work
- The success or failure of a contract can usually be linked to the adequacy of the planning, analysis and thoroughness of the statement of work
- Time spent planning, analyzing, and drafting the statement of work will result in saving time, resources, money and will improve the quality of the goods or services provided
- The SOW template can be found on the web portal.
- For new services, a completed SOW is required to be attached to the requisition for all formal services that do not include Construction or Professional Services
 - Include a word document for technical narrative.
- For repeat services, a marked up revision to the previous contract is required to be attached to the requisition for all formal services that do not include Construction or Professional Services.
 - Revisions should include changes from lessons learned, term, and any other changes

Developing the Statement of Work (con't)

- The Statement of Work should include:
 - Estimated Cost for the initial contract term
 - Introduction - A short one sentence summary of what you want to purchase.
 - Background/Needs Assessment - The purpose of the needs assessment is to ensure the contracting team plans for the correct contracting objective. A clear definition of the what is needed will assist in filling out the rest of the statement of work, solicitation, contracting documents, and in verifying the performance of a contractor. You should answer these questions:
 - What purpose will it serve?
 - How has this been purchased in the past?
 - What departments/divisions do these services affect?
 - How will the agency know that the need has been fulfilled?

Developing the Statement of Work (con't)

- The Statement of Work should include:
 - Risk Assessment - Risks are inherent in all the stages of the contract from planning to closeout. Limited resources require the use of risk assessment because there is not sufficient time to oversee all aspects of a contract. If we identify the risks early in the planning phase, we can build safeguards into the contract. The risk assessment should include:
 - Identify risks and how can we minimize them
 - Insurance – What types and limits?
 - Certifications and Licenses - Ensure qualified contractors
 - Reference Materials – Published Standards or Trade Practices
 - Limitations – Are there any special circumstances limiting what we want done and what the vendor can provide?

Developing the Statement of Work (con't)



- The Statement of Work should include:
 - Scope - What is to be provided? Be as detailed as possible
 - Deliverables, Timelines, Unsatisfactory Performance, Methodology
 - Change Management – How will changes be handled?
 - Reports and Meetings – Will any reports or meeting be required?
 - Resources – Who is providing what?
 - Pricing – How will payment be determined?



Developing the Statement of Work (con't)

- There is additional training regarding the Statement of Work in the Formal Solicitation Process training module.



Required Insurance

- Insurance regarding Services

- Minimum amounts of insurance must be provided and verified prior to authorization of work
- Agency Insurance Analyst vets insurance and/or bonding:
 - For formal solicitation and during award process
 - For other services when a purchase order is issued as opposed to a contract
 - Remember there is a link on the webportal to check for current COI status:

<https://portal.tfc.state.tx.us/insurance/>

- For after hours and emergency procurements, Program should request a certificate of insurance and TFC Procurement must verify the next business day



Required Insurance

- Insurance regarding Services – document on webportal
 - Minimum required insurance for services on state property:
 - Contractor represents and warrants that it will provide TFC with current certificates of insurance or other proof acceptable to TFC of the following minimum types and limits of insurance coverage:
 - (i) Standard Workers Compensation Insurance with limits as required by the Texas Workers' Compensation Act and Employers' Liability coverage with limits of \$100,000 bodily injury each accident, \$100,000 bodily injury by disease; and \$500,000 policy limit, covering all personnel who will provide services under this Contract and containing a waiver of subrogation as to TFC;
 - (ii) Commercial General Liability insurance, including Independent Contractor's liability, products and completed operations, and blanket contractual liability covering but not limited to the liability assumed under the indemnification provisions of the Contract, fully insuring Contractor's liability for bodily injury (including death) and property damage with limits of \$500,000 per each occurrence and \$1,000,000 per general aggregate; the CGL policy shall be written on an occurrence basis and include endorsement CG2503 Amendment of Aggregate Limits of Insurance (Per Project) or its equivalent; and
 - (iii) Comprehensive Automobile Liability insurance, covering owned, hired, and non-owned vehicles, as well as loading and unloading hazards with a minimum combined single limit for bodily injury (including death) and property damage of \$500,000.00 per ~~occurrence~~ accident.
 - Contractor represents and warrants that all of the above coverage is with companies licensed in the State of Texas, with "A-" or better rating from A.M. Best or otherwise acceptable to TFC, and authorized to provide the corresponding coverage. Contractor also represents and warrants that all policies contain endorsements prohibiting cancellation, material change, or non-renewal except upon at least thirty (30) days prior written notice to TFC. Contractor further represents and warrants that all policies, except for Workers' Compensation and Employers' Liability insurance, shall be endorsed to name TFC as an additional insured and shall be considered primary for all claims. Contractor represents and warrants that it shall maintain the above insurance coverage during the term of this Contract and shall provide TFC with an executed copy of the policies, including all endorsements, immediately upon request and at no expense.



Procurement Methods/Choices

■ How do I know what the order of precedence is for a procurement?

- Generally, the order is:
 - Warehouse / Surplus Property
 - WorkQuest (formerly TIBH) / TCI ('set asides')
 - Term Contract / DIR
 - TXMAS
 - Payment card when allowed and whenever possible
 - Competition – Over \$5K
 - \$25K and over; remember, formal posting time requirement
- How do I know if what I want is available on set-aside, Term Contract, or TXMAS?
 - The Statewide Procurement Division website, of course:
<https://www.comptroller.texas.gov/purchasing/contracts/search.php>



Procurement Methods/Choices

How to find a source for your procurement

- You may ask a Purchaser, or simply complete a requisition for the item and/or service you need and the Purchaser will determine the best source and procurement method.

- However, if you like to determine your own destiny, here is a brief outline of the process:
 - Determine if the item can be obtained through Surplus
 - Determine Class/Item Code
 - Determine if the item can be bought from a set-aside
 - Determine if the item is on Term Contract or DIR
 - Determine if item can be purchased from a TXMAS contract
 - Determine if item can be purchased using the Payment Card
 - Determine your competition – remember HUB requirement



Procurement Methods/Choices

How to find a source for your procurement

- The TFC Procurement Program is audited by the CPA, SAO, and TFC Internal Audit for compliance to state statute, rule, and Procurement policies and procedures.
 - Bad audits can cause our delegated authority to be revoked.
 - Protests can cause an interruption to your solicitation schedule or cause TFC to cancel your awarded contract.
- The TFC Purchaser has the responsibility and ultimate decision on assigning the procurement method.

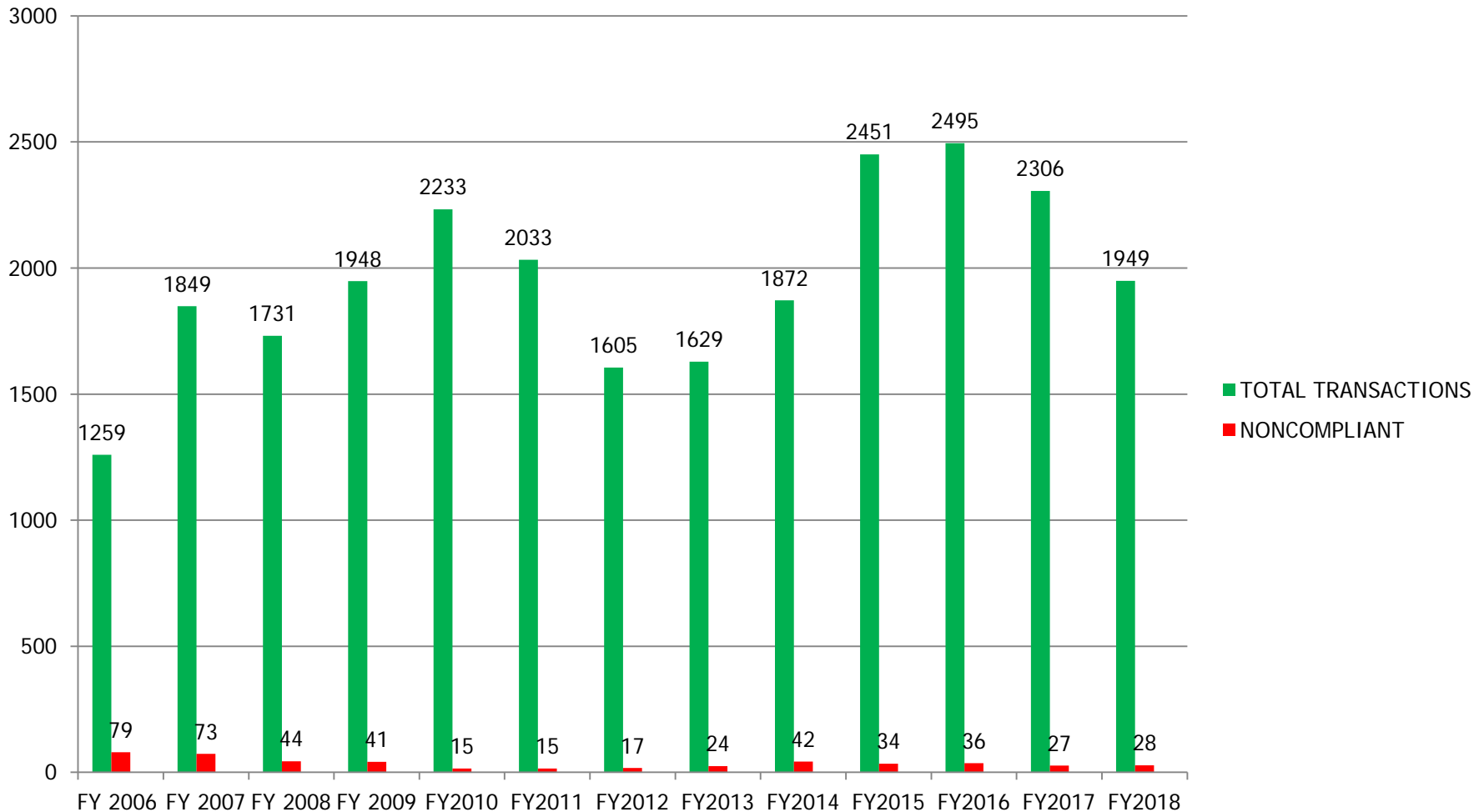


Procurement Methods/Choices

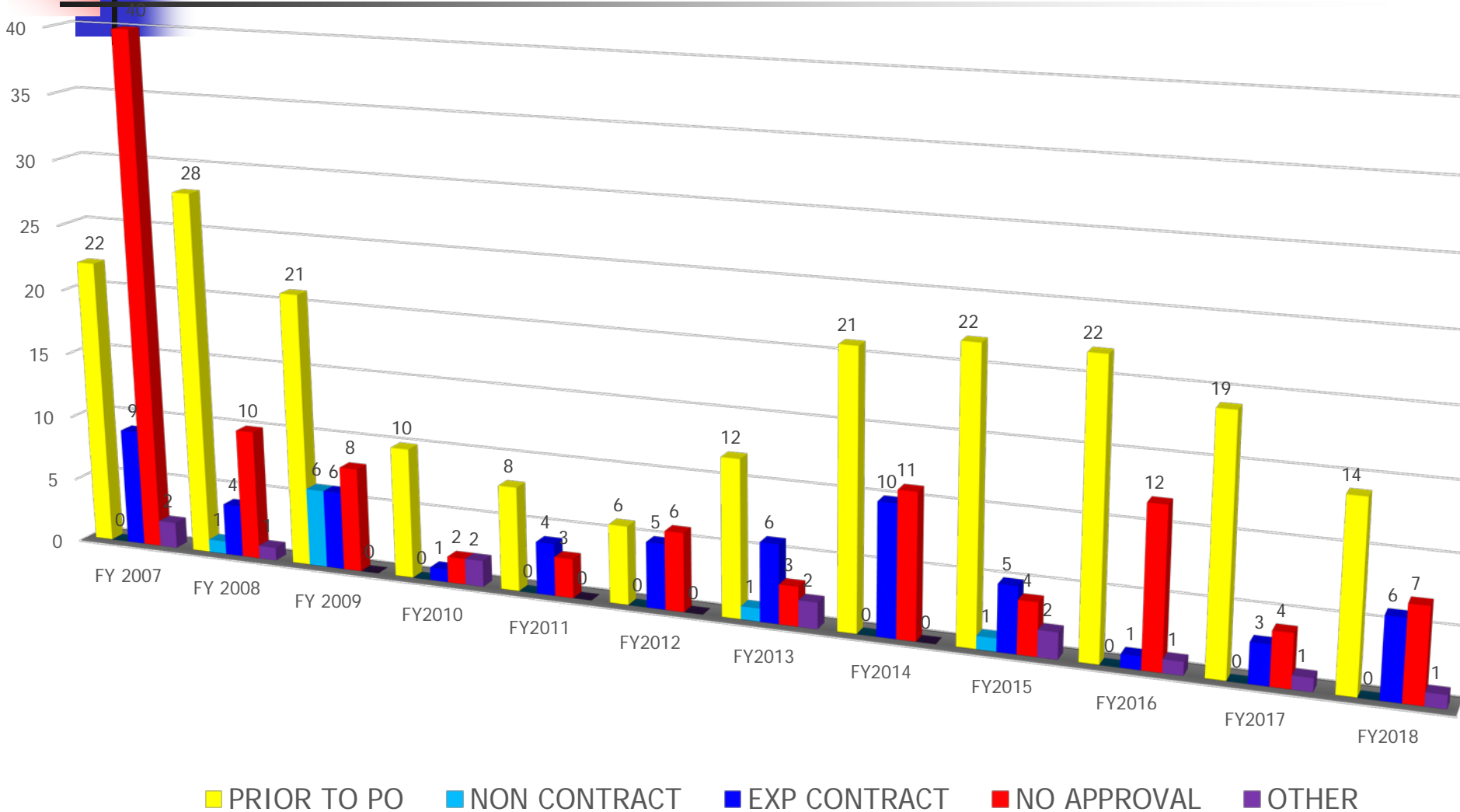
How do I keep my procurements 'compliant' as opposed to 'non-compliant'?

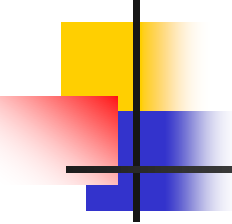
- PLANNING
- PLANNING
- PLANNING
- Requisition must be approved and a TFC Purchase Order issued prior to spending State funds
- **Do not** order or receive goods/services prior to submitting a requisition & obtaining a purchase order
- Involve Procurement if you need assistance with procuring a good/service quickly.

TFC PO Noncompliance Rate



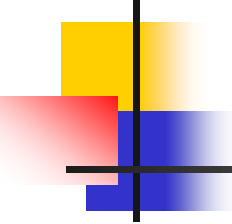
TFC Noncompliance Reason





Historically Underutilized Business (HUB) Program

- Supported by Texas Government Code Chapter §2155.505 and Texas Administrative Code Chapter Title 34, Part 1, Chapter §20, Subchapter's §20.14 – §20.28
 - Requires state agencies to provide opportunity for HUBs to quote on goods and/or services for procurements above \$5,000.00, as well as subcontracts from prime vendors when the contract award will be above \$100K
 - Link to Statewide HUB Program:
 - <http://www.window.state.tx.us/procurement/prog/hub/>
 - Requirements to provide outreach and opportunity to HUBs for Open Market or 'on the street' procurements at the following \$ thresholds:
 - \$5,000.01 - \$25,000.00 Informal Purchase **Min. 3 CMBL w/ 2 HUBs**
 - \$25,000.01 and above Formal Purchase **Formal Notification**



Historically Underutilized Business (HUB) Program

- Spot purchases, Informal purchases, and P-Cards all present opportunities to utilize a HUB vendor. To locate a HUB vendor when searching on the CMBL, select 'HUB's on CMBL' option at the top of the CMBL page.

- Formal Solicitations >\$100K: HUB Subcontracting Plan (HSP)
 - Requires the 'prime' respondent to provide opportunity to HUB's to quote on subcontracting performed under the contract.

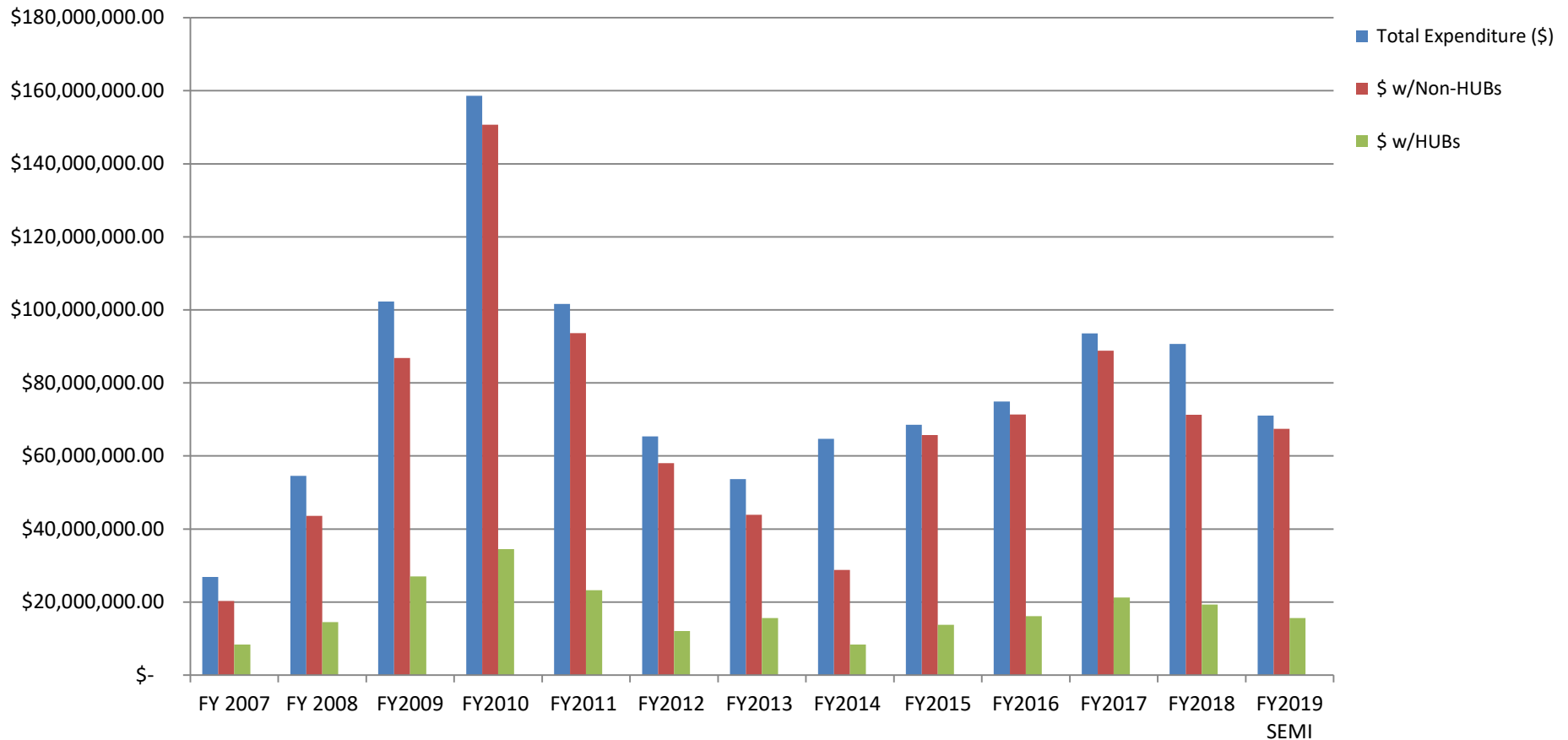
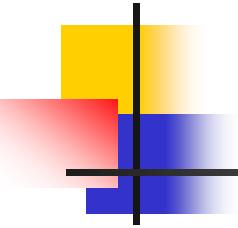
 - The HSP is a material aspect of the contract.

 - The HSP must be reviewed and approved for compliance by the TFC HUB Director.

 - You must attach a HUB Determination Form (available on the webportal) to the requisition.

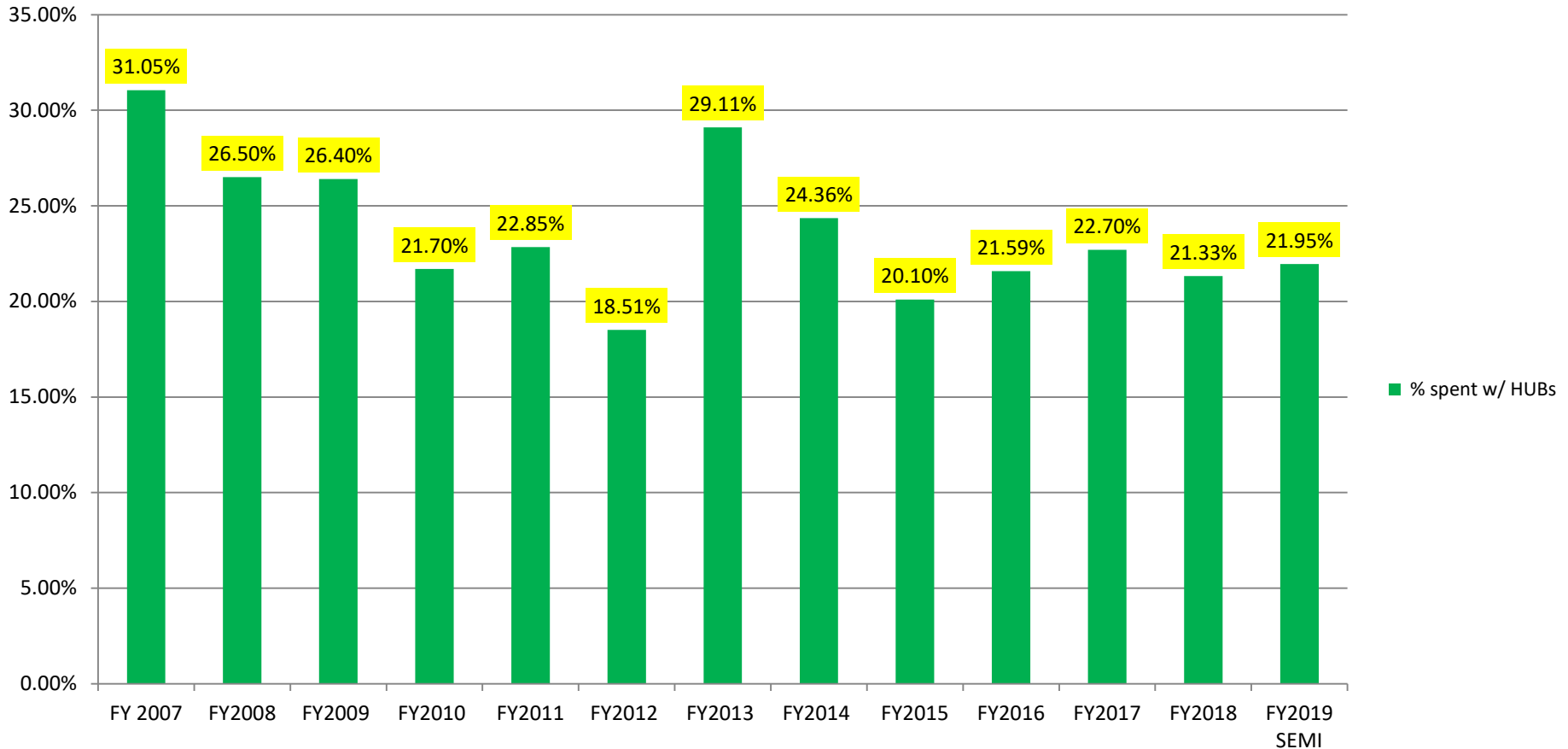
- Yolanda Strey, HUB Director 475-0453
- Jacqueline Todd, HUB Assistant 463-7473
- Shonte Gordon, HUB Coordinator 305-9269

Historically Underutilized Business (HUB) Program



Historically Underutilized Business (HUB) Program

% spent w/ HUBs





Summary

- Follow the basic procurement guidelines outlined in this training:
 - KNOW your \$ thresholds and HUB/bidding requirements
 - KNOW the options available to you for procuring goods/services
 - ALWAYS ask a TFC Purchaser for assistance in obtaining your desired item/service if needed
 - ALWAYS ask an TFC Purchaser for assistance if you need something quickly



Summary

- Procurement Lead Times:
 - Spot Purchase (\$5K and under):
 - 5-7 business days to place order
 - Informal Purchase (\$5K- \$25.K):
 - 5-15 days to place order
 - Formal Purchase (>\$25K):
 - Minimum posting time on ESBD is 14-21 (and sometimes as much as 30) calendar days



Summary

- Procurement Lead Times
 - These lead times DO NOT include:
 - Requisition routing/approval
 - Could take 1-10 days
 - Specification development/clarification
 - TFC Procurement needs your detailed specification: this lead time is dependent upon the quality of the submitted specification, and the amount of time it takes to edit/improve a poorly written specification
 - **You will receive the same quality of your item/service as the quality of the specification you provide**
 - The End User and the TFC Purchaser will edit/review your specifications to develop one that clearly defines the requirements
 - The vendor lead time for the item/service
 - The shipping time for the item/service



Summary

- Procurement Lead Times

- These lead times DO NOT include:

- Formal Solicitations (>\$25K) specification development:

- Formal solicitations for “services” now require a formal contract be developed with the Legal Services Division
- After you submit a requisition for the “service”, submit your Statement of Work (SOW) to Legal services for review.
- The lead time for development of the contract, based upon your provided SOW, depends upon the complexity of the services and the quality of the submitted specification, and the amount of time it takes to edit/improve a poorly written specification



Summary

- Procurement Lead Times

- These lead times DO NOT include:
 - Formal Solicitations (>\$25K) specification development:
You will receive the same quality of your item/service as the quality of the specification you provide
 - After your SOW and Contract are developed with Legal Services, the TFC Purchaser, once the req is fully approved, will review the SOW/Contract and implement into the proper solicitation document
 - The TFC Purchaser and HUB Administrator will work with you to establish:
 - Pricing structure
 - Schedule of Events
 - Subcontracting opportunities, if applicable
 - Any other issues with the SOW/Contract until the solicitation is ready to post
 - Award Process
 - Contract routing and execution process



Summary

This training and other tools are available for review on the TFC Web Portal under Procurement Docs: <http://portal.tfc.state.tx.us/>

- Procurement Database Training
 - Summarizes the Database steps necessary to install and utilize the Procurement Databases

- TFC Formal Solicitation, Award, and Contract Process
 - Summarizes the TFC formal (over \$25K) Open Market, or 'on the street' solicitation, award, and contract process

- TFC Contract Management Training
 - Summarizes agency policies for the roles and responsibilities for TFC contract managers and administrators