Finance Listserv:

Effective immediately, I am making the following changes to UH Purchasing procedures:

Procedures for the purchase of goods or services on a state contract or purchasing cooperative contract, in which contracts were signed following a RFO/RFQ/RFP conducted by the state or purchasing cooperative:

1. Goods/services costing less than $100,000
   a. Select a HUB dealer/reseller on the contract, if available.
   b. If there are no HUB dealers/resellers on the contract, select a non-HUB dealer/reseller. Attach documentation to the PO that there are no HUB dealers/resellers on the contract.

2. Goods/services costing $100,000 or more
   a. Request competitive email quotes from at least three vendors on the contract, at least two of which are HUB vendors (if available), and award to the lowest qualified bidder.
   b. Attach documentation to PO that shows which vendors were contacted and their response or non-response. If a vendor does not reply by the stated deadline, it is counted as one of the quotes (a no-bid response).
   c. Purchasing asks the selected vendor if they will subcontract. If so, Purchasing requests a HUB Subcontracting Plan from the vendor, which is reviewed and monitored by HUB Operations.
   d. There is no maximum dollar amount for these contracts but UH campus and UH System approval requirements (VP/President/Board) for the PO or contract still apply, which is normally determined by the dollar amount.

RFO/RFQ/RFP Evaluation Committees:

1. Change the minimum number of evaluation committee members from seven to five, regardless of dollar amount, which is consistent with the committee size at several other universities we have talked to.

2. Purchasing will schedule meetings (phone call and/or in-person) with the evaluation committee as follows:
a. Schedule a meeting after proposals are sent to the committee but before evaluations are due to Purchasing. Committee members can ask questions and/or share comments about the proposals and/or the solicitation document. Committee members must independently evaluate and score proposals and may not speak to each other or anyone else about the proposals, except in the committee meeting organized by Purchasing. Attendance at the committee meeting will be optional, since some committee members may have scheduling conflicts.

b. If there are short-list interviews, there will be a committee de-brief meeting immediately following the final interview, similar to the previous meeting. Again, committee members will independently evaluate the short-listed vendors after the interviews. Committee members must attend all short-list interviews in order to submit evaluations after the interviews.

3. All evaluation committee members must be UHS employees. The only exception would be a UHS-contracted consultant who is asked to help UHS explain and/or evaluate information that is highly technical or requires industry-specific knowledge that the committee does not possess. These exceptions must be approved in writing by Purchasing before a consultant can participate on the evaluation committee or assist with evaluating or interpreting proposals.

The above changes are intended to increase the use of HUB vendors on state and purchasing cooperative contracts, obtain the lowest price possible on contracts over $100K, reduce the number of formal solicitations conducted by Purchasing by utilizing more state and purchasing cooperative contracts, and to make the evaluation process for formal solicitations, when needed, faster (by reducing the minimum size of the committee) and more informed (by increasing communication between committee members and Purchasing and allowing consultants to participate when needed).

Note that our formal (written) policies and procedures do not address the items discussed above in this level of detail. We are changing the informal procedures (practices) that we have followed for several years, which were primarily based on the preferences of a previous administration. These changes do not violate current written policies (SAM and MAPP) or state procurement rules. Also, the above changes only apply to the University of Houston and UH System Administration. Procedures for evaluation committees and state/purchasing cooperative contracts may differ at UH Clear Lake, UH Downtown, and UH Victoria.

For solicitations currently in process, UH Purchasing will determine if it is practical to utilize the new procedures on a case-by-case basis.

Let me know if you have any questions.

Thanks.

Mike Glisson
Assistant Vice President for Finance and Controller
University of Houston
A Carnegie-designated Tier One public research university