

## Cooperative Agreements & State Contract Utilization Program, as of 5/13/2022

### Overview

- I. The University of Houston (UH) may elect to utilize Cooperative, Group Purchasing Organization (GPO), or Purchasing Consortium from the private and state sectors as a procurement basis. These procurement entities award contracts to suppliers through a rigorous formal competitive bidding process that meets the State's best value requirement prior to contract award. This program utilizes suppliers that have been competitively pre-qualified and have pre-negotiated contracts. This will improve the University's procurement cycle time and reduce the current administrative volume related to procurement of commodities and services.
  
- II. **Program Description:** UH would utilize the pre-approved cooperative or state contracts listed below in the procurement of:
  - a. Commodities (up to \$500K per contract/PO), such as
    1. Parts
    2. Materials
    3. Supplies
    4. Furniture
    5. Equipment
  
  - b. Basic operating services (up to \$250K per contract/PO), such as
    1. Custodial services
    2. Grounds keeping services
    3. NOT including architectural or engineering services, which will be obtained through a RFQ
  
  - c. Minor repair services for various types of facilities (up to \$250K per contract/PO), such as
    1. Research
    2. Parking and transportation
    3. Fire life safety
    4. Classrooms
    5. NOT including architectural or engineering services, which will be obtained through a RFQ
  
- III. **Commonly Used Cooperatives, GPOs, and Purchasing Consortiums:**
  - a. Department of Information Resources (DIR): <https://dir.texas.gov>
  - b. Texas Smart Buy: <http://www.txsmartbuy.com>
  - c. WorkQuest (Formerly TIBH): <https://workquest.com>
  - d. Texas Correctional Industries: <https://tci.tdcj.texas.gov>
  - e. University of Texas System Supply Chain Alliance:  
<https://utsystem.edu/offices/collaborative-business-services/supply-chain-alliance>
  - f. TIPS/TAPS: <https://www.tips-usa.com/vlist.cfm>

- g. Buyboard: <http://www.buyboard.com>
- h. E & I: <https://www.eandi.org/who-we-serve/higher-education/>
- i. Omnia Partners: <https://www.omniapartners.com/publicsector>
- j. Choice Partners: <http://www.choicepartners.org/html/vendors.php>

**IV. Cost Range:**

- a. Commodities will range from \$1 to \$500K per contract/PO. Some commodities may include incidental services, such as delivery and installation. However, the entire cost will be considered “commodities” (and subject to the \$500K limit) if the majority of the cost is for commodities.
- b. Basic operating services and minor repair services will range from \$1 to \$250K per contract/PO. Some services may include commodities, such as replacement or repair parts. However, the entire cost will be considered “services” (and subject to the \$250K limit) if the majority of the cost is for services.
- c. All orders/contracts in excess of these amounts are subject to the applicable ITB, RFQ or RFP process. Contracts/POs may not be split to stay within the above limits.

**V. Requests for Variance:**

- a. Cooperative agreement limits may be exceeded with the approval of the Campus Dean/Director, the Campus Division Business Administrator, the Campus Purchasing Director, the Campus Chief Financial Officer, as well as the Senior Vice Chancellor/Senior Vice President of Administration and Finance.
- b. A completed “University of Houston System Request for Cooperative Contract Variance” form should be submitted with the contract package.

**VI. Procurement Process for Facilities:**

- a. Commodities
  - 1. Commodity Request is submitted to Facilities Management (FM)
  - 2. Plant Operations completes preliminary review with customer
  - 3. Plant Operations chooses a prequalified vendor and documents the vendor’s selection based on one or more of the following reasons:
    - a) Vendor performed well on previous UH projects.
    - b) Other pre-qualified vendors did not perform well on UH projects or received negative reviews from other purchasing cooperative or state contract users.
    - c) Only pre-qualified vendor who can provide the type/brand of commodity required.
    - d) Vendor’s price is lower than other pre-qualified vendors.
    - e) Only pre-qualified vendor who can deliver the commodities in the time required.
    - f) Other reasons

4. If equipment will be attached to a building or the building must be altered to complete installation, FM will coordinate the signing of the UHS Furnishings and Equipment Agreement with the chosen vendor.
  5. Purchasing follows the procedures of the purchasing cooperative or state contract and issues a UH PO to the chosen vendor.
    - a) POs over \$100K must be approved by the Executive VC/VP for A&F on a "Summary for Purchases Exceeding \$100,000" form. FM will prepare a cover memo and route for approval.
  6. Commodities are delivered and installed (if applicable) according to the PO.
- b. Basic operating services and minor repair services
1. Work Order or Service Request is submitted to Plant Operations.
  2. Plant Operations completes preliminary review with Customer.
  3. Program Manager is engaged for contracting and scope development (as applicable).
  4. Scope is completed and packaged for solicitation (as applicable).
  5. Plant Operations chooses a pre-qualified vendor and documents the vendor's selection based on one or more of the following reasons:
    - a) Vendor performed well on previous UH projects.
    - b) Other pre-qualified vendors did not perform well on UH projects or received negative reviews from other purchasing cooperative or state contract users.
    - c) Vendor is the most qualified of the pre-qualified vendors.
    - d) Vendor's price is lower than other pre-qualified vendors.
    - e) Only pre-qualified vendor who can complete the project in the time required.
    - f) Other reasons
  6. For services over \$25K, the vendor must provide a surety letter from an authorized third party (not the vendor) that indicates the vendor can be bonded directly for the specific project and amount in the vendor's bid. No more than 10 days after a PO is issued or a contract is signed by the vendor, the vendor must provide a Payment Bond.
  7. Vendors providing services must provide proof of insurance based on the coverage required by the UHS Standard Purchasing Agreement.
  8. If equipment will be attached to a building or the building must be altered to complete installation, FM will coordinate the signing of the UHS Furnishings and Equipment Agreement with the chosen vendor.
  9. Purchasing follows the procedures on the purchasing cooperative or state contract website and issues a UH PO or contract to the chosen vendor.
    - a) Contracts over \$50K must be approved by the Executive VC/VP for A&F. FM will prepare a cover memo and route for approval.

10. Work is completed according to the PO or contract.

**VII. Benefits:**

- a. Expediency of process
- b. Meets statutory requirements on competitive bidding
- c. Significant reduction in administrative burden of procurement process
- d. Transparency in process
- e. Customer satisfaction increases