**Purpose**

To help ensure that university procurement guidelines are followed, all required documentation is retained, and that all costs are allowable and within the scope of the Project Worksheet (PW).

**Purchase Guidelines**

Follow university procurement guidelines for bidding, method of procurement, and documentation.

**UH System Administrative Memoranda**

* [01.B.02 Selection of Architectural and Engineering Firms](http://www.uh.edu/af/universityservices/policies/sam/1AdminGuide.htmhttp:/www.uh.edu/af/universityservices/policies/sam/1AdminGuide.htm)
* [01.B.05 Signature Authority for Construction Contracts](http://www.uh.edu/af/universityservices/policies/sam/1AdminGuide.htmhttp:/www.uh.edu/af/universityservices/policies/sam/1AdminGuide.htm)
* [03.A.05 Contract Administration](http://www.uh.edu/af/universityservices/policies/sam/3FiscalAffairs.htm)
* [03.B.02 Purchasing Guidelines](http://www.uh.edu/af/universityservices/policies/sam/3FiscalAffairs.htm)
* [03.B.02 Contracting with Historically Underutilized Businesses (HUBs)](http://www.uh.edu/af/universityservices/policies/sam/3FiscalAffairs.htm)

**UH**

* [Code of Conduct – Procurement Responsibilities](http://www.uh.edu/af/universityservices/policies/mapp/04mapprocurement.htm)
* [04.01.01 Purchase of Goods, Materials, and Supplies Through the Purchasing Department](http://www.uh.edu/af/universityservices/policies/mapp/04mapprocurement.htm)
* [04.01.03 Vouchers](http://www.uh.edu/af/universityservices/policies/mapp/04mapprocurement.htm)
* [04.01.05 Advance Payment for Goods](http://www.uh.edu/af/universityservices/policies/mapp/04mapprocurement.htm)
* [04.01.08 Historically Underutilized Businesses (HUBs)](http://www.uh.edu/af/universityservices/policies/mapp/04mapprocurement.htm)
* [04.01.10 Prompt Payment and Payment Scheduling](http://www.uh.edu/af/universityservices/policies/mapp/04mapprocurement.htm)
* [04.01.11 Procurement Card](http://www.uh.edu/af/universityservices/policies/mapp/04mapprocurement.htm)
* [04.03.01 Service Center And Auxiliary Purchases](http://www.uh.edu/af/universityservices/policies/mapp/04mapprocurement.htm)
* [04.04.01A Contracting - General](http://www.uh.edu/af/universityservices/policies/mapp/04mapprocurement.htm)

**UH Downtown**

* [UHD Administrative Policies and Procedures](https://www.uhd.edu/policies/Pages/policies-index.aspx)

**UH Clear Lake**

* [UHCL Procurement Manual](http://prtl.uhcl.edu/portal/page/portal/PROPAY/Procurement_Payables/Procurement)
* [UHCL Procurement Policies and Procedures](http://prtl.uhcl.edu/portal/page/portal/PROPAY/Procurement_Payables/Procurement)

**UH Victoria**

* [UHV Administrative Policies and Procedures](http://www.uhv.edu/fin/policy/Policies_Procedures.aspx)
* The Purchasing Department will determine whether the Texas Governor’s Office has issued an emergency procurement notification, how that notification affects the University, and distribute guidelines for implementation to the campus community. If no notification is issued, follow campus guidelines for documentation of any emergency procurement.
* Key points of procurement:
  + Funds received from FEMA are considered to be federal funds. As such, documentation that vendors are not on the debarred/suspended must be retained with each payment.
  + Competitive bidding is a common audit review area. Retain documentation of competitive bidding and vendor selection.
  + FEMA does not allow cost plus agreements (cost to the vendor plus a profit percent)

**Documentation Guidelines**

To help ensure recovery of losses, the following documentation must be retained:

* Micro-purchases are small purchases
  + Up to $2,000 for construction related expenses
  + Up to $3,000 for non-construction related expenses
  + Documentation requirements
    - Receipt
    - Documentation of why the vendor was used
  + We recommend that the selection of vendor be made in the Voucher comments if payment is made via Voucher.
  + If payment is made via P-Card, please attach a statement on the reason the vendor was used to the receipt retained in the monthly P-Card documentation file that is uploaded to PeopleSoft.
* Purchases below the federal Simplified Acquisition Threshold (SAT)
  + Amounts over the micro-purchase threshold up to and including 149,999.99
  + Documentation requirements
    - Retain all quotes obtained (UH policies require 3 quotes)
    - Documentation of why the selected vendor was chosen
    - Confirmation of no federal debarment/suspension
  + Non-competitive procurement is allowed only:
    - In the case of emergency, where the delay from competitive procurement cannot be permitted. The emergency must be documented in accordance with the procurement guidelines of the respective campus.
    - The item is available only from a single source, which must be documented
  + We recommend that the selection of vendor be made in a brief memo to file and attached to the Purchase Order or Contract if encumbered or attached to the voucher if not encumbered.
  + We recommend that the confirmation of federal debarment/suspension attached to the Purchase Order or Contract if encumbered or attached to the voucher if not encumbered.
* Purchases over the federal Simplified Acquisition Threshold (SAT)
  + Amounts of $150,000 and over
  + Procurement by competitive bidding (or competitive proposal for architectural and engineering services only) is the preferred method for construction.
  + Non-competitive procurement is allowed only:
    - In the case of emergency, where the delay from competitive procurement cannot be permitted. The emergency must be documented in accordance with the procurement guidelines of the respective campus.
    - The item is available only from a single source, which must be documented
  + Documentation requirements
    - Retain the original advertising
    - Retain documentation of public opening of bids
    - Retain all bids received
    - Documentation of the vendor selection, including why the vendor was selected and a cost analysis. If the vendor selected was not the lowest cost vendor, explanation of the reason why the lowest cost vendor was not selected is required.
    - Confirmation of no federal debarment/suspension
    - Notice of award of bid
    - Notice to proceed with the contract
    - Signed copies of contracts and all amendments
    - Contractor’s proof of insurance
    - Cost/price analysis for each contract modification.
  + We recommend that the selection of vendor be made in a recommendation memo that describes the procurement process, selection/rejection criteria, results of bid reviews, and final selection. This memo should be attached to the Purchase Order.
  + We recommend that a tabulation of vendor qualifications (selection/rejection criteria from the bidding proposal) and rates be used to support the vendor selection and attached to the Purchase Order.
  + We recommend that the confirmation of federal debarment/suspension attached to the Purchase Order or Contract if encumbered or attached to the voucher if not encumbered.
  + We recommend that the cost/price analysis for each contract modification be attached to the Purchase Order change order request.
  + Because bids may be received in both paper and electronic format, and may be extremely large, we recommend a central repository for this data in Plant Accounting.

Additional Documentation Requirements for Contracts

* For purchases made on a cooperative or state wide agreement, a copy of the actual agreement
* For purchases made on Job Order Contracts, the original JOC is considered to be the agreement and all documentation requirements apply to that agreement as well as for the specific job order.
* Contracts can only be for time and materials if there is a ceiling on the price of the contract, over which the vendor completes work at their own cost.
* No cost plus percentage contracts are allowed

**Scope/Cost Changes**

As costs are identified that are outside of the scope and cost of the original PW, the Project Manager should notify Plant Accounting. Plant Accounting will schedule a meeting with the Project Manager and the Disaster Recovery consulting firm to determine what actions need to be taken. Actions include updated PWs and providing information to the Texas Department of Emergency Management.