

## 25.07.03 Acquisition of Goods and/or Services

Approved October 7, 2009  
Reviewed October 7, 2011  
Next Scheduled Review: October 7, 2016



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### Regulation Statement

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This regulation establishes purchasing authority for The Texas A&M University System (system) members. This regulation allows system members to procure goods and/or services according to sound business practices and best value and to comply with applicable state of Texas statutes relating to the Historically Underutilized Business (HUB) Program and purchasing from persons with disabilities.

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### Reason for Regulation

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This regulation is required to ensure compliance with the state statutes and rules, as well as the system policies and regulations by setting minimum guidelines for the procurement of goods and/or services by system members. It complies with Section 51.9335, Texas Education Code, which allows “An institution of higher education [to] acquire goods or services by the method that provides the best value to the institution.”

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### Procedures and Responsibilities

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#### 1. ADMINISTRATION

- 1.1 Each system member shall promulgate standard operating procedures as necessary to facilitate and expedite the acquisition of goods and/or services as deemed to be in the best interest of the member and in accordance with sound business practices and applicable state laws.
- 1.2 The primary procurement officer (PPO), who has been delegated procurement authority by the system member’s chief executive officer (CEO), has the authority to delegate specific procurement authority to individual(s) or departments for the acquisition of goods and/or services, and shall establish a maximum dollar limit for those individual(s) or departments to acquire goods and/or services. The PPO may withdraw delegated procurement authority in whole or in part.
- 1.3 In addition to and in conjunction with System Policy *07.01, Ethics*, system employees who perform purchasing functions under the delegated authority granted by the PPO shall adhere to the same ethical standards established by the PPO and required of the PPO employees and shall avoid all conflicts of interest in their procurement activities.

- 1.4 The PPO has the discretion to exempt the acquisition of any goods and/or services within his/her delegated purchasing authority from the established standard operating procedures. The PPO shall keep a list of the types of goods and/or services that are exempt.
- 1.5 The PPO shall establish dollar limit guidelines for the acquisition of general and/or specific goods and/or services.

## 2. ACQUISITION (OR PROCUREMENT) OF GOODS AND/OR SERVICES

### 2.1 Best Value

System members shall acquire goods and/or services through best value. In determining best value, the members may consider the best value methods and factors as identified in Sections 51.941 and 51.9335 of the Education Code.

### 2.2 The HUB Program and the Purchase of Products and Services from People with Disabilities

All acquired goods and/or services shall comply with Chapter 2161, Texas Government Code, and System Policy 25.06, *Participation by Historically Underutilized Business*, relating to making a good faith effort to procure goods and/or services with historically underutilized businesses, and Chapter 122, Human Resource Code, relating to the purchases of products and services from people with disabilities.

### 2.3 Solicitation for Goods and/or Services

Methods for distributing solicitations and receiving submissions for goods and/or services shall be determined by the PPO according to sound business practices and applicable state law.

### 2.4 Applicable Statutes, Codes, Policies, and Regulations

Each system member is responsible for identifying and complying with applicable statutes, codes, policies and regulations when acquiring goods and/or services.

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## **Related Statutes, Policies, or Requirements**

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[Tex. Educ. Code § 51.9335 – Acquisition of Goods and Services](#)

[Tex. Gov't Code Ch. 2161 – Historically Underutilized Businesses](#)

[Texas Hum. Res. Code § 122.003 – Texas Council on Purchasing from People with Disabilities](#)

[System Policy 07.01, Ethics](#)

[System Policy 25.06, Participation by Historically Underutilized Business](#)

[System Policy 25.07, Contract Administration](#)

[System Regulation 41.01.01, Real Property](#)

[System Policy 51.04, Delegations of Authority on Construction Projects](#)

The October 2009 version of this system regulation supersedes:  
System Regulation 25.99.02, *Component Purchasing Authority*

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## **Definitions**

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Best Value – the means/methods that goods and/or services are procured as defined by Education Code 51.9335.

Exempt purchase – a purchase of goods or services that is not subject to the standard competitive process. These items are available only under special market conditions which may preclude them from competitive bidding or from standard bid procedures.

Historically Underutilized Business – an entity with its principal place of business in Texas and is at least 51% owned by an Asian Pacific American, Black American, Hispanic American, Native American and/or American woman who resides in Texas and has a proportionate interest in and demonstrates active participation in the control, operation and management of the entity's affairs.

Primary Procurement Officer – employee who is delegated procurement authority by the system member CEO and has the responsibility for managing all procurement activities.

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## **Member Rule Requirements**

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A rule is not required to supplement this regulation.

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## **Contact Office**

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Office for HUB & Procurement Programs  
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