

Procurement of Goods, Materials and Supplies or Services

A. Goods

Goods, materials and supplies (cumulatively called "goods") should be awarded to the lowest responsive and responsible* bidder pursuant to a Request for Quotation.

*"Responsive" means that the bid meets the requirements and criteria set forth in the Bid or Request for Proposal (RFP). "Responsible" means that the bidder is capable of performing or is not otherwise disqualified. In the event a bidder is not either responsive or responsible, then the bid is to be disqualified.

B. Goods and Services

Certain services or a combination of goods and services may be procured as a "good, " based on a Request for Quotation to Bid rather than a Request for Proposal, if the end product is more important than the service that goes toward its production or where the vendor has little discretion in determining its actual content or form.

1. Examples of this type of service include, but are not limited to: (a) pest control; (b) security services; (c) moving and hauling; (d) refuse collections; (e) charter-services; (f) printing services; and (g) maintenance services.
2. Mischaracterization of an item to be procured as a good or service shall not constitute an error in the procurement if the requirements of this policy are met, but it may be grounds for the Institution to terminate the procurement process. For competitive procurement of goods, a Request for Quotation is appropriate, and in general, a purchase order may be used to finalize the purchase. For competitive procurement of services, a Request for Proposal is more appropriate, and a purchase order generally is not sufficient to serve as the written contract for the services.

C. Services

A contract for personal service, professional service or consulting service shall be used when the vendor's discretion or the form of the end product or service is critical to the performance. All purchases of personal, professional and consultant services should be based, to the maximum extent practicable, on evaluation and consideration of vendor qualifications and cost. Detailed information regarding service contracts is provided in [TBR Guideline G-030](#).

A contract for consulting services hereunder that exceeds \$10,000 shall not be allowed unless it is determined by the president or his/her designee or chancellor

of TBR, in writing that the services are needed and that they cannot be satisfactorily or economically performed by a state agency. The president shall report in writing to the chancellor regarding all consulting contracts exceeding \$10,000 executed during the preceding quarter.

D. Outsourcing

Institutions are encouraged to determine whether some services can be delivered more economically by the private rather than the public sector. The following process is permitted and encouraged:

1. The state's cost of the service may be ascertained and kept confidential as part of the evaluation process. This cost must be determined and provided to the president or his/her designee, in a sealed envelope prior to bid/proposal due date.
2. The service may be the subject of an RFQ/RFP, as appropriate, which approximately describes the services heretofore provided by the TBR/institution.
3. The RFQ/RFP may require that, if the proposer's/bidder's price exceeds the state's confidential cost, the proposal/bid may be rejected.

E. Monitoring and Services

Institutions shall have a monitoring plan to ensure the following:

1. that goods/services are received,
2. financial obligation of the institution does not exceed the RFQ/RFP pricing, and
3. contract is in compliance with the terms and conditions of the RFQ/RFP/contract.