

Sam Houston State University
A Member of The Texas State University System

Finance & Operations Procurement and Business Services Policy FO-PUR-05
Purchasing Process

The basic process involves three actions.

1. Describe in writing the required qualities of the needed commodity or a description of the services needed. This description, or specification, is the foundation for quality assurance and the terms and conditions of the purchase transaction.
2. Advertise those requirements to the public so that any interested party might respond with an offer to sell. From all the offers received, the “lowest and best bid” or best value is determined and considered.
3. Satisfy the needs of the University and spend the University’s money wisely.

DOLLAR LIMITS

| | |
|---------------------|--|
| \$0 - \$15,000 | No Bids/competition required |
| \$15,001 - \$50,000 | Informal bids processed by the Procurement and Business Services Department only |
| \$50,001 and above | Formal bids processed by the Procurement and Business Services Department only |

See The Texas State University System policies for additional approval limits.

PURCHASE REQUISITIONS

DEFINITION

A **purchase requisition** is a document which transmits a request for goods or services with the authority of the requestor. In our use, a **purchase requisition** is a document which an academic or administrative department originates to request goods or services. The document must identify:

- the items or services required with complete specifications and models (if available);
- the funding source and fiscal year; and
- the authority of the requestor.

Departments complete a **purchase requisition** in BearKatBuy.

DESCRIPTION OF GOODS AND SERVICES

Departments are responsible for completely describing the goods and services that they need in order that Procurement and Business Services can procure the goods and services and vendors can deliver them successfully.

We recognize that departments, other than Facilities, do not employ specification writers. However, requestors should submit as detailed a description as possible including:

- intended use for the commodity or service;
- general terms and conditions for the transaction;
- required documents;
- shipping terms; design and performance requirements; and
- unique requirements specific to the intended use.

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