

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

Finance & Operations Procurement and Business Services Policy FO-PUR-13
How to Purchase Live Animals for Agriculture

AUTHORITY

Texas purchasing statutes were broadly written to cover purchase of goods and services needed by the state. The Texas Government Code does not include unique methods for purchase of live animals. The University's method involves four basic actions.

1. Purchase live animals through a public or private auction
2. Describe in writing the required qualities of the needed commodity.
3. Solicit offers by advertising those requirements to the public.
4. Select the lowest and best offer(s) received, meeting those requirements.

DEFINITION

Live animals are beef cattle, dairy cattle, chickens, goats, hogs, horses, sheep, etc. as listed in the commodity class for live animals.

PURCHASE OF LIVE ANIMALS AT A PUBLIC OR PRIVATE AUCTION

The Agriculture Department will have the authority to purchase live animals at public and private auctions in an amount, not to exceed fifteen thousand dollars \$15,000 per auction. The Agriculture Department will be required to write a proprietary purchase justification letter (signed by the Chair) for each purchase in the sale and submit it to the Procurement and Business Services Department with the BearKatBuy Requisition.

BID PROCEDURES (OTHER THAN PUBLIC OR PRIVATE AUCTIONS)

For purchases up to \$15,000, Agricultural Sciences adheres to Purchasing Policy PUR-09 and completes BearKatBuy Requisition. Only one bid is required.

For purchases over \$15,000, the department adheres to Purchasing Policy PUR-09. Purchases over \$15,000 will require bids, and must be processed through Procurement & Business Services.

FOR PURCHASES OVER \$15,000 (OTHER THAN PUBLIC OR PRIVATE AUCTIONS):

- Step 1.** Agricultural Sciences shall write an adequate description (specification) of the required animals along with the terms and conditions of the transaction. Procurement and Business Services will review and assist.
- Step 2.** Agricultural Sciences shall prepare and submit a requisition in BearKatBuy including description and specifications. Agricultural Sciences should include a list of potential bidders.
- Step 3.** Procurement and Business Services will receive the requisition and specification, and then prepare an Invitation for Bid in BearKatBuy. Prior to the issuance of the IFB, any changes to the specification and proposed bid opening date will be reviewed by Agricultural Sciences for approval prior to posting in BearKatBuy Sourcing Director.
- Step 4.** Procurement and Business Services will solicit bidders identified by Agricultural Sciences or Procurement and Business Services. Procurement and Business Services will conduct the bid process in BearKatBuy Sourcing Director and will submit results for Agriculture Sciences review.
- Step 5.** Agricultural Sciences and Procurement and Business Services will jointly evaluate the bids by starting with the apparent low bidder. When desired, the low bidder's herd may be inspected to grade the animals. If the quality and quantity requirements are met by the lowest bidder, then Procurement and Business Services will issue a purchase order and give the vendor delivery instructions.

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

Step 6. If the quality and quantity requirements are not met by the lowest bidder, then award will proceed to the second lowest and so on until the quality and quantity requirements are met. Adequate documentation shall be made whenever a low bidder is not selected. Preferred is a spreadsheet listing the grading of the animals. Procurement and Business Services will issue one or more purchase orders as needed.

Reviewed by: Tessy Rappe', AVP Finance and Operations
Renee' Starns, Exec. Director, Procurement and Business Services

Review Date: May 2017

Next Review Date: May 2020