

# TEXAS A&M UNIVERSITY-KINGSVILLE

Title: Services

Procedure No.: PP-500

Date: 6/6/96

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## I. Purpose

To define the parameters of purchasing services.

## II. Scope

This procedure will apply University wide.

## III. General

Services is defined as the furnishing of skilled or unskilled labor or professional work but does not include professional services covered by the Professional Services Procurement Act, services of an employee of a state agency, consulting services or services by a private consultant as defined by Chapter 454, Acts of the 65th Legislature, Regular Sessions , 1977, and services of public utilities. Services exempt from bidding are listed in PP-560. Services that are considered biddable are listed in PP-550. Rentals are not considered service unless operator is furnished with equipment. Rentals without an operator are handled as any other purchase of equipment.

### A. STATE FUNDS

For any purchase of services which exceed \$5,000.00 per year competitive bidding is required or justification explaining why the service is needed and why it cannot be obtained competitively from more than one source. A bid must be obtained from the sole source if the cost exceeds \$5,000.00 per year.

There are however, certain services which are exempt from the authority of the TBPC. These are listed for reference in PP-560.

In order to make certain that the legal requirements are complied with, purchase requisitions for any service listed requiring approval must be forwarded to Procurement and General Services if the cost per year exceeds \$5,000.00. The bidding process must be completed, and awarded before service period begins.

## B. LOCAL AND OR FEDERAL FUNDS

The purchase of service with Federal Funds will follow the procedures as for Local Funds. However, if the purchase exceeds \$5,000.00, the requisitioner will be responsible for obtaining prior approval of the purchase or a waiver of the prior approval from the sponsoring agency. Documentation must accompany the requisition. This agency approval is required by O.M.B. Circular A110, under which TAMUK Federal purchases are regulated.

## IV. Procedure

Submit requisition fully describing the service(s) needed and suggested source(s) through the Assistant Vice President for Fiscal Affairs to Procurement and General Services. Bids will be obtained as required.