

PURCHASING AUTHORITY ROLES AND RESPONSIBILITIES PROCEDURE

Effective Date: 2/2022	Review Date: 2/2023
Version: 1.1	Original Version: 2/2022

Purpose

This document summarizes the roles and responsibilities of TWC purchasing staff. The Texas Comptroller of Public Accounts Procurement and Contract Management Guide states that each agency must develop a purchasing procedure that establishes clear levels of purchasing accountability and staff responsibilities related to purchasing. The TWC Procurement and Contract Management Handbook describes in detail the roles, policies and processes for purchasing, and should be referred to for further information about TWC purchasing.

Definitions

- **TWC Business Unit**—the program or department in TWC that requests the purchase of goods or services. TWC Business Units start the procurement process by identifying a need for goods or services.
- **End-Users**—the persons that use a product or service.

Responsible Parties

These units or positions may be responsible for purchasing and contracting processes:

- Contract Developers
- Contract Managers
- Contract Oversight and Support (COS) for Vocational Rehabilitation (VR) Contracts
- Finance
- Office of General Counsel
- Purchasers
- Purchasing and Contract Services (PCS)
- TWC Business Units
- End Users

Responsibilities

Procurement and Contract Services Department (PCS)- Business Operations Division

- PCS supports TWC Business Units and staff through all aspects of the Procurement Cycle as follows:
- defines and implements rules, policies and procedures that relate to contracting and purchasing,
- reviews and oversees the procurement and contract process throughout the contract life cycle, and the review and approval process of all contracts;
- facilitates and provides technical assistance on state procurement law and options for TWC contracting;
- reviews and comments on TWC rules that include any part of the Procurement or Grants cycle;
- provides training to PCS and TWC staff regarding TWC procurement;
- designates a certified Purchaser and/or Contract Developer to manage the procurement process through to contract execution.
- identifies the appropriate procurement method in accordance with state and federal laws and regulations;
- bases awards on best-value principles, on best business practices, and on providing value to the State of Texas;
- processes contract amendments and change requests;
- requests TWC Business Unit to provide vendor performance evaluations and enters evaluations into CPA portal;
- manages required contract reporting, in consultation with the OGC and Finance;

- continuously updates and maintains templates as necessary to maintain compliance with changes in governing legislation and regulations;
- maintains a written code of standards governing the performance of its employees engaged in the Procurement Cycle;
- maintains the contract records in Enterprise Contract and Procurement System (ECPS), which is the official TWC repository for all contracts; and
- reports, posts, and provides the required contract and purchasing notifications.

PCS Purchasers serve as the first point of contact between TWC Business Units and PCS after a Business Unit identifies a need for goods or services. PCS Purchasers are professionally certified in accordance with state law and the Comptroller of Public Accounts. A TWC employee must complete the Basic Texas Purchaser Course to engage in purchasing functions on behalf of TWC if the employee has the job title of “Purchaser”; performs purchasing activities as fifteen percent (15%) or more of their job activities; or makes a purchase in excess of \$5,000. Purchasing is defined as the receipt and processing of requisitions, development of specifications, development of statement of work, the issuance of purchase orders against existing statewide, cooperative or agency contracts, and the verification of the inspection of merchandise or receipt of services by the agency. The term does not include the development of solicitations and contract awards that must be posted to the Electronic State Business Daily (ESBD) found on the Texas SmartBuy website.

Purchaser responsibilities include:

- Receiving and processing requisitions;
- Consulting with TWC Business Units to develop specifications, statements of work, and deliverables;
- Identifying potential vendors;
- Facilitating the procurement evaluation process;
- Serving as the point of contact for communications between TWC and the vendor prior to contract award or PO/contract issuance;
- Issuing purchase orders against existing statewide, cooperative or agency contracts;
- Issuing a purchase order to an awarded vendor and disseminating notices to vendors not selected;
- Verifying the receipt and inspection of merchandise or receipt of services by TWC; and
- Managing and documenting any changes to the purchase order/contract.

Contract Developers engage in actions taken prior to contract execution. A PCS Purchaser may act as a Contract Developer if they are properly certified in compliance with Texas law. A TWC purchaser, who is not already a Certified Texas Contract Developer (CTCD) or Certified Texas Procurement Manager (CTPM), must be certified as a CTCD (formerly CTPM) to engage in contract development functions on behalf of TWC if the employee develops, evaluates, negotiates, or awards a contract posted to Texas SmartBuy on behalf of a state agency.

Contract development applies to actions taken prior to contract execution, including the receipt and processing of requisitions, assessment of need, assessment of potential risks, development and review of specifications, development and review of scopes of work, identification and selection of procurement methods, identification and preparation of evaluation criteria, preparation and advertising of solicitation documents, tabulation of respondent bids, evaluation of respondent proposals, negotiation of proposals, and the preparation and completion of contract award documents. The term does not include invoice or audit functions. Contract Administration Unit (CAU) Contract Managers and TWC Business Unit Contract managers also have some of these contract development responsibilities, specifically preparation and completion of contract award documents. Depending on the operational setup of the agency, some agencies may only employ Purchasers that purchase between the \$10,000 and \$25,000 threshold. TWC’s purchasers also serve as the Contract Developers.

TWC Contract Developer duties include:

- Assessing need for a good or service;
- Assessing potential risks;

- Consulting with TWC Business Units (and PCS Purchasers, as appropriate) to develop specifications, statements of work, and deliverables;
- Selecting the procurement method;
- Tabulating and evaluating proposals;
- Negotiating terms and conditions; and
- Preparing and completing contract award documents; and
- Obtaining authorized signatures on contract documents.
- Only persons having actual authority to act on behalf of TWC can bind TWC in a contract. The powers of all state officers are set by law. All persons dealing with state officers must know the limits of their authority and determine if the contemplated contract is within their statutory authority.
 - TWC has established specific delegations of signature authority based on threshold amounts. Only those authorized to sign on behalf of TWC may do so in accordance with this delegation. The TWC Executive Director, by delegation of authority from the Commission, signs all contracts and awards exceeding \$1 million. By state law, the Commission may also delegate authority to the Deputy Executive Director to sign contracts and awards exceeding \$1 million.
 - By delegation from the TWC Executive Director, Division Directors may sign Contracts up to \$1 million (other than Child Care grants to local Workforce Boards as sole grantees, which authority shall be concurrently vested in the Directors of Workforce Development and Child Care).
 - By delegation from the TWC Executive Director, Division Directors may delegate signature authority up to \$500,000 (other than Child Care grants to local Workforce Boards as sole grantees, which authority shall be concurrently vested in the Directors of Workforce Development and Child Care).

Contract Managers engage in actions after a contract is executed. A TWC employee must be certified as a Certified Texas Contract Manager to engage in contract management functions on behalf of the TWC if the employee has the job title of “contract manager” or “contract administration manager” or “contract technician”; performs contract management activities as fifty percent (50%) or more of their job activities; or manages any contract in excess of \$5 million.

Contract management applies to actions taken following contract execution, including the assessment of risk, verification of contractor performance, monitoring compliance with deliverable and reporting requirements, enforcement of contract terms, monitoring and reporting of vendor performance, and ensuring that contract performance and practices are consistent with applicable rules, laws and the State of Texas Procurement and Contract Management Guide.

A TWC Contract Manager:

- manages all aspects of the contract;
- requests amendments or renewals;
- verifies that payment is timely and appropriate;
- performs contract monitoring;
- periodically performs risk assessments of the contract throughout the contract life;
- completes contract/vendor performance evaluations and submits them to PCSD;
- immediately notifies PCSD and OGC of performance issues;
- monitors corrective action plans;
- attends procurement-related training as necessary; and
- provides information to the Contract Developer or Purchaser, PCS, Contract Oversight and Support (COS), or others, as necessary.

Contract Oversight and Support (COS) for Vocational Rehabilitation (VR) Contracts

COS participates in the procurement cycle for VR contracts.

COS:

- coordinates preparation of VR contract risk assessment for statewide on-site monitoring;
- conducts monitoring of VR contractor performance in coordination with CAU-VR's contract monitoring;
- maintains financial information and records required for VR contracts;
- oversees VR contractor remedial action review; and
- maintains VR-COS contract monitoring review and remedial action review files.

TWC Business Unit and End-User

The **TWC Business Unit** starts the procurement process when it identifies a need for goods and services.

The TWC Business Unit:

- conducts a needs assessment and cost estimate TWC Form 1300 and submits it to the [PCS Customer Service Portal](#);
- completes the necessary procurement forms (such as a purchase requisition);
- obtains the required management approvals for proceeding with the procurement;
- verifies and signs off on the availability of funds for the procurement;
- develops the statement of work and collaborates with necessary staff for the procurement
- developing evaluation criteria;
- identifying deliverables;
- provides input for development of the Acquisition Plan;
- provides input on the solicitation and associated documents;
- designates a TWC Business Unit representative to serve as point of contact for TWC Business Unit
- questions during the procurement; and
- designates a qualified TWC Business Unit staff member to serve as a Contract Manager if the TWC Business Unit will manage an awarded contract.

Finance

Finance supports TWC Business Units and staff throughout the Procurement Cycle.

Finance:

- provides support regarding fiscal accountability and payment requirements;
- identifies funding source and funding availability;
- approves and processes invoice payments;
- establishes contractors in the TWC financial system;
- provides expenditure reporting to oversight agencies; and
- assists in contract closeouts.

Office of General Counsel (OGC)

OGC provides legal support to TWC Business Units and staff.

OGC:

- provides legal assistance on procurement laws and regulations including any protests;
- assists in the development of solicitation, contract and amendment documents;
- reviews solicitation documents or contracts with an initial or amended value of \$100,000 or greater, and others, if determined to be high risk;
- drafts General and specific Terms and Conditions for contracts;
- provides legal support for contract negotiations;
- provides legal assistance for vendor performance concerns, including initiating remedies and defending disputes;
- assists in the development, review, and approval of subsequent contract documents such as amendments, work orders and task orders; and
- manages the Vocational Rehabilitation (VR) appeals and request for reconsideration process and maintains the related records.

Procurement and HUB Services Solicitation Approval Matrix

The chart below identifies the internal and external approvals required for solicitations and awards.

Guide to acronyms:

ATF—After the Fact—after the solicitation is sent out but before the award is made.

OMR—Open Market Request

POD—Procurement Oversight & Delegation

SOW—Statement of Work

Purchase Description	Internal Approvals						External Approvals					
	HUB Review & Approval	Team Manager Review & Approval	PHS Director Review & Approval	PCS Director Review & Approval	OGC Review	Department of Information Resources (DIR)	SPD/CPA	State Auditor Office (SAO)	Attorney General (OAG)	Contract Advisory Team (CAT)	Quality Assurance Team (QAT)	
DIR – GOODS & SERVICES	Required ATF	Required > \$100K	Required > \$1 MIL	Required > \$5 MIL	Required	Required > \$50K (SOW)						
OPEN MARKET— Solicitations that will go out for bid.	Required for > \$90K	Required	Required > \$1 MIL	Required > \$5 MIL	Required		Required for Goods > \$50K (OMR); or Services > \$100K (POD)	Required for Auditing Services	Required for Legal Services	Required > \$5 MIL		
Major Information Resources (MIRP) over \$10M (must be approved by LBB BOP)	Required	Required	Required	Required	Required						Required	