# **Vocational Rehabilitation Services Manual D-200: Purchasing Goods and Services**

Revised February 1, 2023

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## D-205: Purchasing Threshold Requirements

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### **D-205-1: Approval Requirements by Threshold**

All purchases of goods or services must be authorized by the VR counselor and documented clearly in a case note or the customer's IPE and a service authorization must be issued. For more information, refer to[E-300: Case Note Requirements, Service Justification](https://twc.texas.gov/files/partners/vrsm-e-300.docx) and [B-500: Individualized Plan for Employment and Post-Employment](https://twc.texas.gov/vr-services-manual/vrsm-b-500) for more details.

The following approvals must be documented using an approval case note or using the RHW Purchase Approval Workflow if combining with other required approvals for the proposed purchase prior to issuing a service authorization for the purchase of a good or service:

* Greater than $5,000 to $15,000 – VR Manager approval required.
* Greater than $15,000 to $25,000 – Regional director or deputy regional director approval required.
* Greater than $25,000 – Regional director or deputy regional director, and VR Division Director approval required.

Refer to [D-205-4: Exceptions to Purchasing Threshold Requirements](https://twc.texas.gov/vr-services-manual/vrsm-d-200#d205-4) for a specific list of goods or services that are exempt from these threshold requirements.

For more information, including additional approval, consultation, and notification requirements, refer to [E-200: Summary Table of Approvals, Consultations, and Notifications](https://twc.texas.gov/files/partners/vrsm-e-200.docx).

### **D-205-2: Pre-purchase Review**

In addition to requirements throughout the VRSM and the VR Standards for Providers (VR-SFP), for all purchases that are over $5,000 per service authorization or per customer in a multicustomer SA, a pre-purchase review must be completed by the administrative supervisor, purchasing specialist, or the final approver (e.g., the VR Manager) prior to the purchase. The purpose of a pre-purchase review is to ensure that all required policies, procedures, and approvals applicable to the specific purchase have been followed and as required, documented prior to issuing the service authorization (SA).

When a pre-purchase review is required for a multicustomer SA, separate pre-purchase reviews must be completed for each applicable customer to ensure the purchase is compliant in each case.

When a RHW Purchase Approval is required, the pre-purchase review is completed after or in combination with the RHW Purchase Approval.

Pre-purchase reviews are documented in ReHabWorks using the "Purchasing Pre-review" case note topic or through the RHW Workflow if combining with other approvals. Refer to [E-300: Case Note Requirements, Purchasing Pre-Review](https://twc.texas.gov/files/partners/vrsm-e-300.docx) for specific documentation requirements.

If an approver has reviewed and documented an element of the pre-purchase review requirements as part of their approval prior to the pre-purchase review, the staff member completing the pre-purchase review does not have to duplicate these efforts during their review or documentation of the review.

Pre-purchase reviews may also be entered as a partial purchasing review or a case reading in TxROCS, but this is not required unless the proposed purchase is returned to the caseload for further action for one of the following reasons:

* Proposed purchase is not clearly supported by existing case documentation.
* Proposed purchase is not in the customer's current IPE or most recent IPE amendment.
* Proposed purchase is not clearly connected to and supportive of vocational objective.
* Proposed purchase not allowable under federal regulations or state requirements.

When a proposed purchase Pre-purchase Review is either "complete" (no further action required) or "returned" to the caseload for further action, the caseload carrying team is notified accordingly.

Refer to [D-205-4: Exceptions to Purchasing Threshold Requirements](https://twc.texas.gov/vr-services-manual/vrsm-d-200#d205-4) for a specific list of goods or services that are exempt from these threshold requirements.

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## D-206: Purchasing Restrictions

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### **D-206-2: Payee Restrictions**

TWC-VRD has the responsibility to maintain a high level of ethical standard when purchasing goods and services for VR customers. This includes but is not limited to avoiding direct conflicts of interest and the appearance of impropriety in the purchasing of goods and services.

**Family Members of VR Customers**

To prevent a conflict of interest, VR must not purchase goods or services for the customer from a family member.

The term "family" includes:

* spouse;
* child;
* parent;
* grandparent;
* brother;
* sister;
* cousin;
* aunt;
* uncle;
* niece;
* nephew;
* any other individual related by:
  + kinship;
  + adoption; or
  + marriage (such as a step relative, for example, stepchild, stepparent);
* all related individuals who are dependent upon the employee or employee's family member for personal care or services on a continuing basis; and
* all individuals living in the same household with the employee or with an employee's family member (regardless of kinship).

The only exceptions to this policy include purchase of personal assistant services, childcare services, or transportation services, which may be purchased from a customer's family member. Refer to [C-1403: Personal Assistant Services](https://twc.texas.gov/vr-services-manual/vrsm-c-1400#c1403), [C-1405: Child Care Services](https://twc.texas.gov/vr-services-manual/vrsm-c-1400" \l "c1405) and [C-1402: Transportation Services](https://twc.texas.gov/vr-services-manual/vrsm-c-1400#c1402).

**Customer Representatives**

To prevent a conflict of interest, VR must not purchase goods or services for the customer from a provider who is serving as the customer's representative.

Goods and services may be purchased from a provider who is serving as the customer's representative only:

* before the customer designates the provider as his or her representative; or
* after the customer has revoked the provider's authority to act as his or her representative.

Exceptions are not allowed to this policy.

For additional information, refer to [VRSM D-203-6: Ethics of Purchasing](https://twc.texas.gov/vr-services-manual/vrsm-d-200#d203-6) and [VRSM C-105-3: Counseling and Guidance Ethics](https://twc.texas.gov/vr-services-manual/vrsm-c-100#c105-3).

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