# Vocational Rehabilitation Services Manual D-205: Purchasing Thresholds Requirements

Revised October 1, 2018

## D-205: Purchasing Thresholds Requirements

Purchasing thresholds are established to ensure that management oversees high-cost and high-risk purchases. VR counselors must review associated chapters in the VRSM and VR-SFP in addition to reviewing the table published below prior to including the service on an IPE and authorizing the purchase of any good or service.

The requirements of this section are not applicable to Multi-customer service authorizations. For additional information, refer to D-213-5: Multi-customer Purchases.

The following purchases are exempted/excluded from the purchasing threshold requirements in this section. All other policies and procedures for these goods and services must be applied as part of the purchasing process:

* contracted hospital services,
* hearing aids,
* durable medical equipment (DME),
* vehicle modifications, orthotics, and prosthetics,
* other MAPS code items/goods,
* tuition, required fees, and room and board for academic training when paid to a public (city, county or state operated) training institution in the state of Texas, and
* Interpreter/CART services for students enrolled in academic or vocational training programs for longer than 30 days when paid to a public (city, county or state operated) training institution in the state of Texas **or** an appropriately contracted service provider.

If the product or service is not under contract or is not a MAPS purchase and the cost is less than $5,000, the purchase must be completed as a spot purchase; that is, using a commercial source, under noncompetitive purchasing procedures.

In addition to requirements throughout the VRSM and the VR Standards for Providers (VR-SFP), for all purchases that are over $2500 per service authorization, a pre-purchase review must be completed in and noted in RHW by the administrative supervisor or purchasing specialist prior to the purchase.

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| **Purchase costs, per service authorization** | **Approval required from…** | **Competitive bid required** |
| $2500 or less | VR counselor approval. | No |
| Greater than $2500, but less than or equal to $5,000 | Pre-purchase review by the administrative supervisor or purchasing specialist required and documented in a case note in RHW.  If not-authorized for one or more of the following reasons, complete a formal Purchasing Review in TxROCS and enter a case note in RHW with the specific reason for the non-authorization of the purchase:   * Proposed purchase not supported by existing case documentation. * Proposed purchase item not in plan or is not clearly connected to and supportive of vocational objective. * Proposed purchase not allowable under Federal or state regulations. * Proposed purchase as requested is denied.   VR counselor approval | No |
| Greater than $5,000 to $15,000 | Pre-purchase review by the administrative supervisor or purchasing specialist required and documented as a formal Purchasing Review in TxROCS and in a case note in RHW.  VR Manager approval  For non-contracted purchases, submission to purchasing department for bid solicitation. | Yes |
| Greater than $15,000 to $25,000 | Pre-purchase review by the administrative supervisor or purchasing specialist required and documented as a Purchasing Review in TxROCS and in a case note in RHW.  Regional director or deputy regional director approval  For non-contracted purchases, submission to purchasing department for bid solicitation. | Yes |
| Greater than $25,000 | Pre-purchase review by the administrative supervisor or purchasing specialist required and documented as a Purchasing Review in TxROCS and in a case note in RHW.  Regional director or deputy regional director, and VR Division Director approval.  For non-contracted purchases, submission to purchasing department for bid solicitation. | Yes |