

## Delegated Purchases

By statute, agencies are authorized to purchase goods and services if the cost does not exceed \$15,000. (Ref. Texas Government Code, Sec. 2155.132) Additionally, CPA is authorized to delegate additional purchasing authority (Ref. Texas Government Code, Sec. 2155.131) CPA by rule may delegate to a state agency the authority to purchase goods and services if the purchase exceeds \$15,000. In delegating purchasing, CPA shall consider factors relevant to a state agency's ability to perform purchasing functions, including:

1. The capabilities of the agency's purchasing staff and the existence of automated purchasing tools at the agency;
2. The certification levels held by the agency's purchasing personnel;
3. The results of the commission's procurement review audits of an agency's purchasing practices; and
4. Whether the agency has adopted and published protest procedures consistent with those of CPA as part of its purchasing rules.

The delegated authority of a state agency to bind the State in contract is primarily defined by dollar amount and subject matter. See Bidding Requirements and Dollar Limits or Thresholds (<http://www.window.state.tx.us/procurement/pub/manual/2.11.pdf>.)

An agency may not use its delegated purchasing authority to purchase (Ref. Texas Government Code, Section 2155.132(f)(1):

1. Items provided by a CPA state contract (unless the quantity to be purchased is less than the minimum quantity specified in the CPA contract);
2. Items that are required by statute to be purchased from a particular source; or
3. Items that constitute 'scheduled items' designated for purchase by the CPA.<sup>lxvi</sup>

Individual state agencies may have statutory purchasing authority that is independent of the authority delegated by CPA; therefore, a thorough examination of each state agency's statutory purchasing authority is necessary to identify an agency's purchasing or contracting authority.

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<sup>i</sup> Tex. Gov't Code § 2155.132(f); 1 T.A.C. §113.11 (3). For items that are required by statute to be purchased from a particular source, See Government Code §497.024 et seq. (if the Texas Department of Criminal Justice produces an article or product under the Prison Made Goods Act, state agencies may purchase the article or product only from the Department). For definitions of 'scheduled purchase' and 'term contract purchase', See 1 T.A.C. §113.2 (55) (a 'scheduled purchase' is a purchase with a pre-scheduled bid opening date, allowing the Commission to combine orders for goods); (62) (a 'term contract purchase' is a purchase under a term contract, which established a source of supply for particular goods at a given price for a specified period).