



# CITY OF HOUSTON PROCUREMENT

## Procurement Roles and Responsibilities at a Glance

### Excerpts from Administrative Procedure AP 5-2

#### User Departments

- Develop a procurement management plan that demonstrates compliance with Executive Order 1-14.
- Perform purchasing, receiving, and payment functions in accordance with established policies and procedures, City ordinances, and State laws.
- Designate a Departmental Purchasing Unit (DPU) office.
- Determine what goods and/or services are needed, and allow adequate time for procurement.
- Initiate requisitions and obtain the required approvals.
- Develop specifications.
- Approve requisitions for goods and/or services charged to the department's budget.
- Segregate duties among personnel performing purchasing, receiving, and payment functions.
- Designate approval authorities and limits in writing and provide the designation to the City Purchasing Agent.
- Maintain all records documenting compliance with all governing regulations.
- Notify the Legal and Administration and Regulatory Affairs departments about violations by department employees and/or suppliers/contractors. Take appropriate disciplinary action against an employee who has committed a violation.
- Ensure that the department's employees do not receive goods and/or services until proper authorization has been obtained.
- Verify City personnel's description of the type and quantity of goods and/or services received.
- Immediately inspect goods and/or services received for overages, shortages, and damages, and verify that they meet specifications.

#### Department Purchasing Units

- Submit requisitions in excess of the department's spending authority or confirmations to the Strategic Purchasing Division (SPD) for processing.
- Work with personnel from SPD, technical support unit (if appropriate), and the ordering division or section to renew and develop contracts, and prepare the Request for Council Action (RCA).
- Coordinate and expedite the procurement process.
- Verify approvals.
- Process and approve requisitions.
- Solicit bids for departmental purchases and document results in accordance with A.P 5.2.
- Issue department purchase orders for authorized amounts and obtain the required approval.
- Monitor supplier/contractor performance and notify SPD about supplier/contractor problems.
- Determine and apply the proper type of procurement process for acquiring goods and/or services.
- Direct suppliers/contractors to send invoices to the City official designated to receive and process them.
- Maintain proper records and files for audit purposes.
- Disseminate procurement policies and procedures within the department.
- Be the primary communications point for supplier/contractor related questions and problems.

#### Strategic Purchasing Division

- Work with the departments to renew their contracts in a timely manner to ensure continuity of goods and/or services.
- Develop new contracts to maximize economies of scale including developing specifications, conducting specification workshops and pre-bid conferences, reviewing bids, and making award recommendation.
- Work with user departments and the technical support unit to prepare and issue high-technology Requests for Proposals (RFPs), evaluate responses, and to select a supplier/contractor.
- Monitor the department's purchasing activities to ensure compliance with established policies and procedures, City ordinances, and State laws.
- Process requisitions and issue POs for non-contract goods and/or services in excess of the department's spending authority.
- Process change orders and cancellations that exceed the department's spending authority.
- Prepare Requests for Council Action to approve procurement contracts and non-contract POs within the Council approval authority which is equal to or greater than the State bid law requirement.
- Review and approve departmental policies and procedures pertaining to purchasing, receiving, and payment.
- Approve changes in specific department's spending authority consistent with Executive Order 1-14.
- Be the systems administrator for the purchasing system.
- Report violations to the responsible department head and to the Administration and Regulatory Affairs Department Director. Recommend changes in specific department's purchasing authority as a result of policy violations.

#### Information Technology Department

- Assist departments in identifying and evaluating appropriate high-technology solutions.
- Assist the Strategic Purchasing Division (SPD) and the departments in developing high technology Requests for Proposal, evaluate responses, select and negotiate with the successful proposer, and prepare contract documents.

#### Legal Department

- Oversee the preparation of contract documents.
- Perform in an advisory and appeal processing role to certify suppliers/contractors.
- Prepare ordinances.
- Respond to, and advise SPD about purchasing issues.
- Review issues for appropriate legal action.

#### Finance Department

- Approve capital equipment purchases in accordance with Executive Order 1-14.
- Approve Requests for Council Action that requires appropriated funds.

#### Mayor's Office of Business Opportunity

- Assist departments with certified Minority/Women Business Enterprises (M/WBE's) participation levels for goal-oriented and regulated contracts.
- Certify M/WBE's as well as monitor, update, and distribute a list of these businesses.
- Compile a bi-monthly report of the department's progress toward attaining citywide certified M/WBE goals for City Council's information.

#### City Secretary

- Coordinate the submission of Requests for Council Action (RFCA) to City Council.
- Place bid advertisements in local newspapers.
- Receive, open, and read all formal bid responses from suppliers/contractors, and make available the copies of each bid to SPD.