

Term Contracts

The Texas Building and Procurement Commission (TBPC) establishes term contracts by commodity/service codes as a supply source for user entities. Contracts are based on estimated quantities, specified by the TBPC, and may be ordered as needed. There are two basic types of term contract purchases -**automated** and **non-automated**. Either type of contract is initiated by submitting the required information on a Requisition/Purchase Order form.

Automated Contract

When the Purchasing Department receives the automated contract, it will be submitted electronically to the TBPC.

The contract order will then be generated by the TBPC's computer when the necessary coded information is entered; 1) 11-digit commodity code number, 2) quantity and 3) unit of measure from the TBPC's term contract. The purchase order will be sent by TBPC to the vendor and the ordering entity.

Non-Automated Contract

The non-automated term contract requires manual processing by the Purchasing Department, usually because of the more specialized nature of the contract purchase or the contract terms. Refer to the specific TBPC term contract (which can be accessed through the Purchasing web site) to determine whether the contract is automated or non-automated. The TTUHSC Purchasing Department processes non-automated purchase orders **directly to the vendor**. A copy of the purchase order must be forwarded to the TBPC's Procurement Services Division to update purchase history files.

Pricing

In order to enable the TBPC to create long term contracts, many contracts allow the vendor to increase or decrease prices in accordance with the terms and conditions of the contract. All term contract price changes must be submitted by the vendor and approved by the TBPC. All pricing is based on the date of the order.

In the case of automated contracts, the date of the order will be determined by the date it was generated by the TBPC computer system, except for Confirmation Orders (see below).

Note: Purchasing will usually transmit the contract within 48 hours after receipt of order. Mail time from TBPC to the vendor will take a few days more. It is expected that the vendor can receive most orders within a week from date of receipt by the Purchasing Department.

Standing Term Contract Orders

In special cases, standing orders may also be used with the TBPC term contract items. There is a stated delivery quantity on specific dates and the quantities are guaranteed. If your department feels that you have recurring need for items that can be provided cost effectively against a state contract, contact the Purchasing Department for assistance in establishing a standing term contract.

Urgent Need Requests

If an urgent need exists for an item on state contract, the order may be faxed to Purchasing (806-743-2185). The order must include the following statement:

"Notice to Purchasing: The items included in this order are urgently needed. Please place this request by confirmation method."