

Section 2.8.1

Texas Multiple Award Schedule Contracts PCC X

Introduction

The [Texas Multiple Award Schedule \(TXMAS\) Program](#) adapts existing competitively awarded government contracts to the procurement needs of the state of Texas. Unlike some other purchasing methods, purchases made from TXMAS contracts do not require delegated authority from Statewide Procurement Division to make purchases over \$50,000 for commodities and \$100,000 for services. To be considered for the TXMAS Program, an existing contract must be:

- x Awarded by the federal government or any other governmental entity in any state.
- x Awarded using a competitive process.
- x Adaptable to the laws of the state of Texas

Each TXMAS contractor is required to provide a TXMAS product catalog. Catalogs must contain the following information:

- Item specifications.
- Ordering procedures.
- Invoicing procedures.
- Contact information for making purchases and for customer service.

Terms and Conditions: If any information is needed in reference to the Terms and Conditions, please contact the contract holder or the [TXMAS Coordinator](#) at (512) 463-3421.

TXMAS contractor catalogs are available on the [TXMAS Contracts by Schedule](#).

General Services Administration Federal Supply Service Contracts

The vast majority of TXMAS contracts are adapted from General Services Administration Federal Supply Service (GSA) contracts. For this reason, it is common for a contractor's TXMAS catalog to be nearly identical to its GSA catalog. For contracts adapted from GSA contracts, the TXMAS prices must be identical to those on the GSA Schedule. These are the "Most Favored Customer" (MFC) prices and are the maximum prices allowed. To learn about negotiating lower prices for TXMAS contract items, please see the section entitled "**Negotiating Price with TXMAS Vendors**" below.

Purchasing from TXMAS Contracts

Prior to purchasing the product or service from a TXMAS contract, follow applicable statutes, as required, for purchasing from the TIBH, TCI, the Texas SmartBuy term or Managed term contracts.

To purchase outside an established SPD term contract, conduct a search of all SPD term and TXMAS contracts for the product or service required. It is recommended that a comparison be conducted between

the contracts for best value and be based upon the exact product's functional specifications or service requirements.

Purchase Orders against TXMAS Contracts must be entered through the TxSmartBuy on-line ordering system.

Best Value Comparison Documentation:

Price cannot be a factor to *not* purchase TIBH products. If the product desired is available through TIBH, the purchase order must be issued through the Texas SmartBuy ordering system. Products available from TCI should be purchased when meeting the functional specifications of the required product.

1. For products or services other than those available through TIBH or TCI, record the following information in the procurement file:
 - a. Description of the product or service
 - b. SPD term contract number(s) and the TXMAS contract number(s) searched.
NOTE: If searching a new TXMAS contractor that does not have a listing or link to their catalog on the [TXMAS Contracts Web Page](#), request a catalog from that contractor with a copy of their TXMAS award notice.
 - c. Product manufacturer/brand and model/product number
 - d. Pricing printed from the SPD Term Contracts including any additional charges as applicable (freight, inside delivery).
2. Include pricing from TXMAS contractors that provide the product or service from the on-line catalogs or quotations. If the quoted price is less than the price listed in the contractor's TXMAS on-line catalog, make note that the lower pricing was confirmed and list the representative's name. If the quoted price is higher than the price listed on the contractor's TXMAS on-line catalog, request that the contractor provide a new quote with the published price.

Issuing the Best Value Purchase Order

- x Document the basis for the best value determination in the procurement file.
- x If the SPD term contract(s) provide the best value, the purchase order must be processed through the Texas SmartBuy ordering system, or if available from a Managed Term Contract, issue an internal purchase order directly to the contractor.
- x If the TXMAS contract provides the best value, issue a purchase order to the contractor through the TxSmartBuy ordering system or, if to a contractor's dealer, issue an internal purchase order directly to the dealer. The dealer must be listed on the TXMAS contractor's contract page. A TXMAS contractor is not required to accept orders below the minimum order limit shown on its contract page. Orders between the minimum and maximum order limits listed on the contract page are subject to TXMAS catalog pricing. For orders above the maximum limit, you are entitled to negotiate lower prices than those listed in the TXMAS catalog.

TXMAS Purchases for Products or Services *NOT* Available through SPD established contracts:

TXMAS Procurements of \$5,000 and Below

- x Prior to purchasing the product or service from a TXMAS contract, follow applicable statutes, as required, for purchasing from the TIBH, TCI, the Texas SmartBuy term or Managed term contracts. See Section 2.5, “Set-aside Purchases.”
- x Agencies are required to obtain the “best value” for expenditures of agency funds by obtaining multiple quotes (at least three) where possible and document their efforts in the procurement file. The quotes may be obtained via telephone or by electronic transmission
- x The agency shall issue a purchase order to the selected “best value” TXMAS contractor through the TxSmartBuy ordering system or, for contractor’s dealers, issue an internal purchase order using internal agency procedures and policies for purchases of \$5,000 and below.

TXMAS Procurements over \$5,000

- x Prior to purchasing the product or service from a TXMAS contract, follow applicable statutes, as required, for purchasing from the TIBH, TCI, the Texas SmartBuy term or Managed term contracts.
See Section 2.5, “Set-aside Purchases.”
- x Research the on-line catalog pricing and/or obtain a price quote from as many TXMAS contractors as necessary to provide best value to the state. Document all price quotes in the procurement file. If the TXMAS contractor’s website is not shown on the [TXMAS Contracts Web Page](#), the contractor must include a copy of the TXMAS contract award notice with its price quote.
- x For all TXMAS purchase orders that exceed \$25,000, the agency must post the Award Notice on the ESD (Electronic State Business Daily).
- x A TXMAS contractor is not required to accept orders below the minimum order limit shown on its contract page. Orders between the minimum and maximum order limits listed on the contract page are subject to TXMAS catalog pricing. For orders above the maximum limit, the purchaser is entitled to negotiate lower prices than those listed in the TXMAS catalog.
- x Proprietary TXMAS procurements:
If the proprietary product or service is available through a TXMAS Contract, prepare documentation (letter or memo to the file) justifying the proprietary purchase in accordance with Government Code 2155.067 and obtain the authorized signature of the appropriate agency’s personnel as identified in the agency’s Procurement Plan. Retain this document in the procurement file.
- x Prices for the following may be negotiated with a TXMAS contractor:
 1. Incidental, off-schedule items and services, installations, set up or inside delivery if necessary for product warranty, system integration or product completeness as required to facilitate TXMAS contract purchases.
 2. TXMAS contract goods and services that the contractor is offering through a promotional program.
 3. TXMAS contract goods and services in an amount that exceeds the contract’s Maximum Order.

Incidental, off-schedule items and services, installation or inside delivery and set up, may be purchased as "best value, open market" items provided that they are necessary for product warranty, system integration or product completeness. An agency is responsible for ensuring that the quoted price for such incidental items is fair and reasonable. These incidental items and services may be added to the purchase order if they are clearly labeled as "open market, best value" items on the contractor's quote.

- x Purchase orders must be processed through Texas SmartBuy.
- x Some TXMAS contract items are loaded into the TxSmartBuy system for purchasing directly from a contractor. Contract items can be searched and added to a shopping cart to complete the purchase order through the system.
- x TXMAS contracts provide items for purchase through a quote process. These orders are processed through the system as a single line item for the total amount of the quote. The quote document can be attached to the purchase order in the system and will be sent to the contractor with the purchase order.
- x Internal purchase orders following agency policies and procedures can be issued to TXMAS contractor dealers. The dealer must be listed on the TXMAS Contractor's contract page.

The dealer will process the order and is to be paid directly by the customer. These orders must contain the following documentation:

- x TXMAS Contract number
- x NIGP Code (Class and Item) for each purchased line item
- x Agency number
- x Best Value Determination
- x Identification of any incidental, off-schedule items and services, installation, set up or inside delivery charges.

Proposing New TXMAS Contracts

IF	THEN	AND
You have a requirement that could be met by a competitively awarded government contract	Verify that the requested contract is not already available as a TXMAS Contract	<ul style="list-style-type: none"> x Awarded by the federal government or any other state governmental entity x Awarded using a competitive process x Adaptable to the laws of the state of Texas
The potential contract meets the above criteria	contact the TXMAS Program at (512) 463-3421 to begin the process for a TXMAS contract award consideration	