Policy Name: Proprietary Purchases

Policy Number: 17.15

Is this policy new, being reviewed/revised, or deleted? Review/Revise

Date of last revision, if applicable: 1/31/2017

Unit(s) Responsible for Policy Implementation: Vice President for Finance and Administration

Purpose of Policy (what does it do): This policy defines and explains requirements related to proprietary purchases.

Reason for the addition, revision, or deletion (check all that apply):

- [x] Scheduled Review
- [ ] Change in law
- [ ] Response to audit finding
- [ ] Internal Review
- [ ] Other, please explain:

Please complete the appropriate section:

Specific rationale for new policy:

Specific rationale for each substantive revision: Minor wording changes and clarifications.

Specific rationale for deletion of policy:

Additional Comments:

Reviewers:

Kay Johnson, Director of Procurement and Property Services
Danny Gallant, Vice President for Finance and Administration
Damon Derrick, General Counsel
**Proprietary Purchases**

**Original Implementation:** September 1979  
**Last Revision:** January 31, 2017/January 28, 2020

**Purpose**

This policy defines and explains requirements related to proprietary purchases.

**Definition**

A sole source is a specific item that is available from only one source.

**General**

A proprietary purchasing situation occurs when competition is not available. In addition to the purchase requisition, a written justification must be submitted to the Department of Procurement and Property Services provided when the specification requirement limits consideration to one manufacturer, one product, or one service provider.

A sole product may be available from more than one source and is subject to best value procurement rules. Justification for proprietary purchases must be signed by the director of procurement and property services/HUB coordinator. To assist in proprietary purchase considerations, procedures and guidelines are provided on the Department of Procurement and Property Services website.

Along with the purchase requisition, the department may be asked to submit an Exclusive Acquisition Justification form. On the form, only the applicable items must be answered and must provide sufficient explanation to address the following:

1. an explanation of the need for the proprietary specifications; i.e. which part or parts of the stated specification restricts the requisition to one manufacturer or provider; and
2. the reason competing products are not satisfactory.

Justification for proprietary purchases must be signed by the director of procurement and property services/HUB coordinator. Procurement will research the market to determine if the proprietary request is appropriate.

**Cross Reference:** Tex. Gov’t Code §§ 2155.063, .067; Purchase Requisition (17.19)

**Responsible for Implementation:** Vice President for Finance and Administration

**Contact for Revision:** Director of Procurement and Property Services/HUB
Coordinator Forms: Purchase Requisition, Exclusive Acquisition Justification

Board Committee Assignment: Finance and Audit