



OFFICE OF THE ATTORNEY GENERAL

Vendor Performance Evaluation Procedures

The Vendor Performance Tracking System (VPTS) provides the state procurement community with a comprehensive tool for evaluating vendor performance to reduce risk in the contract award process. The VPTS tracks exceptional, satisfactory and unsatisfactory vendor performance. Reporting of vendor performance is mandated by the Texas Government Code §2262.055 and 34 Texas Administrative Code §20.108. The requirement applies to purchases of \$25,000 or more from contracts administered by the CPA or any other purchase of \$25,000 or more made through delegated authority granted by CPA, purchases made pursuant to Government Code Chapter 10, Subtitle D, or purchases exempt from CPA procurement rules and procedures. For guidance on completing the Vendor Performance Form, staff are encouraged to reference the State Purchasing Website at: <https://comptroller.texas.gov/purchasing/programs/vendor-performance-tracking/>

TASK	STEP
<p>Upon issuance of the purchase order, E-Pro sends an email to the purchase requisition owner to notify them that a Vendor Performance Evaluation is due. The Vendor Performance Evaluation is due:</p> <ul style="list-style-type: none"> • within 30 calendar days of the date the goods or services are received; • the end of the fiscal year; • or the conclusion of the purchase order or contract. 	<p>The Purchase Requisition owner/liaison completes the Vendor Performance Evaluation Form utilizing guidelines from the State Purchasing website: https://comptroller.texas.gov/purchasing/programs/vendor-performance-tracking/</p> <p>The Vendor Performance Form is located on the OAG Intranet in the Contract Management section of Forms.</p>
<p>Complete the Vendor Performance Evaluation Form.</p>	<p>The end user will reference the contract file to determine performance history:</p> <ul style="list-style-type: none"> • within 30 calendar days of receipt of the goods or services; • the end of the fiscal year; • or the conclusion of the purchase order or contract. <p>Supporting documentation in the contract file is required for all instances of non-compliance with the material terms of the contract. The documentation must be retained in the contract file even if the instances of non-compliance were corrected, but it is not required to accompany the Vendor Performance Report submitted to VendorPerformance@oag.texas.gov</p> <p>Per the Comptroller’s Grade Explanation below, Grades of C, D, and F have instances of non-compliance.</p> <p>Any grade of “C” or lower must be reported on the Vendor Performance Form and the reason the vendor was given this grade must be entered under Step 7. “Performance Details” box, and at the bottom of Step 9. in the “Resolution Comments/Details” box.</p> <p>In addition, any Vendor Performance Report containing a “C” or lower must be reviewed by the OAG General Counsel Division prior to entry on the Comptroller’s VPTS portal. The review process will be handled</p>

TASK	STEP
	<p>by the Contract Management Team in the Contracts & Asset Management Division. See grade descriptions below.</p> <p>If Step 10.” Factors for Potential Debarment” is relevant to the Vendor Performance Report being submitted, supporting documentation that describes the reason the vendor should be considered for potential debarment must be indicated at the time the Vendor Performance Report is submitted and reviewed by the OAG General Counsel Division as described above.</p> <p>All information needed to complete the Vendor Performance Form can be found in E-Pro and on the purchase order including the Contract Type, General Information, and VID, etc.</p>
<p>Complete the Submitted By: section of the Vendor Performance Form.</p>	<p>The end user will enter their Name, Division Name, Title, Date, and Division Code. The OAG Division Code is: 302</p>
<p>Step 1. Enter the Contract Designation: Commodities or Services</p>	<p>Indicate whether the purchase order was for commodities such as pencils, desks, cars, chairs, etc. or services such as cleaning, maintenance, software programming, service of process, etc. If you are unable to find the information, please send an email to the Contract Management Team at VendorPerformance@oag.texas.gov for assistance.</p>
<p>Step 2. Indicate the Contract Type: CPA Open Market, TXMAS, IT/Telecommunications, Exempt, Delegated, Other, or CPA Term Contract.</p> <p>Note: all contracts openly solicited by the OAG are delegated contracts.</p>	<p>Go to the “Additional PO Details” section in E-Pro for the Purchase Order number which you are completing the Vendor Performance form. The PCC Code is the first item in the list. Look up the PCC code in the Texas Procurement Guide to determine appropriate procurement type.</p> <p>For your convenience, the version of the guide as of 10/02/2017 is shown at the bottom of this document. If you are not sure of the contract type, leave this field blank and the contract management team will assist you in determining the Contract Type.</p>
<p>Step 3. Enter General Information: for the Purchase Order. All General Information can be found in E-Pro by searching for the Purchase Order and reviewing PO details.</p>	<p>The end user will enter the PO#, Requisition #, Class/Item ID, PO Date, PO Amount, Contract ID. All information needed for General Information can be found in E-Pro under Additional PO details on the purchase order. If you are unable to find the information, please send an email to the Contract Management Team at VendorPerformance@oag.texas.gov for assistance.</p>
<p>Step 4. Enter Vendor Information: Enter all requested fields related to the vendor.</p>	<p>The end user will enter the “Vendor Information” In E-Pro on the purchase order, click on the vendor name to display the VID # and additional vendor information. If you are unable to find the information, please send an email to the Contract Management Team at VendorPerformance@oag.texas.gov for assistance.</p>
<p>Step 5. Enter Best Value criteria by checking all that apply.</p>	<p>The end user will indicate if the vendor met the Best Value Standard by checking yes or no, then indicate how the vendor met best value criteria by checking the appropriate box(es).</p>

<p>Step 6. Enter Positive Performance, if Positive Performance was achieved by checking all that apply.</p>	<p>If Positive Performance is applicable, the end user will check the appropriate box to indicate how the vendor achieved positive performance.</p>
<p>Step 7. Enter Negative Performance, if the vendor had Negative Performance by checking all that apply.</p>	<p>If the vendor had negative performance, the contract file MUST contain supporting documentation for the performance.</p> <p>The end user will check all appropriate boxes that apply to the negative performance and enter a description of the negative performance in the Performance Details: box below the check boxes.</p> <p>The end user must be prepared to answer questions related to the reporting of negative performance.</p>
<p>Step 8. Enter Satisfactory Resolution: by checking all that apply.</p>	<p>The end user will check all appropriate boxes that apply to the satisfactory resolution.</p> <p>NOTE: A description of how the vendor satisfactorily resolved issues MUST be retained in the contract file to support the reporting of satisfactory resolution, however, it is not necessary to provide the documentation with the vendor performance report.</p>
<p>Step 9. Enter Unsatisfactory Resolution: by checking all that apply.</p>	<p>The end user will check appropriate boxes that apply to the vendor being unable to resolve issues, enter the resolution date, and resolution comments/details in the boxes labeled “Resolution Date:” “Resolution Comments/Details:” NOTE: A description of how the vendor unsatisfactorily resolved issues MUST be retained in the contract file to support the reporting of Unsatisfactory Resolution, however, it is not necessary to provide the documentation with the vendor performance report.</p> <p>The end user must be prepared to answer questions related to the reporting of unsatisfactory resolution.</p>
<p>Step 10. Factors for Potential Debarment</p>	<p>If the vendor meets criteria for debarment as outlined in Texas Government Code 2155.077, and the contract file contains solid documentation to support the claim, check the appropriate box and forward the supporting documentation with the vendor performance report to the Contract Management Team.</p> <p>The Contract Management Team will request review of the claim by OAG General Counsel and report the vendor performance if approved by OAG General Counsel.</p> <p>The end user must be prepared to answer questions related to the reporting of unsatisfactory resolution.</p>

<p>Step 11. Vendor Grade</p>	<p>The end user will rate the vendor’s performance for the purchase order using the scale of A-F defined below and check the appropriate box.</p>
<p>Grade A Excellent Performance Contractor that delivered the good or service; that is the best value for the good or service because it complied with all the specifications and evaluation criteria identified in the solicitation documents; in full compliance of all material terms of the contract; and with complete or substantial customer satisfaction.</p>	<p>The end user will complete Step 6 of the Vendor Performance Form and proceed to Step 10.</p> <p>Sign the Vendor Performance Form.</p> <p>Scan and email the Vendor Performance Form to the Contract Management Team in the Contracts and Asset Management Division at VendorPerformance@oag.texas.gov.</p>
<p>Grade B Good Performance Contractor delivered the good or service that is the best value for the good or service because it complied with all specifications and evaluation criteria identified in the solicitation documents; in substantial compliance of all material terms of the contract or promptly remedied any instance of non-compliance with the material terms of the contract; and with substantial or adequate customer satisfaction.</p>	<p>The end user will complete Step 6 of the Vendor Performance Form and proceed to Step 10.</p> <p>Sign the Vendor Performance Form.</p> <p>Scan and email the Vendor Performance Form to the Contract Management Team in the Contracts and Asset Management Division at VendorPerformance@oag.texas.gov.</p>
<p>Grade C Satisfactory Performance Contractor delivered the good or service that is the best value for the good or service because it complied with all specifications and evaluation criteria identified in the solicitation documents; substantially remedied a majority of the in-stances of non-compliance with the material terms of the contract; and with adequate customer satisfaction.</p>	<p>Any grade of “C” must be reported on the Vendor Performance Form and the reason the vendor was given this grade must be entered under Step 7. “Performance Details” box, and at the bottom of Step 9. in the “Resolution Comments/Details” box.</p> <p>In addition, any Vendor Performance Report containing an “C” will be reviewed by the OAG General Counsel Division prior to entry on the Comptroller’s VPTS portal. The review process will be handled by the Contract Management Team in the Contracts & Asset Management Division.</p> <p>The end user must be prepared to answer questions related to the reporting of unsatisfactory resolution.</p>
<p>Grade D Unsatisfactory Performance Contractor delivered the good or service that was not the best value for the good or service because it did not comply with substantially all specifications and evaluation criteria identified in the solicitation documents; or in substantial non-compliance of material terms of the contract and failed to remedy a majority of instances of non-compliance with the material terms of the contract.</p>	<p>Any grade of “D” must be reported on the Vendor Performance Form and the reason the vendor was given this grade must be entered under Step 7. “Performance Details” box, and at the bottom of Step 9. in the “Resolution Comments/Details” box.</p> <p>In addition, any Vendor Performance Report containing an “D” will be reviewed by the OAG General Counsel Division prior to entry on the Comptroller’s VPTS portal. The review process will be handled by the Contract Management Team in the Contracts & Asset Management Division.</p> <p>The end user must be prepared to answer questions related to the reporting of unsatisfactory resolution.</p>

<p>Grade F Extremely Unsatisfactory Performance Contractor delivered the good or service that was not the best value for the good or service because it did not comply with all specifications and evaluation criteria identified in the solicitation documents; in substantial non-compliance of material terms of the contract and failed to remedy a majority of instances of non-compliance with the material terms of the contract; or in a manner that subjects the contractor to debarment.</p>	<p>Any grade of “F” must be reported on the Vendor Performance Form and the reason the vendor was given this grade must be entered under Step 7. “Performance Details” box, and at the bottom of Step 9. in the “Resolution Comments/Details” box.</p> <p>In addition, any Vendor Performance Report containing an “F” will be reviewed by the OAG General Counsel Division prior to entry on the Comptroller’s VPTS portal. The review process will be handled by the Contract Management Team in the Contracts & Asset Management Division.</p> <p>The end user must be prepared to answer questions related to the reporting of unsatisfactory resolution.</p>
<p>The Contract Management Team receives the Vendor Performance Form from the end user.</p>	<p>The Contract Management Team will review the submitted form for completion and to determine if the form requires General Counsel Review.</p>
<p>The Vendor Performance Report does not require General Counsel Review.</p>	<p>The Contract Management team will approve the evaluation and submit it to the Comptroller’s VPTS Portal and include the email address of the individual who submitted the Vendor Performance Form to the Contract Management team.</p> <p>The vendor, end user, Procurement Director, and Contract Management Manager will receive email confirmation of the vendor performance report.</p>
<p>The Vendor Performance Report requires consultation with General Counsel or Executive Management.</p>	<p>The Contract Management team will notify the submitter and forward the Vendor Performance Form as appropriate.</p> <p>General Counsel or Executive Management will review the Vendor Performance Form and respond to the Contract Management team as appropriate.</p> <p>The Contract Management team will proceed appropriately based on feedback from General Counsel or Executive Management.</p> <p>The Contract Management team will approve the evaluation and submit it to the Comptroller’s VPTS Portal and include the email address of the individual who submitted the Vendor Performance Form to the Contract Management team.</p>

For your convenience, Purchase Category Codes, as of 10/2/2017, are pasted below. These codes will assist you in determining the Contract type in Step 2.

Section 2.47

Purchase Category Codes (PCC)

The following Purchase Category Codes (PCC) are for use in the Uniform Statewide Accounting System (USAS) with purchase document types two (2) and nine (9). USAS Documents type two (2) and nine (9) are audited after payment. PCCs are codes used to document the purchase method, commodity type, and dollar category of purchases.

PCC List:

- A** - Purchases of items from TPASS term contracts using the TPASS automated purchasing system (Automated purchase orders). See 34 Texas Administrative Code § [20.40](#) - TPASS Term Contract Purchase.
- B** - A purchase with a pre-scheduled bid opening date, allowing TPASS to confirm orders for goods (e.g., calendars, groceries, fertilizer, etc.). see [Section 2.8 on Scheduled Managed Contracts](#).
- C** - Purchases from TPASS Managed term contracts using the agency's internal requisition/purchase order forms See 34 Texas Administrative Code [20.40](#) - TPASS Term Contract Purchase.
- D** - Purchases of information technology commodities or services not available through DIR contracts. TPASS Rule 34 Texas Administrative Code § [20.391](#) - Request for Offer Purchase Method.
- E** - Purchases of commodities and services when the total purchase is estimated to be \$0.00 to \$5,000.00. See TPASS Rule 34 Texas Administrative Code § [20.41](#) - Delegated Purchases.
- F** - Purchases of commodities (not services) in the total estimated amount of \$5,000.01 through \$25,000.00. See 34 Texas Administrative Code § [20.41](#) - Delegated Purchases.
- G** - Purchases on the Open Market by TPASS. A purchase of goods, usually in a specified quantity, is made by buying from any available source in response to an open market requisition from an agency. Items are not on TPASS term contract. See 34 Texas Administrative Code §§ [20.33](#) through [20.40](#) - TPASS Open Market Purchase.
- H** - Purchases in any category paid for with a payment card. Agencies using a payment card from TPASS Managed Contract No. 946-M1. See 34 Texas Administrative Code § [5.57](#)- Delegated Purchase.
- I** - Purchases of items from DIR Contracts. See Texas Government Code § [2157](#) - Purchase of Automated Information Systems commodities or services.
- K** - Purchases of publications directly from the publisher with no dollar limits. See 34 Texas Administrative Code § [20.41](#) (e) (5) Delegated Purchases; Publications. Required documentation - The purchase order or requisition file must contain the following signed declaration:

"Direct Publication - Not available from any other source."

No proprietary justification or best value statements are required if the signed declaration is listed on the purchase order/requisition.

Note: Purchases for Libraries are exempt [[see Section 4.2 Exemptions](#)]. These types of exempt purchases do not need a PCC code.

L - Purchases of perishable foods, e.g. fresh fruit, eggs, ice, etc. with no dollar limits. See 34 Texas Administrative Code § [20.41](#) - Delegated Purchases.

M -Purchases of distributor items, e.g. repair parts for a unit of major equipment that is needed immediately, or maintenance contracts for laboratory/medical equipment with no dollar limits. See 34 Texas Administrative Code § [20.41](#) - Delegated Purchases.

P - Purchases of petroleum products, e.g. fuels, oils, and greases - (class 405) with no dollar limits. See 34 Texas Administrative Code § [20.41](#) - Delegated Purchases.

Q - Purchases of services in the amounts estimated to be \$5,000.01 but less than \$25,000.00 for the total contract within a one year period. See 34 Texas Administrative Code § [20.41](#) - Delegated Purchases.

X - Purchases of items from TXMAS Contracts. See 34 Texas Administrative Code § [20.47](#)– Multiple Award Schedule.

S - Purchases of services in an amount estimated to exceed \$25,000.01 for the total contract within a one year period. See 34 Texas Administrative Code § [20.41](#) - Delegated Purchases.

T - Emergency purchases of goods and services exceeding \$25,000. An emergency is defined as a situation requiring the state agency to make the procurement more quickly to prevent a hazard to life, health, safety, welfare, or property or to avoid undue additional cost to the state. See 34 Texas Administrative Code §§ [20.32](#) and [20.41](#)(a) (2) - Emergency Purchases.

J, N, O, R, U, V, W, Y, Z - Not Used.

For purchases of goods and services exempt from competitive bidding or from the purchasing authority of TPASS by a specific statute leave the PCC field blank; the agency requisition number/order number and PCC are not required. The legal cite must be referenced on the purchase documentation for these purchases. Items purchased from TPASS TxSmartBuy term and Managed and open market are not exempt. See Section 4.2 Exemptions for a list of exemptions.