



Administrative Policy

# VENDOR PERFORMANCE EVALUATIONS

AP No.

5-13

Effective Date:

Upon Approval

## 1. POLICY STATEMENT

It is the policy of the City of Houston (City) that vendors shall provide quality goods and/or services to the City. To this end, City departments shall conduct performance evaluations of such entities. This policy does not apply to the compliance monitoring conducted by the Office of Business Opportunity (OBO) related to the Minority Women, and Small Business Enterprise program.

## 2. POLICY PURPOSE

To purpose of this policy is to ensure that the City conducts regular performance evaluation of vendors that are providing goods and/or services to the City.

## 3. SCOPE

- 3.1. This policy applies to all City departments and to all types of contract (including purchase orders) with the exception of those identified section 3.2.
- 3.2. This policy does not apply to transactions valued at under &50,000, those involving the sale or lease of real property, economic development agreements, water supply contracts, interlocal agreements, and the like.

## 4. DEFINITIONS

Interlocal Agreement: As defined in AP 5-11.

Labor Standards: Federal, State and/or local requirements pertaining to fair labor standards inclusive of prevailing wages, and equal employment opportunity compliance.

Vendor: A provider of goods, equipment, services, or other commodities. Vendor also means and includes consultants and contractors.

## 5. ROLES AND RESPONSIBILITIES

### 5.1. Chief Procurement Officer:

- 5.1.1. Promulgates policies relating to performance evaluations, including implementing a penalty process for vendors who exhibit a pattern of non-compliance with City requirements and standards.
- 5.1.2. Declares vendors "nonresponsible," as defined by Administrative Policy 5-7 and removes such vendors from participation in a procurement.
- 5.1.3. Promulgates and publishes forms for all departments to use in conducting performance evaluations.

Approved:

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Date Approved:

08/08/2022

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5.1.4. Maintains a central repository for performance evaluations that is accessible by all departments.

5.2. Director of OBO:

5.2.1. Counsels vendors that fail to comply with labor standard requirements.

5.2.2. At the second or third instance of noncompliance with labor standard requirements, may refer the vendor to the CPO for the purposes of determining whether the vendor is nonresponsible or whether debarment is appropriate.

5.3. Department Directors or Designees:

5.3.1. Designate individuals responsible for evaluating vendor performance. These individuals may be project managers, contract compliance officers, or other individuals with oversight of the vendor.

5.3.2. Unless otherwise indicated herein, conduct written performance evaluations of the vendors on a regular basis., be appropriate.

5.3.3. Communicate performance issues (good or bad) to the vendor such as via telephone, written communications, in-person or virtual meetings, or status reports.

5.3.4. Notifies vendors in writing, with a copy to the CPO, of any significant performance deficiencies that require corrective or remedial action.

5.3.5. Ensures that the performance evaluation document is completed no less than quarterly, except for labor standards related evaluations. Departments may complete the form electronically by using the following link: Vendor Performance Evaluation.

## 6. COMPLIANCE

Individuals assigned by their department director or his or her designee to submit performance evaluations to the CPO shall comply with this policy from the date of approval forward. Violations of the policy may result in corrective action.

## 7. CONFLICT AND REPEAL

7.1. This Administrative Policy supersedes Administrative Policy 5-13, effective March 4, 2016, which shall be of no further force or effect. All other departmental and City policies that are inconsistent with this Administrative Policy are hereby superseded.

## 8. APPENDICES

[Vendor Performance Evaluation A.P. 5-13 Survey \(surveymonkey.com\)](https://www.surveymonkey.com)

## 9. POLICY SPONSOR

**Department:** Finance Department Strategic Procurement Division