# Vocational Rehabilitation Services Manual D-200: Purchasing Goods and Services

Revised June 29, 2020

## D-203: Purchasing Decisions

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### D-203-4: Customer Participation

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#### Services Exempt from the Customer's Cost Participation

The VR counselor reviews with the customer the customer's agreement to pay for the cost of services.

For a list of services that explains when BLR is or is not applied, refer to [E-400: Applying Basic Living Requirements (BLR) to VR Services](https://www.twc.state.tx.us/files/partners/vrsm-e-400.docx).

Services exempt from the customer's cost participation include the costs for:

* the assessment for determining the customer's eligibility;
* the assessment for determining the customer's VR needs, including associated maintenance and transportation;
* VR counseling and guidance and referral for other services;
* in-house services provided directly by VR staff;
* job-related services, including job search and placement assistance, job retention services, follow-up services, and follow-along services;
* personal attendant services;
* any auxiliary aid or service (for example, interpreter services) that a customer with a disability requires to participate in the VR program;
* diabetes education services;
* orientation and mobility services;
* Pre-Employment Transition Services (Pre-ETS); and
* Other VR services that directly support Pre-ETS, like transportation, maintenance, and personal assistant services (applicable for VR eligible students only).

This policy must be applied uniformly to all customers in similar circumstances.

#### SSI and/or SSDI Recipients

Customers eligible for SSI or SSDI because of a disability are exempt from the cost participation requirement. Limitations on payments (for example, on payment of tuition and fees) are also not applied; however, VR policy on the use of best value and comparable services and benefits must be followed for all VR customers.

#### Potentially Eligible Customers

BLR does not apply to services that are provided directly to potentially eligible VR customers; however, policy on the use of best value and comparable services and benefits must be followed for all VR customers.

#### Students or Youth with Disabilities

The BLR does not apply to:

* the cost of participation in training seminars and GSTs for students or youth with disabilities (see [C-1307-1: Student Participation in the Cost of Training Seminars and GSTs](https://twc.texas.gov/vr-services-manual/vrsm-c-1300#c1307-1)); or
* the cost of parents or legal guardians to participate in the training seminars and GSTs for students or youth with disabilities (see [C-1307-2: Family Participation in Training Seminars and GSTs](https://twc.texas.gov/vr-services-manual/vrsm-c-1300#c1307-2)).

VR policy on the use of best value and comparable services and benefits must be followed for all VR customers.

### D-203-5: Separation of Duties

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## D-211: Setting Up and Paying Providers

Part of the process to set up and pay providers requires VR staff to ensure that the vendor, customer, or individual is:

* established in ReHabWorks (RHW) as a provider; and
* linked to the appropriate specifications.

Only after the aforementioned steps have been taken, VR staff:

* commits to a specific service from a vendor, customer, or individual;
* generates a service record; and
* issues a service authorization:

If the service provider, customer, or individual is not already established as a provider, VR staff (generally the unit purchasing specialist) sends the [TWC Substitute W9 and Direct Deposit Form (VR1020)](https://twc.texas.gov/forms/DARS1020.pdf) with [instructions](https://twc.texas.gov/forms/DARS1020INST.pdf) to the potential vendor for its completion.

VR staff explains that the purpose of the VR1020 is to gather information required to establish the provider as a vendor with the State of Texas, enabling VR staff to:

* establish the provider in the VR systems databases;
* issue service authorizations and payments; and
* complete IRS Form 1099, documenting the amount paid to the vendor for tax purposes.

The prospective vendor returns the completed form to the providing VR staff member.

If it is necessary to enter data about customers, parents, and/or guardians into RHW to enable payment of maintenance, periodic transportation, customer airfare, and the like:

* VR staff provides the customer (parent or guardian, if applicable) with the [Consumer or Parent/Guardian Information and Direct Deposit Form (VR1021)](https://twc.texas.gov/forms/DARS1021.pdf) with the [instructions](https://twc.texas.gov/forms/DARS1021INST.pdf); and
* the customer (or parent or guardian) returns the completed form to the VR staff member.

The VR staff member reviews the received forms for completeness and accuracy of data, to the extent possible. If the form is incomplete or inaccurate, the VR staff member returns it to the prospective vendor or customer (or parent or guardian), requesting that the form be corrected and resubmitted.

The VR staff member emails the completed form to VR RHW Provider Services and includes the RHW specification-level codes and descriptions to which the vendor or customer should be linked.

VR RHW Provider Services staff checks WRAPS, Texas Comptroller of Public Accounts (for taxpayer identification numbers (TINS)), and RHW according to the information entered into Forms 1020 and 1021.

If the information is not listed in any of the three databases or shows discrepancies in WRAPS, TINS, or RHW, an email will be sent to VndrSetupMaint\_W9, copying the requesting VR staff, and asking for processing of the attached Form 1020 or 1021. The TWC Vendor Setup then processes Form 1020 or 1021, entering information into the databases required to establish the vendor and set up direct deposit, as appropriate.

Upon completion of the requested setup:

* Vendor Setup Management emails notification to VR RHW Provider Services, informing them that the vendor setup is complete; and
* the vendor information is downloaded overnight into RHW from WRAPS.

The RHW Provider Services unit verifies all information entered into the databases from the Form 1020 or 1021, creates the physical location, and establishes the requested goods and services link in RHW.

RHW Provider Services emails to the VR staff requester the newly established full VID number with notification that the requested vendor set-up is complete.

Forms 1020 and 1021 include additional instructions for completing and submitting the forms to establish the vendors in RHW.

**Note:** State law prohibits the Comptroller of Public Accounts from paying funds directly to anyone who owes the state because of certain taxes, student loans or child support.

Refer to [D-206-2: Payee Restrictions](https://twc.texas.gov/vr-services-manual/vrsm-d-200%22%20%5Cl%20%22d206-2) for additional policies and procedures regarding restrictions related to the provider’s association with the VR customer and how this may impact the purchase of goods and services.

**Note:** VR staff sends all vendor related forms and inquires to the VR RHW Provider Services mailbox. Provider Services acts as a clearinghouse for RHW vendor-related information and requests and will route all forms or inquiries to the appropriate office.

## D-212: Creating the Service Authorization

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## D-213: Other Types of Payments and Purchases

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### D-213-6: Food Purchased for Customer Training

The purchase of food for customer training must be necessary and reasonable.

Prior to purchasing food, VR staff must take the following into account:

* Food may not be purchased to feed customers unless the training is scheduled to exceed five hours, not including the meal hour. Customer training should not be planned over a meal period with the intent of purchasing food. Meals should be purchased only when doing so will allow customers to continue their training activities during the meal or will support completion of the training in less time.
* Food purchases must be only for customers, must not be an excessive quantity or variety, and must be a reasonable cost. The cost per meal should be as economical as possible and must not exceed $15 per customer. When a training spans a full day or multiple days, the daily cost per customer for food must not exceed $51. Any exceptions to these limits must be approved in advance by the VR director.
* Food may not be purchased to feed VR staff, individuals from partner organizations, or family members. The only exception is when a family member’s participation meets the requirements established in C-1306-2 Family Participation in Training Seminars and GSTs, and when the purchase of food for the family member is approved in advance by the VR director.
* Food expenditures may be paid with Pre-ETS funds for eligible VR customers with an approved IPE. Food is not an allowable expense, in any situation, for potentially eligible customers.
* Food that is provided in conjunction with other customer activities, such as seminars and workshops and activities in the community, is not categorized as bulk food orders and should be purchased through RHW.