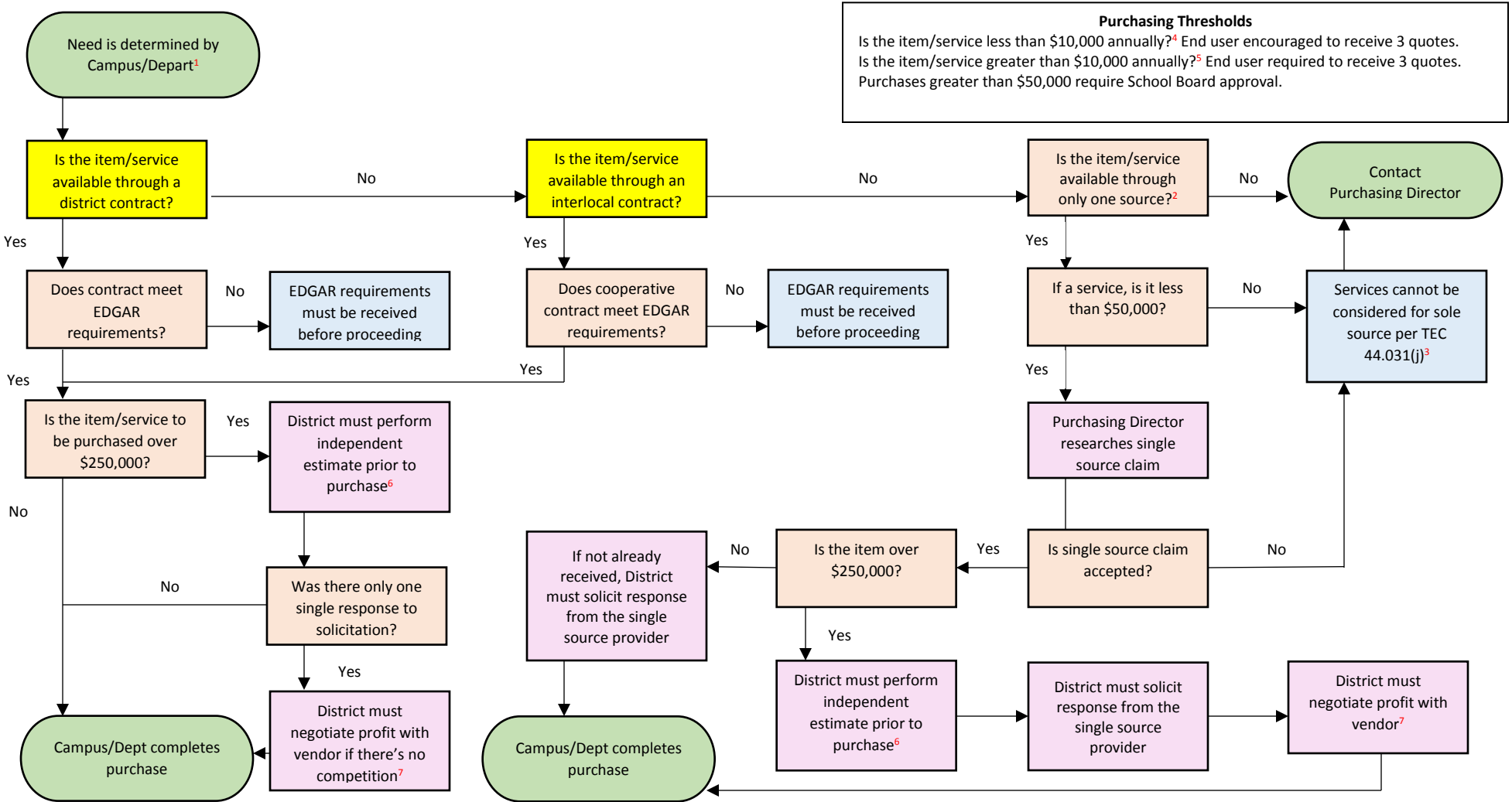


## Elgin ISD EDGAR, District & State Purchasing Processes Flowchart: 2019-2020



**Purchasing Thresholds**

Is the item/service less than \$10,000 annually?<sup>4</sup> End user encouraged to receive 3 quotes.  
 Is the item/service greater than \$10,000 annually?<sup>5</sup> End user required to receive 3 quotes.  
 Purchases greater than \$50,000 require School Board approval.

<sup>1</sup> EDGAR requirements state that the district is to follow the most restrictive guidelines. The required documentation should be kept for any type of procurement made to support the procurement in an audit situation

<sup>2</sup> EDGAR 2 CFR 200.320 requires that noncompetitive procurement through a solicitation of a proposal from only one single source and may be used only when (1) The item is available only from a single source; (2) The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation; (3) The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity; or (4) After solicitation of a number of sources, competition is determined inadequate. A cost analysis must also be performed (2 CFR 200.323).

<sup>3</sup> Texas Education Code 44.031(j) only allows for items to be purchased as a single source over \$50,000. Services are excluded at this amount and above.

<sup>4</sup> These types are known as "Micro" purchases. Note that the dollar amount may be adjusted for inflation. The district, to the extent practicable, must distribute micro-purchases equitably among qualified suppliers.

<sup>5</sup> These purchases, up to the *Simplified Acquisition Threshold* (currently at \$250,000), are known as "Small" purchases and "price or rate quotations must be obtained from an adequate number of qualified sources" (2 CFR 200.320(b)). Be aware that TEC 44.031(a) requires formal bids at >\$49,999.99.

<sup>6</sup> EDGAR 2 CFR 200.323(a): The non-Federal entity must perform a cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold including contract modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, the non-Federal entity must make independent estimates before receiving bids or proposals.

<sup>7</sup> EDGAR 2 CFR 200.323(b) The non-Federal entity must negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. To establish a fair and reasonable profit, consideration must be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.