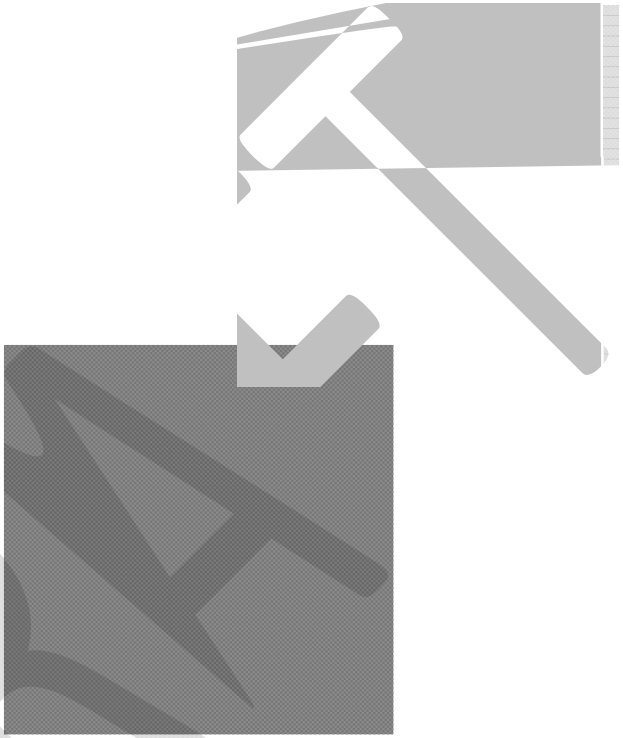
Comparison of New EDGAR Procurement Standards and TEA Purchasing/Procurement Process in FASRG

The purpose of this document is to provide



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§200.318 – General procurement standards
(c)(1) The non-Federal entity must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts. No employee, officer, or agent may participate in the selection, award, or administrati

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	• *Savings on administrative costs.* A cooperative arrangement can reduce administrative costs relating to performing the purchasing function. Cost savings can include major areas such as salaries and benefits, supplies, office equipment and contracted services. A cooperative can result in the elimination of redundant costs which may be associated with individual districts performing their own purchasing functions. Although purchasing cooperatives may charge annual fees for overhead costs, many districts can realize savings on both products and administration. • *Accessibility to more products and services.* A cooperative may provide districts the opportunity to buy a greater variety of products and services. The district chooses what is best for its needs at lower costs.	
§200.318 – General procurement standards (f) The non-Federal entity is encouraged to use Federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.	No reference in FASRG to excess or surplus property.	EDGAR refers to using Federal excess and surplus property
§200.318 – General procurement standards (g) The non-Federal entity is encouraged to use value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions. Value engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lower cost.	**3.2.3.5 Design/Build Contract (pgs 25-26)** Design/build is a method of project delivery in which the district contracts with a single entity to take responsibility for both the design and construction of a project. All design (including construction drawings) is done by a single entity, the design/build contractor. The goal of all procurement methods is to provide the best value to the district. Consequently, design/build should be carefully selected and monitored to ensure that the district receives the highest quality products and services at a fair value.	
§200.318 – General procurement standards (h) The non-Federal entity must award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources. See also §200.212 Suspension and debarment.	**3.2.2.2 Vendor Award Criteria (pgs 10-11)** Texas Education Code 44.031 states that in determining contract awards to vendors, the district shall consider: 1) The purchase price 2) The reputation of the vendor and of the vendor's goods and services 3) The quality of the vendor's goods or services 4) The extent to which the goods or services meet the district's needs 5) The vendor's past relationship with the district 6) The impact on the ability of the district to comply with laws and rules relating to historically underutilized businesses 7) The total long-term cost to the district to acquire the vendor's goods or services 8) Any other relevant factor specifically listed in the request for bids or proposals. Factors that a school district may consider under this criteria would include:	FASRG requires consideration of all 8 criteria

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§200.320 – Methods of procurement to be followed. (b) Procurement by **small purchase** procedures. Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold. If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources.	**3.2.3.7 Price Quotes (pg 27)** To obtain the most competitive price, a district at its option *may obtain price quotes* for items costing *less than $50,000.* The district's purchasing procedures should clearly define the lower figure for which quotes are required and *obtain and retain* written verification of the prices quoted. Unlike the mandatory competitive procurement described for purchases over $50,000, if an item costs less than $50,000, a district may utilize price quotations to stimulate competition and to attempt to receive the most favorable pricing.	FASRG mandates competitive procurement for purchases over $50,000

§200.320 – Methods of procurement to be followed.
(c) Procurement by **sealed bids** (formal advertising). Bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction, if the conditions in paragraph (c)(1) of this section apply.
(1) In order for sealed bidding to be feasible, the following conditions should be present:
(i) A complete, adequate, and realistic specification or purchase description is available;
(ii) Two or more responsible bidders are willing and able to compete

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