

Date:

8/1/18

To: Purchasing Cooperatives

Subject: EDGAR Procurement Compliance

Dear Purchasing Cooperative,

This letter is to verify that your purchasing cooperative has followed the most restrictive of the state or federal procurement rules (detailed below from TEA's Frequently Asked Questions dated 8/24/2015).

Which procurement thresholds determine the strictest rules to follow, EDGAR or FASRG?

Response: The response varies depending on the subgrantee's entity type. *ISDs and ESCs* Regarding procurement regulations in the new EDGAR and FASRG, the ISD or ESC must follow the most restrictive rule or regulation.

- For micro-purchases below \$10,000, the federal rules apply. In addition, per state rules, the LEA should have a local policy identifying a threshold below \$50,000 for which the LEA does not require a competitive process.
- For purchases that cost between \$10,000 and \$49,999, the federal rules require price or rate quotations from an adequate number of qualified sources. In this case, the federal rules are more restrictive than the state rules, up to the \$50,000.
- At \$50,000 and above, the state rules become more restrictive than the federal and must be followed.
- However, at \$250,000 and above, the federal rule for the cost or price analysis is more restrictive and must also be followed in conjunction with the state rules.

Under the new EDGAR, are Local Education Agencies (LEAs) allowed to purchase items from their existing purchasing cooperatives, or must they follow the new regulations and make individual procurement decisions for each item that they would normally purchase from a purchasing cooperative?

Response: 2 CFR 200.318(e) encourages non-federal entities to enter into state and local intergovernmental agreements or inter-entity agreements where appropriate for procurement or use of common or shared goods and services in order to foster greater economy and efficiency. The purchasing cooperative must follow the same state and federal procurement rules that would apply if the local LEA made the procurement. Once it has been verified that the purchasing cooperative has followed the most restrictive of the state or federal procurement rules (as detailed in the response to above), the LEA may purchase goods and services from the purchasing cooperative directly, without any additional procurement activities or documentation.

Per the information above, please verify that your purchasing cooperative has followed the most restrictive of the state or federal procurement rules. Please check and sign this document and return it via email.

Yes, our purchasing cooperative has followed the most restrictive of the state or federal procurement rules.

No, our purchasing cooperative has not followed the most restrictive of the state or federal procurement rules.

The Name of your Purchasing Cooperative: HCDE/Choice Partners Coop.

The person signing below must be authorized to sign this verification on behalf of your purchasing cooperative.

Dr. Jesus Amezcua [Signature] Asst. Supt 8/1/18
Printed Name Signature Title Date