

Mastering Audit Preparedness in Public Procurement

October 05, 2026

Purpose

This presentation provides a comprehensive guide and lessons learned to ensure **preparedness and audit readiness in public procurement**, focusing on Federal (2 CFR Part 200), State (Texas Education Code & Government Code), and Local (board policy) requirements.

Key Learning Objectives



**Understand
Core Audit
Requirements**



**Documentation
and Internal
Controls**



**Assess and
Mitigate Audit
Risks**



**Enhance
Cross-
Functional
Collaboration**



**Apply Best
Practices for
Successful
Audit
Outcomes**

Federal
State
Local



Dr. Edna E. Johnson



Mrs. Charisma Tolbert

Presenters

ABOUT US

Our Mission:

Harris County Department of Education supports Harris County by enriching educational opportunities and providing value through services.

Our Goals:

- Impact education by responding to the evolving needs of Harris County;
- Deliver value to Harris County by utilizing resources in an ethical, transparent, and fiscally responsible manner;
- Advocate for all learners by using innovative methods to maximize students' potential;
- Provide cost-savings for school districts by leveraging tax dollars; and
- Recruit and maintain a high-quality professional staff





Awards





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*



Transparency Stars
Traditional Finances Summary

ADULT EDUCATION

Adult Education is a state and federally-funded literacy program that consists of English Language, math, reading, writing and workforce training to help students acquire the skills needed to earn a high school equivalency diploma, enter college or to succeed in careers.



Basic Literacy

- English Literacy
- High School Equivalency
- Citizenship
- Distance Learning
- Leadership

Workforce Certification Training

- Phlebotomy
- Medical Assistant Prep
- Certified Nursing Assistant
- Customer Service/Marketing
- Heating Ventilation and Air Conditioning
- Business Office Technology
- Medical Billing and Coding
- Front Office Specialist

Workforce Literacy

- Workforce Workshops
- Communication and Employability
- Workbase Upskilling
- 1:1 Career Coaching and Support
- Career Advising and Placement

CENTER FOR AFTERSCHOOL, SUMMER AND ENRICHMENT

HARRIS COUNTY DEPARTMENT OF EDUCATION



- Afterschool Strategic Investment
- All-Earth Ecobot Challenge
- CASE Debates
- CASE for Kids City Connections
- Level Up! Digital Badging Initiative
- Partnership Project
- Provider Network
- Quality Improvement Resources
- Texas 21st Century Community Learning Center

CENTER FOR EDUCATOR SUCCESS



What We Do

CES was developed and designed to transform educator talent pipelines by partnering directly with districts to reimagine a comprehensive approach to educator recruitment, growth, advancement and leadership with the primary goal to inspire a new generation of educators to teach and lead in ways that generate real results and new opportunities for all children.

CENTER FOR SAFE AND SECURE SCHOOLS (CSSS)

CSSS partners with federal, state and local entities to take the lead in the development of increased safety and security strategies, standards and best practices for K-12 school environments for both students and educators. CSSS continually seeks new and innovative opportunities to build safer and more secure learning environments.



HEAD START CENTERS

The Harris County Department of Education serves more than 1,300 students annually through the Head Start program with free healthy meals and snacks, vision, hearing, nutrition and developmental screenings, and physical activity indoors and outdoors in a healthy environment.

Head Start provides newborns to 5-year-olds a safe learning environment that supports growth in many areas including language, literacy, and social and emotional development.



SCHOOL-BASED THERAPY SERVICES

School-based Therapy Services supports children with disabilities and their families in the areas of occupational therapy, physical therapy and music therapy. This support comes through assessment, intervention, consultation, training and direct service in the classroom in a student's neighborhood school and district.



School-Based
Therapy Services

SPECIAL SCHOOLS



- The Schools Division partners with Harris County school districts to offer individualized learning through small-group instruction in highly structured classes. The goal is always for students to return to their home schools to graduate.
- HCDE operates four special schools—Academic and Behavior Schools East, Academic and Behavior Schools West, Highpoint School East, and Fortis Academy—serving three populations of students:
 - those with severe emotional or physical disabilities;
 - troubled or adjudicated youth;
 - and students recovering from addiction.



Choice Partners national cooperative includes:

- **Facility contracts**
- **Supplies**
- **Service contracts**
- **Food contracts for bread, dairy, etc.**
- **Technology products**



Lessons Learned from Headline News and Public Audit Findings

State Audit Finds Major Financial Failures at Texas Southern University

Publication: Texas Policy Research

Date: January 5, 2026

Location: Houston, Texas

Audit findings:

- Thousands of **invoices paid though required steps were skipped.**
- Many invoices were dated before purchase requests were approved
- Hundreds of payments were made to vendors whose **contracts were expired.**
- In nearly every case reviewed, contract records did not match the actual agreements.
- **Weak procurement controls and inadequate contract management.**
- State auditors flagged “significant financial and operational weaknesses.”

Why it matters: Public universities receive taxpayer funding approved by the Texas Legislature – these findings erode public trust



[State Audit Finds Major Financial Failures at Texas Southern University - Texas Policy Research](#)

Harris County Flood Control District Failed to Implement Procurement Safeguards

Publication: Houston Chronicle

Date: October 6, 2025

Location: Harris County, Texas

Audit findings:

- Flood Control District **failed to implement procurement safeguards** ordered by Commissioners Court.
- **Weak or missing documentation for vendor selection.**
- Incomplete or inconsistent **conflict-of-interest disclosures.**
- Continued **noncompliance despite earlier procurement audit warnings** in 2023–2024.

Why it matters: The findings raised concerns over ethics, transparency, and risk of conflicts of interest in large public infrastructure contracts.

 *Source: <https://www.yahoo.com/news/articles/lina-hidalgo-calls-flood-control-002033729.html>*

Nolan County Failed to Formally Document Procurement Policies

Audit findings: Management did not prioritize the formal development and adoption of a procurement policy. This was primarily due to a **lack of awareness regarding the internal control risks** associated with undocumented procurement procedures and the **assumption that existing informal practices were sufficient**.

Why it matters: Without a written procurement policy, the entity is exposed to significant risks of fraud, waste, and abuse. This condition could lead to, noncompliance with regulations; inefficient use of resources; and risk of fraudulent activities, such as collusion, kickbacks, or purchasing from unapproved vendors. The lack of documentation prevents a clear audit trail, making it difficult to hold staff accountable for procurement decisions.

Auditors recommended that management immediately develop and formally adopt a comprehensive procurement policy and procedures manual. The manual should, at a minimum, include:

- Clear guidelines for soliciting bids and proposals, including requirements for full and open competition.
- Documentation for all procurement actions, including vendor selection rationale and price comparisons.
- Approval authority levels for different procurement thresholds.



Lubbock Independent School District Failed to Follow Procedures

Audit findings: The District did not follow established competitive procurement procedures for the purchase of two new vehicles totaling approximately \$113,600. Specifically, administration failed to document or perform a competitive bidding process, or formally justify an exception, for these purchases. Review of purchase orders and supporting documentation provided no evidence of soliciting competitive quotes, bids, or proposals.

Why it matters: Failing to utilize competitive procurement significantly increases the risk that the District did not obtain the most economically advantageous price for the vehicles, potentially resulting in unnecessary expenditures of public funds. .

Auditors recommended that the Board and Management immediately reinforce training for all personnel involved in the procurement process, particularly those authorizing large expenditures. Additionally, the District must modify its internal controls to incorporate mandatory, verifiable checkpoints in the procurement workflow.

 Source: [Federal Audit Clearinghouse](#)



AUDIT
BEST
PRACTICES

Procurement Policies & Procedures

Federal, State & Local

Overall Tips for a Smooth Annual Audit

- Revisit any prior audit or compliance findings to ensure corrective actions have been taken
- Review and update or create a year-end checklist
- Meet with team to establish internal deadlines
- Keep track of progress to avoid delays
- Be aware of any new or updated pronouncements that impact your fiscal year close-out
- Meet with the audit team before the audit begins

Overview of 2 CFR 200 Federal Procurement Requirements

The **Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards**, commonly referred to as 2 CFR Part 200 (Uniform Guidance), establishes the federal rules that all non-federal entities must follow when spending federal funds.

Federal procurement requirements (**2 CFR §§ 200.317–200.327**), govern **competition, procurement methods, conflicts of interest, contract requirements, and documentation expectations**

Audit Requirements

2 CFR §200.501

A non-Federal entity that expends \$1,000,000 or more in Federal awards must have a single or program audit for that fiscal year (formerly \$750,000).

A Single Audit must:

- Cover the entity's financial statements
- Review **internal controls** over federal programs (COSO Framework)
- Test compliance with major program requirements
- Follow audit standards in §200.514

Why Single Audits Matter for Procurement

2 CFR §200.514 -

Single Audit testing specifically includes:

- Oversight of contractors (§200.318(b))
- Conflict of Interest compliance (§200.318(c))
- Competitive bidding compliance (§200.319)
- Procurement method selection (§200.320)
- Sole-source justification (§200.320(c))
- Independent Estimate (§200.324)
- Price Analysis (§200.324)
- Contract clauses (§200.327)



Documented Procurement Procedures

2 CFR §200.318(b)

Entities must maintain and use documented procurement procedures that are consistent with applicable Federal, State and local laws. Procedures must address **contract oversight** to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

Conflict of Interest

2 CFR §200.318(c)

Entities must maintain **written standards of conduct** covering **conflicts of interest** governing actions engaged in the selection, award, and administration of contracts.

- No real or apparent conflicts of interest
- No financial or other interest to employees or their families
- No soliciting/accepting gratuities or favors from vendors

Responsible Contractors

2 CFR §200.318(h)

Entities must award contracts only to responsible contractors that **possess the ability to perform successfully** under the terms and conditions of a proposed contract.

Entities must consider:

- Contractor integrity
- Public policy compliance
- Proper classification of employees (Fair Labor Standards Act)
- Past performance record
- Financial and technical resources

Procurement Records

2 CFR §200.318(i)

Entities must **maintain records sufficient to detail the history of each procurement transaction.**

Records must include:

- Rationale for the procurement method
- Contract type selection
- Contractor selection/rejection
- Basis for the contract price



How does your organization ensure contract oversight to meet 2 CFR §200.318 requirements?

- A) Documented procedures with assigned oversight responsibilities**
- B) Oversight occurs, but procedures are not clearly documented**
- C) Relies largely on program staff without formal guidance**
- D) No formal contract oversight process in place**

Documented procedures for contract oversight and conflict of interest requirements are included in the [Financial Operating Guidelines \(FOG\)](#).

Contract Monitoring

- 1. Scope**
- 2. Terms and Conditions**
- 3. Goods/Services received**
- 4. Invoices reviewed/approved**
- 5. Maintain records of performance**

Conflict of Interest

- 1. No selection, award, or administration**
- 2. Board Members**
- 3. Budget Managers (completed annually)**
- 4. Employees (Form CIS)**
- 5. Vendors (Form CIQ)**

Procurement Methods

Audit Requests Procurement – Bids Support



HCDE

Procurement - Bids

August 31, 2025

[Summary](#)

Suralink #63

Please provide the following for the bids below: (Pending all support except A - Adverstisment proof)

- B Documentation for Date Bid proposals were received
- C Bid tabulation/evaluation of bids received
- D Contract award letter or board meeting approval minutes
- E If federally funded, support showing vendor is not suspended or debarred
- F If federally funded over \$250k, provide independent estimate and cost/price analysis

CHOICE PARTNERS

	Bid/Solicitation #	Title/Description of Bid/Solicitation	Date	Comment	
1	25/041SG	Payables Solutions, Purchasing Card Programs, and Related Services	06/27/25	RFP - Steve Gibson Close Date 7/22/25	uploaded

HCDE

	Bid/Solicitation #	Title/Description of Bid/Solicitation	Date	Comment	
1	25/034DR Addendum 1	Food and Beverage Concessions	04/18/25	RFP - Deisy Rubio Close Date 7/15/25	Uploaded
2	25/042DR	Governmental Relations Services	07/07/25	RFQ - Deisy Rubio Close Date 7/22/25	Uploaded

Procurement Methods

2 CFR §200.320 (effective October 1, 2025)

Micro-Purchase Threshold (MPT) – Very Small Purchase	Simplified Acquisition Threshold (SAT) – Small Purchase	Formal Procurement Methods
≤ \$15,000	≤ \$350,000	> \$350,000
Do not require quotes if price is reasonable and documented	Obtain adequate number of qualified quotes (three or more)	Sealed Bids – Public advertise, adequate response time, public opening, firm fixed-price contract
Price must be deemed <u>reasonable</u> based on research, purchase history, experience, other supporting information. Must be documented.	Maintain documentation of vendors contacted, quotes received, and evaluation and justification	Competitive Proposals – public advertise, evaluate for best value, written method for evaluating proposals, negotiation permitted,
Entity may self-certify up to \$50,000, if low-risk auditee, strong internal controls, risk assessment, etc.		Applies to A/E via qualifications-based selection (no price competition)

Texas Education Code §44.031

School districts must use one of several competitive procurement methods for all purchases of goods or services valued at **\$50,000*** or more in the aggregate for each 12-month period, that provides the best value for the district, unless a statutory exception applies.

Approved methods include:

- Competitive bidding for services other than construction
- Competitive sealed proposals (CSPs)
- Request for proposals (RFPs)
- Interlocal contracts
- Construction delivery methods in Government Code Chapter 2269
- Reverse auction (Gov't Code §2155.062)
- Formation of a political subdivision corporation (Local Government Code §304.001)
- ***Note: SB 1173 increased the threshold to \$100,000**



Competition Requirements

2 CFR §200.319

Federal procurement must be conducted in a manner that promotes **full and open competition**. Restrictions that limit competition—such as arbitrary vendor preferences, noncompetitive pricing practices, or unfair specifications—are prohibited

How does this apply to sole-source purchases when federal funds are used?

Sole-Source

2 CFR §200.320(c)

Although sole-source purchases are rare and usually prohibited, they may be permitted only if at least one of the following is true:

- The item or service is available from ONLY ONE source
- Awarding agency (or pass-through entity) gives prior written approval
- Competition is determined “inadequate” after a solicitation
- A public emergency will not allow time for competition (health or safety)
 - Must be temporary and fully documented



According to 2 CFR 200.320, effective October 1, 2025, procurement thresholds are:

- A) $\leq$ \$15,000 (do not require quotes if price is reasonable and documented)**
- B) $\leq$ \$100,000 (advertised for two weeks)**
- C) $>$ \$350,000 (Entity may self-certify up to \$350K, if low-risk auditee, strong internal controls, risk assessment, etc.)**
- D) All of the above**

Independent Estimates & Price Analysis

2 CFR §200.324

Make independent estimates **before receiving bids or proposals** and perform a cost or price analysis for every procurement transaction, including contract modifications, in excess of the simplified acquisition threshold.

***HCDE's Independent Estimate and Price Reasonableness Forms are required for all formal solicitations (\$100,000).**

Complete before soliciting or
advertising for Proposals / Quotes



HARRIS COUNTY DEPARTMENT OF EDUCATION INDEPENDENT ESTIMATE DETERMINATION

Purpose: Federal regulations require documentation of cost analysis or price analysis for every procurement action at or above \$350,000. As part of the analysis, the regulations require documentation of an independent estimate reached before receiving bids or proposals (see 2 C.F.R. § 200.323) or before receiving quotes or proposals from other governmental entities through an interlocal contract or a purchasing cooperative (see 2 C.F.R. § 200.318 (e)). The Independent Estimate Determination is a form used to document HCDE's estimated range of fair and reasonable costs for the goods and/or services to be acquired and to document the analysis **PRIOR** to seeking bids, proposals, or quotes. The form is kept as part of the procurement file along with the cost or price analysis, which is conducted after receiving proposals but before awarding a contract, to demonstrate that the procurement process was conducted in an open and fair manner and that HCDE received the most advantageous price.

Instructions: one (1) Independent Estimate Determination form **PRIOR** to either (1) advertising and receiving bids or proposals or (2) seeking quotes or proposals from other governmental entities through an interlocal contract or a purchasing cooperative, and complete all sections.
2. Provide a detailed discussion of your independent estimate and attach the required supporting information.
3. Sign in blue ink and date the form.
4. Maintain a copy in the procurement/contract file along with the cost or price analysis (as completed before contract award), subject to retention schedules.

Prepared by: _____ **Date:** _____
Email: _____ **Phone Number:** _____
Division: _____
Subject: Independent Estimate Determination

PART I SCOPE AND/OR SPECIFICATIONS

Please attach documentation reflecting the Scope or Proposal/Work and/or Specifications.
The attached Scope of Proposal/Work and/or Specifications contains the following (check all that apply):

For Goods/Equipment	For Services
☐ Estimated quantity of items and/or goods required	☐ List of services/responsibilities to be performed
☐ Detailed description of each item required	☐ Detailed list of deliverables/tasks required
☐ Specifications and/or drawings for materials required	☐ Anticipated contract term and start date
☐ Date items and/or goods are required	☐ Location of project
☐ Delivery address and point of contact	☐ Specifications, drawings, and/or pictures of job site or projected results



PART II INDEPENDENT ESTIMATE GUIDE

Below is a guide for the completion of the Independent Estimate Determination. Please attach the documents requested under "items to include with independent estimate" to this Determination.

Estimate Type	Items to Include with Independent Estimate	Where to Find Supporting Information
Goods/Equipment	- Product needed - Estimated quantity - Unit price - Markups – overheads – profit - Desired delivery schedule - Warranty	- Vendor survey/market survey - Current or past contracts for the same or similar product - Historical price and costs data
Services (other than professional services, as defined by Tex. Educ. Code § 44.031(f) and/or Tex. Gov't Code Ch. 2254)	- Tasks you want done - Types of people needed - Positions required - Estimated hours by position - Salary/billing rates applied - Prevailing wage rate category applied (if applicable) - Profit/applied fee - Direct expenses - Completion schedule	- Current or past contracts for similar services - Other departments doing similar work - Historical price and cost data

PART III INDEPENDENT ESTIMATE

Please complete the following form.

This Independent Estimate is for: ☐ Goods/Equipment ☐ Services

Discussion of independent estimate before receiving bids or proposals including HCDE's estimated reasonable price range for the goods and/or services (attach additional explanation if necessary): _____



Goods/Equipment

Source Used to Develop Independent Estimate of Goods/Equipment (check all that apply and attach supporting documentation):

- ☐ Vendor survey/market survey
- ☐ Current or past contracts for the same or similar product
- ☐ Historical price and costs data
- ☐ Other (please specify source and attach supporting documentation): _____

Services

Source Used to Develop Independent Estimate of Services (check all that apply and attach supporting documentation):

- ☐ Current or past contracts for similar services
- ☐ Other departments doing similar work
- ☐ Historical price and costs data
- ☐ Other (please specify source and attach supporting documentation): _____

PART IV ATTACHMENT CHECKLIST

The following required documentation is included as attachments to this Independent Estimate Determination (please check boxes to certify compliance with required documentation):

- ☐ Scope of Proposal/Work and/or Specifications (as required by Part I).
- ☐ For goods/equipment, documentation reflecting the following (as required by Part II):
 - Product needed
 - Estimated quantity
 - Markups-overhead-profits
 - Unit price
 - Desired delivery schedule
 - Warranty
- ☐ For services, documentation reflecting the following (as required by Part II):
 - Tasks you want done
 - Types of people needed
 - Positions required
 - Estimated hours by position
 - Salary/billing rates applied
 - Prevailing wage rate category applied
 - Profit/applied fee
 - Direct expenses
 - Completion schedule
- ☐ Documentation reflecting the source used to develop the independent estimate (as required by Part III).
- ☐ If applicable, additional supporting documentation (e.g., explanation of the process and/or sources used or explanation of the estimate reached). Please provide a brief explanation of the additional documents: _____



PART V CERTIFICATIONS

I certify that I developed this independent estimate prior to receiving bids or proposals as required by 2 C.F.R. § 200.323. I further certify that, to the best of my knowledge and belief, the information provided above and attached hereto is true and correct and that the independent estimate reflects a necessary, fair, and reasonable range of costs or prices for the future procurement.

Full Name of Individual Preparing Form

Signature

Date

APPROVED:

Level One: Full Name of Program Manager (Grant)

Signature

Date

*Level Two: Full Name of Director of Purchasing

Signature

Date

*Level Three: Full Name of Assistant Superintendent for Program (grant)

Signature

Date

*Level Four: Full Name of Assistant Superintendent for Business

Signature

Date

Newspaper Advertisement

Texas Education Code §44.031(g)

Publication Requirements:

- Once a week for at least two consecutive weeks
- Time, deadline, and place where bids/proposals will be received
- The notice must be published in a newspaper in the county where the district's central administrative office is located.
- If no newspaper exists in that county, publication must occur in a newspaper in the nearest county.



Bid Information

Settings	
Bid Type	RFP
Issue Date & Time	1/30/2026 04:02:13 PM (CT)
Close Date & Time	3/13/2026 02:00:00 PM (CT)
Bid Status	Unsealed
Question Cut Off Date	3/5/2026 05:00:00 PM (CT)
Bid Notes	The Harris County Department of Education is currently accepting proposals Local Food and Catering Services for HCDE's various Divisions. If your firm is currently awarded to an RFP for Local Food and Catering, you do not need to submit a new proposal. All responses must be submitted online via the eBid system.
Commodity	Catering Services (3 others)

Ship to Information

Bid Contact Information

Workgroup	HCDE Internal Purchasing
Contact Name	Tameisha C Davenport
Address	6300 Irvington Blvd Houston, Texas 77022, TX 77022 USA
Department	Procurement Services
Contact Phone	1 (713) 696 x0744
Contact Email	tameisha.davenport@hcde-texas.org

Bill to Information

Auditors will review the following:

- **Issue Date & Time**
- **Close Date & Time**




26/010TD (Local Food and Catering Services) Unsealed

Bid Duration 1 month 14 days

Award Lines

Award Suppliers

Actions 

Type

Issue Date

Description

Award Details

Responses

Event Details

Manual Responses

Messages 1

Questions 4

Invitations 478

Activities 3

Attachments 2

Attributes 30

Line Items 7

Response Attachments 3

Notes

Related Messages 270

Respondents

Supplier Name	Classifications	Response	Progress	Submission Date
		Submitted 		
 Alonti Market Cafe and Catering (Pepi Corporation)	SBE	Submitted		2/25/2026 11:58 AM (CT)
 K'Maries504 LLC	MBE, SBE, WBE	Submitted		3/13/2026 12:34 PM (CT)
 ezCater, Inc		Submitted		3/13/2026 01:53 PM (CT)
 Chicken Salad Chick (Houston CSC LLC)	SBE	Submitted		3/6/2026 03:38 PM (CT)
 Sushic, LLC	MBE, HUB	Submitted		3/9/2026 02:21 PM (CT)



1



5 items in 1 pages

Auditors will request the following:

- Date & Time proposals were received



Reasonable Costs

2 CFR §200.404

To meet the *reasonable, necessary, and proper* standards the entity must consider the following:

- Is the cost necessary for the performance of the federal award?
- Does the cost align with market prices for comparable goods/services?
- Did the cost reflect established procurement policies?

Complete after receive Proposals /
Quotes but before contract award



Harris County Department of Education

DETERMINATION OF COST OR PRICE ANALYSIS (REASONABLENESS)

Purpose: Federal regulations require documentation of cost analysis or price analysis for every procurement action at or above \$350,000 (see 2 C.F.R. § 200.323). The Determination of Cost or Price Reasonableness form is used to document the analysis showing that the offered price is fair and reasonable. The form is kept as part of the procurement file to demonstrate that the procurement process was conducted in an open and fair manner and that the District received the most advantageous price.

Instructions: a separate Determination of Cost or Price Reasonableness form for each vendor being recommended for contract award. Complete all applicable sections according to the instructions given. An incomplete Determination of Cost or Price Reasonableness form cannot be approved.

- Provide a detailed discussion of your price analysis or cost analysis. A Determination of Cost or Price Reasonableness form that lacks sufficient detail cannot be approved.
- Sign in blue ink and date the form.
- Maintain a copy on the grant file subject to retention schedules
- Submit completed form to the **INSERT TITLE** prior to contract award.

An improperly completed and/or unsigned form will be returned.

Prepared by: _____
Date: _____
Email: _____
Phone Number: _____
Department: _____
Subject: Determination of Cost or Price Reasonableness

Good or service to be acquired: _____

[Procurement Type, e.g., RFP, RFQ] #: _____

Independent Estimate Produced before Receiving Bids or Proposals: ☐ Yes (attach supporting document(s))

Vendor: _____

Amount: _____

(Attach written quotation or other information that documents the estimate of cost or price reasonableness)
(As necessary include unit costs, rates, schedules, price estimates, and budgets, etc.)



I. Procurement Type

This expenditure of \$150,000 or more is being made under one or more of the following (check those that apply and attach supporting documentation):

For items A – C, please complete Section II (Price Analysis)

- A. ☐ Interlocal agreement or purchasing cooperative (TEC 44.031(a)(4) / Tex. Gov't Code Ch. 791; 2 C.F.R. § 200.318(e)), including construction services
- B. ☐ Request for Proposals (or Competitive Sealed Proposals) for goods or services, including construction services
- C. ☐ Competitive Bidding for goods or services, including construction services

For items D – K, please complete Sections III (Cost Analysis) and IV (Profit)

- D. ☐ Sole source (as defined under TEC 44.031(j))
- E. ☐ Emergency procurement (as defined under TEC 44.031(h))
- F. ☐ Competitive Bidding, Competitive Sealed Proposal, or Request for Proposals (where the solicitation is publically posted) where only one (1) bid/proposal is received
- G. ☐ Professional services (as defined under TEC 44.031(f) and/or Ch. 2254 of the Tex. Gov't Code) where no price competition exists prior to selection
- H. ☐ Design Build; Construction Manager-Agent
- I. ☐ Price adjustment to Purchase Order No. _____ or Contract No. _____ (and already procured under item A – I)
- J. ☐ Extension of an existing contract past its initial term. Contract extension is allowed under procurement method or contract, if allowed by Board policy.
- K. ☐ Cost-reimbursement contract

Note: When using federal funds, Construction Manager-at-Risk or other Cost-Plus contracts are prohibited.

II. Price Analysis: If the expenditure is being made under items A, B, or C in Section I (Procurement Type) above, complete this Section only. You are not required to complete Sections III or IV.

Price offered is considered fair and reasonable for the following reason(s), and if applicable, is supported by attached documentation and/or a detailed discussion of the price analysis (select at least one applicable situation):

- ☐ Comparison of previous district purchase order and contract prices with current proposed price, for the same or similar items. Both the validity of the comparison and the reasonableness of the previous price(s) have been established. Attach the referenced purchase orders/contracts, amounts, issuance dates, and how they are similar to the current purchase.
- ☐ Comparison with Vendor's published price lists, market prices, pricing indexes, and discount or rebate arrangements. Attach published price list or other published pricing information used (a vendor's quotation or correspondence does not qualify as a published price list).
- ☐ Comparison of proposed price with independent estimates, which were determined to be allowable under 2 C.F.R. Part 200, Subpart E—Cost Principles. Attach estimates used.
- ☐ Comparison of proposed price with prices obtained through market research for the same or similar items. Attach documentation of research conducted.
- ☐ The order is priced in accordance with existing **INSERT DISTRICT** Purchase Order No. _____ and/or **INSERT DISTRICT** Contract No. _____, which was competitively established.
- ☐ Other reason (specify and attach supporting documentation if applicable):

III. Cost Analysis: If you selected D–K in Section I (Procurement Type), complete this Section and attach a detailed breakdown of the vendor's proposed costs (e.g., labor, materials, profit, reimbursable expenses).



After analyzing and verifying vendor's cost information, it is determined that each of the cost items listed by the vendor is allocable, reasonable, necessary, and therefore, allowable in accordance with 2 C.F.R. Part 200, Subpart E—Cost Principles for the following reason(s) (select at least one applicable situation and attach supporting documentation and/or a detailed discussion of the cost analysis):

- ☐ Comparison of costs proposed with actual costs previously incurred by the same vendor for the same or similar work.
- ☐ Comparison of costs proposed with actual costs of previous same or similar work performed by other vendors.
- ☐ Comparison of costs proposed with previous cost estimates from the vendor or other vendors for the same or similar items or work.
- ☐ Comparison of costs proposed with the District's independent estimate, which was determined to be allowable under 2 C.F.R. Part 200, Subpart E—Cost Principles. *Attach independent estimate.*
- ☐ Comparison of costs proposed with the methods proposed by vendor with the requirements of the solicitation, i.e., do the costs reflect the technical approach proposed and the work required?
- ☐ Verification that the costs proposed conforms to the appropriate set of cost principles.
- ☐ Verification of the accuracy of the cost and pricing information submitted and evaluating the application of audited or pre-negotiated (e.g., by the Federal Government) indirect cost (e.g., overhead) rates, labor and fringe benefit rates, or other factors.
- ☐ Verification of the accuracy of cost and pricing information proposed and evaluation of the effect of vendor's current practices on future costs.
- ☐ Verification of the accuracy of the cost and pricing information submitted and evaluation of vendor's projected cost trends.
- ☐ Other reason (specify and attach supporting documentation if applicable):

IV. **Profit:** If you selected D – K in Section I (Procurement Type), complete this Section.

Negotiated profit amount (attach supporting documentation): _____

Profit negotiated is considered fair and reasonable for the following reasons, and is supported by attached documentation and/or a detailed discussion of the cost or price analysis (you must complete each item below and explain reasoning; attach additional pages and/or supporting documents if necessary):

- ☐ Consideration of the complexity of the work to be performed. _____
- ☐ Consideration of the risk borne by the contractor. _____
- ☐ Consideration of the contractor's investment. _____
- ☐ Consideration of the amount of subcontracting. _____



- ☐ Consideration of the quality of contractor's record of past performance. _____
- ☐ Consideration of industry profit rates in the surrounding geographical area for similar work. _____

CERTIFICATION:

I certify that the information provided above is true and correct to the best of my knowledge and belief. I further certify that I have determined that the costs or prices proposed are necessary, fair, and reasonable.

Full Name of Individual Preparing Form

Signature

Date

APPROVED:

*Level One: Full Name of Director of Purchasing

Signature

Date

*Level Two: Full Name of Assistant Superintendent for Program (grant)

Signature

Date

*Level Three: Full Name of Assistant Superintendent for Business

Signature

Date

Evaluate for “Best Value” under Texas Education Code §44.031(b)

Under TEC §44.031(b), a school district must consider all of the following factors when awarding a contract:

- Purchase **Price** (cost matters, but is not the sole determining factor)
- **Reputation** of the Vendor and Vendor’s Goods/Services (complaints or positive reviews)
- **Quality** of the Vendor’s Goods or Services (compliance with specifications)
- Extent to Which the Goods/Services **Meet the District’s Needs** (solves the problem)
- Vendor’s **Past Relationship** with the District
- Impact on the District’s Ability to **Comply with HUB**
- Total **Long-Term Cost** to the District (maintenance, warranty, etc.)
- Principal place of business in Texas, or 500 employees in Texas)
- Any other relevant factor listed in the Bid or RFP



Why “Best Value” Matters

Under TEC §44.031(b), “Best Value” means choosing the vendor(s) that gives the district the overall best combination of price, quality, service, reliability, and long-term impact – **not just the cheapest option.** Evaluation factors when awarding a contract matter because procurement:

- Governs all major school district purchases
- Drives how RFPs, CSPs, and Bids are scored
 - Scoring rubrics must be transparent, published, and defensible
- Helps avoid audit findings
- Protects the district against legal challenges
- Aligns with Federal Procurement Expectations
 - Documented evaluation
 - Reasonable costs



Evaluate for Best Value

HARRIS COUNTY DEPARTMENT OF EDUCATION EVALUATION CRITERIA FORM

RFP 26/XXXXX

Name of Solicitation

Vendor Name: **Vendor A**

Evaluation Date: **October 26, 2026**

Selection Criteria	Max Points	Points Awarded
1 Price (Tabulated and ranked by Purchasing Division)	25	25
2 Reputation of Vendor and Vendor's goods and/or services (References scored by Purchasing Division)	20	0
3 Quality of Vendor's goods and/or services (Evaluation team considers SOW to score Vendor's submission)	20	0
4 Extent to which the goods and/or services meet HCDE's needs (Evaluation team considers SOW to score Vendor's submission)	25	0
5 Vendor's past relationship with HCDE (Evaluation team may consider past relationship with other Divisions to score Vendor's submission)	10	0
6 Impact on the ability of HCDE to comply with laws and rules relating to HUBs	0	0
7 Total long-term cost to HCDE to acquire Vendor's goods and/or services	0	0
8 For a contract for goods and services, other than goods and services related to telecommunications and information services, building construction and maintenance, or	0	
9 Other (Ability to allow other local government entities to piggy-back from this contract)	0	
Total	100	25

Notes:

Signature of Facilitator:

Eval1	Eval2	Eval3	Eval4
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0



Required Contract Provisions

2 CFR §200.327

Federally funded contracts must contain certain mandated clauses such as:

- Termination provisions
- Davis-Bacon (when applicable)
- Record retention

Domestic Preference

2 CFR §200.322

Entities must maximize the use of goods, products, and materials produced in the United States.

Bonding Requirements

2 CFR §200.326

For construction or facility improvement contracts specific federal bonding requirements apply:

- Bid Bond
- Payment Bond
- Performance Bond

Notification of Award

HCDE eBid Bid Award Notification: 24/006YR-03 (Local Food and Catering Services)

Message Date 5/16/2024 10:04:34 AM (CT) Message From HCDEebid@customer.ionwave.net
Priority NORMAL HCDE eBid

Dear Supplier,

The following opportunity has been awarded. You were awarded items and can view award information online.

Award Notes:

Bid Opportunity Information

Bid Number: 24/006YR-03
Bid Title: Local Food and Catering Services
Issue Date: 12/13/2023 08:19:37 PM (CT)
Close Date: 3/5/2024 02:00:00 PM (CT)

Bid Notes

The Harris County Department of Education is currently accepting proposals for Local Food and Catering Services. **If you currently have an award or have recently submitted a proposal for RFP 24/006YR, you do not need to submit a new proposal.**

HCDE will be closed during the Christmas break from December 21, 2023 through January 2, 2024. Any questions posted on this site, will be answered on our return.

Bid Contact Information

6300 Irvington Blvd
Houston, TX 77022 USA
(713) 696-8212
(713) 696-0732
yroman@hcde-texas.org

[Click Here to View Opportunity](#)

Questions about this system can be directed to:
Harris County Department of Education
Email: ebids@hcde-texas.org

Supplier Name	Username	User Name	Email	Delivery Status
Boot Texan Kitchen	boottexan	Latchley, Angeline	info@boottexankitchen.com	Opened



June 10, 2025

David Wood
Hiland Dairy Food Company

Subject: Contract Award

Dear David Wood

Congratulations! Harris County Department of Education (HCDE) has awarded Hiland Dairy a contract for the following commodity/service, based on the proposal submitted to HCDE Choice Partners and Board Approval on May 21, 2025:

Dairy and Other Related Products Contract No. 25/023TP

The contract is effective 08/01/2025 and will expire on 07/31/2026. The contract may be renewed annually for up to 4 additional years, if mutually agreed to by Choice Partners and Hiland Dairy

Your contract manager, Trisha Prestigiacomo, is available to set up an appointment to discuss the contract details and new vendor orientation. The partnership between Hiland Dairy and Choice Partners should be mutually beneficial for us, as well as our participating agencies.

A press release announcing the awards made this month is posted both at www.choicepartners.org and at www.hcde-texas.org. Your contract manager can send you the Choice Partners seal to add to your website and marketing materials and will request additional information as needed so we can accurately describe your company on our website. A signed contract page is included with this Award Letter.

If you have any questions or concerns in the meantime, please feel free to call us at the office at 713-696-1742 or e-mail at trisha@choicepartners.org.

Sincerely,

Jeff Drury, Director
Choice Partners

Record Retention

2 CFR §200.334-338

Procurement records must be retained for **at least three years** from **final expenditure**, unless superseded by a longer state or local retention period. These records include:

- Independent Estimates/Price Analysis
- Bids
- Quotes
- Evaluations
- Contracts

Auditors will ask:

- A) Independent Estimate
- B) Date and time proposals were received
- C) Copy of the award letter or Board minutes
- D) All of the above



Procurement Vendors

Audit Requests

Procurement – Vendor

HCDE

[Summary](#)

Procurement - Vendor

[Suralink #63](#)

August 31, 2025

Please provide a copy of the award letter or documentation of board meeting approval.

	Vendor Number	Vendor Name	Aggregate Amount Expended	Amount Expended Dates	Comment
6	23543	DUROTECH CONSTRUCTI	3,928,428.52	9/1/2024 - 6/30/25	
3	61927	VERIZON WIRELESS	150,565.35	9/1/2024 - 6/30/25	

Kindly provide the supporting document that shows the date and time when the bids were received.

	Vendor Number	Vendor Name	Aggregate Amount Expended	Amount Expended Dates	Comment
5	89327	HILAND DAIRY FOODS	74,510.92	9/1/2024 - 6/30/25	

Vendor Onboarding & Verification Process



Vendor Onboarding Process

Step-by-step guidance ensures vendors meet HCDE requirements and comply with regulations before business engagement.



Risk Mitigation and Transparency

Comprehensive vendor packets helps to mitigate risks, maintains transparency, and upholds ethical procurement standards.



Compliance Verification

Includes debarment checks via SAM.gov, Texas Comptroller Office, and IRS tax-exempt for nonprofits.



Documentation and Audit Readiness

Adhere to documentation retention requirements and best practices to ensure accurate records and audit preparedness.

RISK MITIGATION & TRANSPARENCY

Comprehensive Vendor Packet

The **vendor packet** includes essential forms like Vendor Information, **CIQ**, Form **1295**, **W-9**, Felony Conviction Notice, Antitrust Certification Statements, and compliance certifications to meet **legal requirements**.

Critical Form Completion

Proper completion, **signatures**, and **dates** on all forms are mandatory to avoid delays and ensure compliance during vendor approval.

Verification and Checklist

Procurement staff must **verify all documentation** accuracy using **checklists** before proceeding to eligibility verification steps.

COMPLIANCE VERIFICATION

Debarment via SAM.gov

1. Navigate to SAM.gov
2. Select 'Search Records' to begin verification.
3. Enter vendor details like legal name or UEI to check status.
4. Check results for active exclusions
5. Save or print documentation with timestamp for compliance.

COMPLIANCE VERIFICATION

Texas Franchise Tax Search

1. Texas Comptroller's search to verify vendors' standing to do business in Texas
2. Select 'Search Records' to begin verification.
3. Verify that **entity name** and **registered agent** details match submitted documents.
4. Print or save status confirmation pages and file to maintain compliance records.

COMPLIANCE VERIFICATION

Verification Using TEOS Tool

1. Use the IRS Tax-Exempt Organization Search tool to verify nonprofit tax-exempt status effectively.
2. Check active tax-exempt status, current Form 990 filings
3. Ensure the organization is not on the revocation list.
4. Document search results with screenshots or PDFs to maintain records and ensure transparency.

Note: Do not proceed with contracting if tax-exempt status is revoked or filings are outdated until issues are resolved.

DOCUMENTATION & AUDIT READINESS

Complete Vendor Documentation

Maintain a full vendor file including executed Vendor Packet, SAM.gov, Texas Comptroller, and IRS TEOS results.

Standardized Compliance Checklist

Use a **checklist to verify all required forms** and active status on regulatory websites or each vendor. **HCDEs Vendor Verification Checklist is featured on next page.**

Consistent Document Organization

Organize documents in a set order to simplify audits, including Vendor Packet, W-9, Comptroller status, SAM.gov, and IRS verification.

Ensuring Regulatory Compliance

Accurate records ensure adherence to state and federal regulations, reduce risk, and promote procurement accountability.

VENDOR PACKET CHECKLIST

[illegible]

Criminal History Records Information Verification Process

As explicitly mandated in the **Texas Education Code § 22.0834**, a national criminal history record information review is required for contract employees (including subcontractor employees) who:

- Have or will have **continuing duties** related to contracted services, and
- Have or will have **direct contact** with students



SB 571

PRE-EMPLOYMENT OR PRE-SERVICE APPLICATION – TEC §22A.055:

- An individual applying for employment or seeking employment as a service provider must consent to the release of their employment records and submit a pre-employment or **pre-service affidavit** disclosing whether they have ever been:
 - investigated, charged with, adjudicated for, or convicted by a law enforcement agency or child protective services for an offense involving conduct described in Section 22A.051;
 - investigated by a licensing authority or had a license, certificate, or permit denied, suspended, revoked, or subject to another sanction in this state or another state;
 - included in the **Do Not Hire Registry**;
 - employed or is currently employed by a service provider for a public or private school; or
 - terminated or discharged or has resigned, in lieu of being terminated or discharged, from a public or private school.
- An individual who fails to disclose information commits a Class B misdemeanor punishable by fine, jail, or both.



Texas Education Code Chapter 22

Definitions:

- Covered employees: Employees of a Contractor/Subcontractor who have or will have **continuing duties** related to the service to be performed at a school district and have or will have **direct contact with students**. HCDE will be the final arbiter of what constitutes *continuing duties* and *direct contact* with students.
- Continuing duties related to contracted services: Work duties that are performed pursuant to a contract to provide services to a school entity on a regular, repeated basis rather than infrequently or one-time only. See 19 Tex. Admin. Code §153.1101(2).
- Direct contact with students: The contact that results from activities that provide substantial opportunity for verbal or physical interaction with students that is not supervised by a certified educator or other professional district employee. Contact with students that results from services that do not provide substantial opportunity for unsupervised interaction with a student or students, such as addressing an assembly, officiating a sports contest, or judging an extracurricular event, is not, by itself, direct contact with students. However, direct contact with students does result from any activity that provides substantial opportunity for unsupervised contact with students, which might include, without limitation, the provision of coaching, tutoring, or other services to students. See 19 Tex. Admin. Code § 153.1101(7).



Vendor Submission of All Covered Employees Process

Initial Employee List Submission

Vendors must submit a complete list of all covered employees through the InformedK12 platform to start the verification process.

Ensuring List Accuracy

The vendor is responsible for providing an accurate and complete list including all personnel involved during the contract term.

Streamlined Verification Workflow

Using InformedK12 enables centralized, secure data entry and facilitates communication between vendor and division.



Vendor Sends Laserfiche Link to Each Covered Employee

Sending Laserfiche Link

Vendor sends a secure Laserfiche link to each covered employee for required documentation completion.

Completing Legal Requirements

Covered employees complete the Pre-Service Affidavit and Criminal History requirements digitally for verification.

Vendor Monitoring and Follow-up

Vendor tracks completion rates and follows up to ensure timely submission of all required documents.

Division reviews list of covered employees and procurement services approves the contract term



Division Director **reviews** and approves **List of Covered Employees** that will have the substantial opportunity to have direct contact with students through InformedK12.



Procurement Services **confirms** that the List of Covered Employees are submitted and approves the **Contract Term** through InformedK12.

Human Resources Evaluation of Pre-Service Affidavit and Criminal History Information

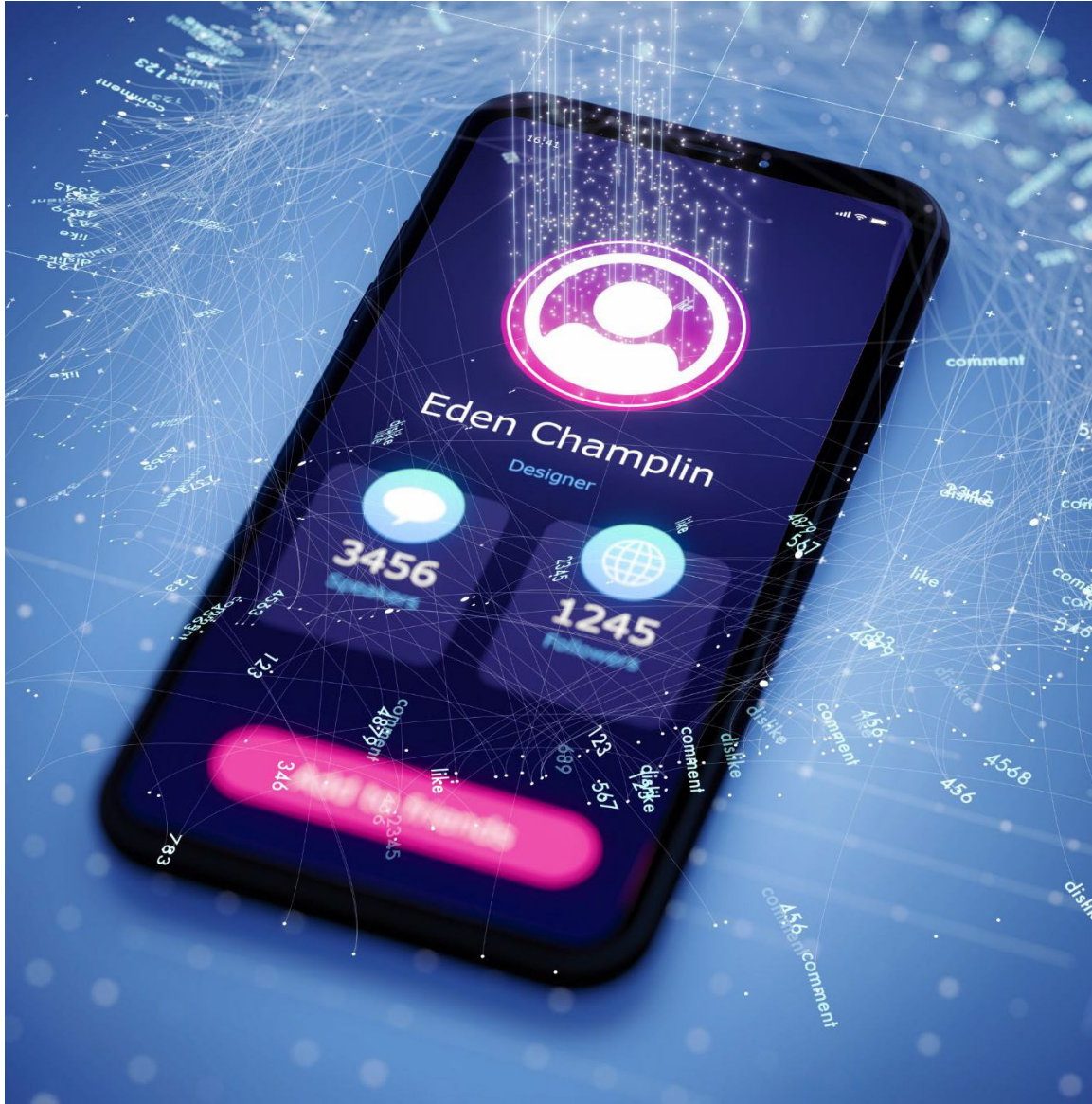


Document Evaluation Process

Human Resources reviews Pre-Service Affidavits and Criminal History Review documents to verify eligibility for each covered employee.

Additional Checks and Documentation

Human Resources may request further background checks or documentation to confirm eligibility and maintain records securely.



Notification of Eligibility

Eligibility Notification Process

After Human Resources completes the evaluation process, notifications are sent via InformedK12 to the vendor, Division Director, and Procurement Services which provides covered employee eligibility status.



Requisition Submission or Contract Cancellation

Requisition Submission Process

Eligible covered employees allow the division to submit a requisition, attaching eligibility notification for documentation.

Contract Cancellation Procedure

If all covered employees are ineligible to provide service, then Procurement Services notifies the division and vendor that the contract must be canceled and requisition will not be permitted.

Ongoing Compliance Measures

Contract amendments are required if covered employees change, ensuring updated verification and compliance.



Texas Education Code 77

§ 22.0834 requires criminal history verification for:

- A) Any contract that exceed \$100,000**
- B) All contracts that exceed \$350,000**
- C) Contractors/subcontractors with continuing duties and will have direct contact with students**
- D) Only contracts that have been approved by the governing body**

Audit Preparedness Checklist

Procurement Audit-Readiness Checklist

(Texas Public Entities | Bidding, Purchasing, Contracts)

1. Governance & Policy Readiness

☒ Policies & Procedures

- ☐ Procurement policies are current, approved, and accessible
- ☐ Policies reference applicable statutes (2 CFR 200, Local Gov't Code, Gov't Code, etc.)
- ☐ Competitive procurement thresholds are clearly defined
- ☐ Emergency, sole-source, and cooperative purchasing rules are documented
- ☐ Conflict-of-interest and ethics requirements are included in procurement policy

☒ Roles & Authority

- ☐ Purchasing authority is clearly delegated in writing
- ☐ Central purchasing role vs. departmental roles are defined
- ☐ No single employee controls request, approval, award, and payment
- ☐ Evaluators and approvers are formally designated

2. Competitive Bidding Readiness

✓ Planning & Solicitation

- ☐ Procurement method matches dollar thresholds
- ☐ Procurement planning is documented for major purchases
- ☐ Specifications are **vendor-neutral** and justified
- ☐ “Brand name only” specs include written justification
- ☐ Independent Estimate completed
- ☐ Solicitation timelines meet posting and notice requirements

✓ Bid Documentation (Auditors will ask for this documentation)

- ☐ Complete solicitation file exists (RFP/IFB/RFQ)
- ☐ All addenda, Q&A, and notices retained
- ☐ Bid opening or receipt documented
- ☐ All bids/proposals retained (including non-awarded)

3. Evaluation & Award Controls



Evaluation Process

- ☐ Evaluation criteria established **before** bids are opened
- ☐ Evaluation committee members documented
- ☐ Scoring sheets completed, signed, and dated
- ☐ Best-value decision rationale documented
- ☐ Tie-breakers or deviations clearly explained



Conflict of Interest Compliance

- ☐ Conflict-of-interest forms on file for:
 - Evaluators
 - Decision makers
 - Contract approvers
 - Vendors
- ☐ Forms are **complete, signed, and dated**
- ☐ Disclosures reviewed **before** recommendation
- ☐ Mitigation actions documented, if applicable

4. Sole-Source & Emergency Purchases

- ☒ Justification & Approval
 - ☐ Written sole-source justification prepared **before purchase**
 - ☐ Market research documented
 - ☐ Emergency purchases justified with facts, not convenience
 - ☐ Emergency declared only when truly unforeseeable
 - ☐ Post-emergency procurement reviewed and documented

5. Contract Execution & Management

- ✓ Contract Formation
 - ☐ Contract executed **before work begins**
 - ☐ Contract reflects bid terms and pricing
 - ☐ Legal and required approvals obtained
 - ☐ Contract term, renewal options, and limits defined
- ✓ Contract Monitoring
 - ☐ Central contract repository maintained
 - ☐ Expiration dates tracked
 - ☐ Spend monitored against contract limits
 - ☐ Amendments and change orders documented and approved
 - ☐ Change orders do not improperly expand scope

6. Invoice & Payment Controls

- ☒ Invoice Review
 - ☐ Invoices matched to contract or PO
 - ☐ Pricing verified against bid/contract terms
 - ☐ Deliverables confirmed before payment
 - ☐ Receiving documentation retained
 - ☐ Overages reviewed and approved
- ☒ Payment Authorization
 - ☐ Payment approvals segregated from procurement
 - ☐ Invoices dated after approval and delivery
 - ☐ No retroactive approvals without justification
 - ☐ Manual overrides documented and reviewed

Resources:

Texas Government Code

Texas Government Code §2252.152

Contracts with Foreign Terrorist Organizations

This statute prohibits governmental entities, including school districts, from contracting with companies that are engaged in business with Iran, Sudan, or any foreign terrorist organization.

The Texas Comptroller's Divestment Statute List: [Divestment Statute Lists](#)

- Designated Foreign Terrorist Organizations – updated December 2025
- Scrutinized Companies with ties to Foreign Terrorist Organizations – August 2025
- List of Financial Companies that Boycott Energy Companies – updated August 2025
- Companies that Boycott Israel – updated November 2025
- Scrutinized Companies with ties to Iran – updated December 2025
- Scrutinized Companies in Countries of Concern – added December 2025

Texas Government Code §2252.908

Disclosure of Interested Parties

House Bill 1295 (2015) required business entities entering into certain contracts with governmental entities or state agencies to disclose interested parties via the website managed by the Texas Ethics Commission (Form 1295).

- **A business entity must file Form 1295 when entering a contract that:**
 - Requires an action or vote by the governmental body, or
 - Has a value of at least \$1 million.
- **The governmental entity must log in to the Texas Ethics Commission website and acknowledge receipt of the filed Form 1295 no later than the 30th day after the date the contract binds all parties**
- **Publicly traded companies are exempt**

Texas Government Code §2253.021

Performance and Payment Bonds

A governmental entity that makes a public work contract with a prime contractor shall require the contractor, before beginning the work, to execute to the governmental entity:

- A **performance bond** if the contract is in the excess of **\$100,000**
 - The performance bond is solely for the protection of the governmental entity
 - The performance bond is in the amount of the contract
 - The performance bond is conditioned on the faithful performance of the work
- A **payment bond** if the contract is in the excess of **\$25,000**
 - The payment bond is solely for the protection and use of beneficiaries who have direct contractual relationship with the prime contractor or a subcontractor to supply public work labor or material

Texas Government Code §2254.002, Professional and Consulting Services

Professional services means services provided in connection with the professional employment or practice of a person who is licensed or registered as:

- A certified public accountant
- An architect
- A landscape architect
- A land surveyor
- A physician, including a surgeon
- An optometrist
- A professional engineer
- A state certified or state licensed real estate appraiser
- A registered nurse, or
- A forensic analyst or forensic science expert

Texas Government Code §2254.004, Architects, Engineers & Land Surveyors

In procuring **architectural, engineering, or land surveying services**, a governmental entity shall:

- First select the **most highly qualified** provider based on demonstrated **competence** and **qualifications**; and
- attempt to **negotiate** with that provider a contract at a **fair and reasonable price**

If a satisfactory contract cannot be negotiated with the most highly qualified provider, the entity shall formally end negotiations with that provider, then select the next most highly qualified and attempt to negotiate a fair and reasonable price. The entity shall continue the process to select and negotiate until a contract has been established.

Resources:

Local Government Code

Local Government Code 176 – Conflict of Interest Disclosures

Form CIQ (Conflict of Interest Questionnaire)

- For vendors doing business with local government entities

Form CIS (Local Government Officer Conflicts Disclosure Statement)

- Section 176.003 of the Local Government Code requires certain local government officers to file this form.
- A local government officer is defined as a member of the **governing body** of a local government entity; a **director, superintendent, administrator, president, or an agent of a local governmental entity who exercises discretion in the planning, recommending, selecting, or contracting of a vendor.**
- List gifts accepted during the 12-month period in the aggregate that exceed \$100 in value

Local Government Code 271 – Purchasing and Contracting Authority of Municipalities, Counties, and Certain Other Local Governments

Under Local Government Code 271.101 – “Local government” means a county, municipality, special district, school district, junior college district, regional planning commission, or other political subdivision of the state.

Subchapters F & G – Allows school districts to use cooperative purchasing programs, Federal supply schedules, and local government purchasing networks such as:

Buy Board

Choice Partners

Other statewide or national cooperatives

Resources

Local Board Policies

HCDE'S LOCAL BOARD POLICIES



[Policy Code CAA – Fiscal Management Goals and Objectives: Financial Ethics – Harris County Department of Education Board Policy Manual - Policy Online](#)



[Policy Code CBB – State and Federal Revenue Sources: Federal – Harris County Department of Education Board Policy Manual - Policy Online](#)



[Policy Code CH – Purchasing and Acquisition – Harris County Department of Education Board Policy Manual - Policy Online](#)



[Policy Code CHE – Purchasing and Acquisition: Vendor Disclosures and Contracts – Harris County Department of Education Board Policy Manual - Policy Online](#)



[Policy Code CJA – Contracted Services: Background Checks and Required Reporting – Harris County Department of Education Board Policy Manual - Policy Online](#)



[Policy Code CV – Facilities Construction – Harris County Department of Education Board Policy Manual - Policy Online](#)

[HCDE's Financial Operating Guidelines \(FOG\)](#)

What
questions do
you have?



Thank you!

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