

Purchase Order Thresholds

Purchasing Thresholds & Required Actions

Purchasing Threshold	Required Support	Additional Forms	CSP/ RFP/RFQ	Report to Board	Advertising	Approved Signature
Purchases up to \$49,999	1 Quote or Cooperative District-Approved Co-op	*EDGAR Certification	Not Required	Not Required	Not Required	Not Required
Purchases between \$50,000 - \$100,000	3 Quotes or Cooperative District-Approved Co-op	* Lee College Quote Form * EDGAR Certification	Not Required	Not Required	Not Required	Not Required
Purchases at or over \$100,000	Competitively Bid or Cooperative and President Approval Education Code 44.031	RFP Evaluation Form 1295 * EDGAR Certification * Board Agenda	Required	Required	Required for Bid 2 Consecutive Weeks	Board of Regents
Purchases over \$250,000 Simplified Acquisition	Competitively Bid or Cooperative District-Approved Co-op Education Code 44.031 EDGAR Compliance	Independently Estimate Form * Price-Cost Analysis Form * Bid Proposal / Evaluation * EDGAR Certification * Board Agenda	Required	Required	Required for Bid 2 Consecutive Weeks	Board of Regents
Sole-Source Purchase (Cooperative, Interlocal Agreement)	1 Quote & TEA Approval	* Sole-Source Affidavit * TEA Approval	Not Required	Required	Not Required	Board of Regents

* Board
Report if
\$50,000 or
over

*Please see purchasing thresholds FAQ. Additional justifications may be required on a case-by-case basis.

Frequently Asked Questions

1. To which purchases do these thresholds apply?

All purchases. The only exceptions are professional services (see below), construction procurements, and true emergency procurements as defined by Texas law.

2. Are these thresholds per contract, or do they cover multiple contracts?

The thresholds are per contract/transaction, but also apply in the aggregate over the grant period. For example, if you have five \$20,000 contracts with the same vendor over the grant period, you must follow all of the requirements for a \$100,000 contract.

3. How do I find three quotes?

Search online for similar vendors. Print pricing information from the vendor's website, or call or email the vendor to obtain pricing information. Document your steps on the Quote Form.

4. Who is authorized to sign a contract?

Under \$100,000, the President is authorized to sign the contract. The CFO or her formally designated representative are the only other administrators authorized by the President to sign on her behalf. For a purchase of \$100,000 or more, shall be reported to the Board of Regents. No one else may sign a contract on behalf of Lee College. A contract signed by someone other than these persons is invalid and void.

5. What if I want to use federal funds? What is EDGAR?

If using even \$1 of federal grant funds, contact the Purchasing Department and make sure that you have complied with federal regulations (known as "EDGAR"). EDGAR applies to all purchases with federal funds after July 1, 2017, including P-card purchases. EDGAR requires additional procurement forms including EDGAR Certifications (all purchases with federal funds), as well as the Independent Estimate Form and Price-Cost Analysis Form (for purchases of \$250,000 or more). EDGAR applies to each new contract and each contract renewal after July 1, 2017.

6. What about professional services?

Texas law specifically defines what qualifies as a "professional service." Professional services under Texas law are: (1) certified public accountants, (2) professional engineers, (3) architects, (4) landscape architects, (5) certified/licensed real estate appraisers, (6) land surveyors, (7) medical doctors, (8) registered nurses, and (9) optometrists. Texas law does not recognize any other category of service as a professional service. Different procurement rules apply to professional services. All professional service procurements and contracts should be handled by the Purchasing Department.

7. Do the thresholds apply to consultants?

Yes. The only exception is if the consultant is providing one of the professional services listed above.

8. What if I use a Co-Op?

Trust, but verify. Co-Ops should have conducted all of the required competitive procurement steps on behalf of Lee College (RFP/RFQ/ Quotes/etc.), but Lee College must verify that the Co-Op has done so. Ask the Co-Op for their solicitation and check that they competitively procured the vendor according to Lee College's thresholds. If using federal funds, ask for the Co-Op's EDGAR Certifications (for all federal purchases), and Independent Estimate and Cost-Price Analysis forms for purchases of \$250,000 or more. Lee College does not need to duplicate these forms if the Co-Op has already completed them.

9. What if Lee College already has a contract with the vendor and the Purchasing Department has designated the vendor an "awarded vendor"?

Lee College should have already applied the thresholds and complied with state and federal procurement law before awarding a contract to a vendor. Once Lee College awards a contract to a vendor, Lee College can issue purchase orders as long as the purchase orders are within the scope of the Lee College contract with the vendor, have been approved by the Purchasing Department, and are signed by an authorized representative of Lee College.

10. Why are professional services under chapter 2254 with State and Federal governance limited?

While Texas law has a longer list of statutory professional services (doctors, nurses, accountants, etc.), there are only two professions where you are not required to conduct formal price based procurement under federal law: architects and engineers. And even for those, federal law requires use of an advertised RFQ at certain dollar thresholds. So if you are using any type of federal funds (Title Funds, Special Education funds, etc.) there are NO professional service exceptions for consultants, and you must follow the correct procurement procedure based on the aggregate amount for the year in each category. If the aggregate is less than \$100,000 in a like-item category, this means multiple quotes. If it will be \$100,000 or more, an advertised Competitive Bid is required.

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