

# Board of Trustees

Meeting Date: August 25, 2026

## Executive Summary of Board Agenda Item

Subject/Title for Agenda Posting: Consider and Approve Self-Certification to Increase Micro-Purchase Threshold for Federal Grant Programs

Justification Statement:

Increase of the Federal Grant Programs Micro-Purchase Threshold from \$50,000 to \$100,000 Pursuant to EDGAR (2 CFR 200.320) and Senate Bill 1173 and Texas Education Code 44.031

Purpose of Agenda Item:

☐ Information ☐ Discussion ☒ Action

Item Type:

☐ Curriculum & Instruction ☐ Human Resources ☐ Business Services

Staff Responsible:

Cristina Pulley

Veronica Campbell

*Signature of Requester(s)*

*Signature of Presenter(s)*

CP

*Business Services Approval (Initials)*

08.17.2026

*Date*

Agenda Summary:

Under the Federal Uniform Guidance/Education Department General Administration Regulations (EDGAR) federal procurement regulations (2CFR 200.320 (a)(1)(iv)), a local education agency (LEA) may self-certify a higher micro-purchase threshold up to \$50,000 or the maximum limit allowable under state law, whichever is higher. Under Texas Senate Bill 1173 (89th Regular Session) amending Texas Education Code 44.031, the state threshold requiring formal competitive procurement for school districts was raised from \$50,000 to \$100,000.

Because state law allows procurements under \$100,000 without formal competitive bidding, federal regulations allow the District to self-certify its micro-purchase threshold up to \$100,000 aligning state and federal procurement flexibilities.

RECOMMENDATION:

Approve the self-certification increase for federal grant micro-purchases threshold from \$50,000 to \$100,000

PRIOR BOARD ACTION:

AWARDED:

AWARDED AMOUNT:

No prior Action for this threshold Increase.

AMOUNT(S):

ACCOUNT NO(S):

PROCUREMENT METHOD TYPE: (3 Quotes, Cooperative Contract Quotes, Sole Source, Formal Bid)

REQUESTING DEPARTMENT:

Financial Services

CONSEQUENCES OF NON-APPROVAL:

None. The threshold will remain as is at \$50,000 but will provide less flexibility for grant funded purchases.

IMPLEMENTATION TIMELINE:

ATTACHMENT(S): ✓

TEA Memo

CISD MicroPurchase Resolution for Approval

CANUTILLO | A Premier District



|                    |                                                                          |
|--------------------|--------------------------------------------------------------------------|
| <b>DATE:</b>       | <b>September 25, 2025</b>                                                |
| <b>SUBJECT:</b>    | <b>Federal Grant Threshold Changes</b>                                   |
| <b>CATEGORY:</b>   | <b>Funding Implications</b>                                              |
| <b>NEXT STEPS:</b> | <b>Share with appropriate finance, grants, and federal program staff</b> |

**Effective October 1, 2025**, the rules that govern federal procurement of goods and services (the Federal Acquisition Regulations in [48 CFR Part 2, Subpart 2.1](#)) will be revised to reflect the cost of inflation. These revised rules include changes to definitions, including procurement-related thresholds that will apply to school systems with federal grants if local action is taken, especially in conjunction with the passage of [Senate Bill \(SB\) 1173](#), 89<sup>th</sup> Regular Session, 2025, which allows for procurements up to \$100,000 without requiring some form of competition as outlined in the Financial Accountability System Resource Guide (FASRG).

## Specific Changes

Two specific changes may impact and give greater flexibility to school systems if local policy and procedures are changed to reflect the following changes.

- *The new micro-purchase threshold will be \$15,000 (previously \$10,000).* The federal grant regulations ([2 CFR §200.320](#)) still allow for the school system to self-certify a higher threshold (see below).
- *The new simplified acquisition threshold will be \$350,000 (previously \$250,000).* This can increase the purchasing threshold when the school system is required to implement a formal procurement process of sealed bids or vendor proposals.

The local school system may choose whether to implement these higher procurement thresholds mid-grant year by the processes outlined below, or may choose to continue to follow the current federal grant procurement policy and procedures. Please see the attachment section for detailed information on how to implement these higher thresholds in the school system.

*Note that all federal procurement policies and procedures must be followed for all federal grant procurements, whether implementing these new thresholds or not.*

## Attachment: How to Implement the Federal Changes

### Micro-purchase Threshold

For school systems not self-certifying an allowed higher micro-purchase threshold, the previous \$10,000 threshold, as stated in the school system's local policy and procedures, remains the most restrictive and must be followed until the local policy and procedures are updated to reflect the new \$15,000 threshold.

For eligible school systems that do self-certify a higher micro-purchase threshold, the previous board-approved self-certified threshold that is codified in the local policy and procedures remains the most restrictive and must be followed until the following processes are completed.

- The local board must approve the reasoning for and the higher self-certified threshold and document the approval in local board minutes. Note that the school system does not notify TEA if you are following the statutory threshold of \$15,000 (previously \$10,000), as the statutory threshold is already approved for the school system.
- The school system must revise and update local policy and procedures to include the higher threshold, and
- The school system must notify TEA of the higher threshold through the Department of Grant Compliance and Administration's EDGAR Connect system.

Once all three of these actions are completed, the school system may begin implementing the higher threshold.

The self-certified threshold process will be as follows:

- Self-certified thresholds from \$15,001 to \$49,999 will continue to only require notification to TEA through the [EDGAR Connect](#) system.
- Self-certified thresholds of \$50,000 to \$99,999 will require the following documentation to be uploaded with the notification through the [EDGAR Connect](#) system.
  - Proof of eligibility,
    - low risk grantee as stated in the most recent federal audit (this is written by the external auditor and is not TEA's annual risk assessment status), or
    - internal organizational risk assessment that identifies, mitigates, and manages financial risk (the assessment must address all three areas of identification, mitigation, and management of risk).
  - Local board minutes documenting the approved threshold policy, and
  - Local policy reflects the new threshold and the reason the higher threshold is needed.

#### Simplified Acquisition Threshold

For school systems that wish to implement the higher simplified acquisition threshold, the previous \$250,000 threshold that is codified in the local procurement policy and procedures remains the most restrictive and must be followed until the following processes are completed.

- The school system must revise and update local policy and procedures to include the higher threshold, and
- The local board must approve the updated procurement policy, which reflects the higher threshold, and document the approval in local board minutes.

Once both actions are completed, the school system may begin implementing the higher threshold.

### **Contact Information**

For any questions regarding the implementation of updated federal regulations or federal grant procurement requirements, please email Cory Green ([cory.green@tea.texas.gov](mailto:cory.green@tea.texas.gov)) and Nick Davis ([nick.davis@tea.texas.gov](mailto:nick.davis@tea.texas.gov)) in the Department of Grant Compliance and Administration.

## Attachment: Most Restrictive Procurement Rules and Regulations

| Purchases, including purchasing cooperatives, must demonstrate compliance with the most restrictive procurement requirements: |                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                    |
|-------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Amount                                                                                                                        | State Requirements                                                                                                                                                                                                                                                                                                                                | EDGAR Requirements                                                                                                                                                                                                                                                                                                                                 |
| \$1-\$15,000 Aggregate                                                                                                        | TEC, §44.031 – no formal requirements, suggests policy                                                                                                                                                                                                                                                                                            | <b>§200.320(a)(1) micro-purchase – reasonable cost, and, as practicable, equally distributed among vendors</b>                                                                                                                                                                                                                                     |
| \$15,001-\$99,999 Aggregate                                                                                                   | TEC, §44.031 – no formal requirements, suggests policy                                                                                                                                                                                                                                                                                            | <b>§200.320(a)(2) simplified acquisition – price quotes from an adequate number of vendors</b>                                                                                                                                                                                                                                                     |
| \$100,000-\$350,000 Aggregate                                                                                                 | <b>TEC, §44.031, requirements (choose best option for school system)</b> <ol style="list-style-type: none"> <li>1. Competitive bidding</li> <li>2. Competitive sealed proposals</li> <li>3. RFP</li> <li>4. Interlocal contract</li> <li>5. RFQ</li> <li>6. Reverse auction</li> <li>7. Formation of political subdivision corporation</li> </ol> | §200.320(a)(2) simplified acquisition – price quotes from an adequate number of vendors                                                                                                                                                                                                                                                            |
| \$350,001+                                                                                                                    | TEC, §44.031, requirements (choose best option for school system) <ol style="list-style-type: none"> <li>1. Competitive bidding</li> <li>2. Competitive sealed proposals</li> <li>3. RFP</li> <li>4. Interlocal contract</li> <li>5. RFQ</li> <li>6. Reverse auction</li> <li>7. Formation of political subdivision corporation</li> </ol>        | <b>§200.320(b)(1) sealed bids and proposals; (b)(2) IFB, RFP, or RFQ only</b><br><br><b>§200.324 LEA is required to conduct cost or price analysis on all procurements.</b>                                                                                                                                                                        |
| Non-Competitive/Sole Source                                                                                                   | TEC, §44.031 – Sole source allowed if existence of a patent, copyright, secret process, or monopoly.                                                                                                                                                                                                                                              | <b>§200.320(c) Noncompetitive Proposal:</b> <ol style="list-style-type: none"> <li>1. Micro-purchase</li> <li>2. Available from a single source</li> <li>3. Public exigency or emergency</li> <li>4. Prior Approval by authorized agency (TEA)</li> <li>5. No competition – only one bid/proposal received after attempting competition</li> </ol> |
| <b>Denotes the most restrictive rules that must be followed.</b>                                                              |                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                    |

2026-2027

**Canutillo Independent School District**

**Self-Certification of Increased Micro-Purchase Threshold**

WHEREAS, Pursuant to Board Policy CH (Local), the Board has authorized the Superintendent to develop purchasing procedures to implement the requirements of state and federal law. Further, the District's Board of Trustee has delegated authority to the Superintendent to make budgeted purchases of goods and services costing less than \$100,000

WHEREAS, Pursuant to 2 CFR § 200.320(a)(1)(iv), a non-Federal entity may self-certify a Micro Purchase Threshold up to \$100,000 on an annual basis and must maintain documentation to be made available to the Federal awarding agency and auditors in accordance with 2 CFR §200.334.

THEREFORE, Canutillo ISO self-certifies that effective July 1, 2026, and for fiscal year 2026-2027, its Micro Purchase Threshold, as defined by 2 CFR 200.320(a)(1)(ii), is hereby increased to \$99,999.99. Unless otherwise required by the District's internal purchasing regulations or controls, purchases up to the Micro Purchase Threshold may be purchased without soliciting competitive price or rate quotations if the District considers the price to be reasonable based on research, experience, purchase history or other information and documents it files accordingly.

This self-certification is based on the following justification, as recognized and authorized by 2 CFR §200.320(a)(1)(iv)(C):

**Texas law generally permits public school districts to make non-competitive purchases for goods or services valued less than \$50,000 in the aggregate, as set forth in Texas Education Code §44.031(a).**

In any instance where Texas or other federal law imposes a requirement to competitively procure any good or service costing less than \$100,000.00, or where Texas or other federal law imposes more stringent purchasing standards or procedures than set forth in 2 CFR Part 200, the District will continue to follow the more restrictive legal requirement.

**APPROVED BY:**

Board President Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

**Signature:** \_\_\_\_\_

Dr. Josue Borrego , Superintendent of Schools

Canutillo Independent School District

Date:

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