



NORTH EAST INDEPENDENT SCHOOL DISTRICT

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Procurement a& eCommerce
Related Page(s): Attachments

Subject: CH (LOCAL) Policy Update

ACTION ITEM

BACKGROUND INFORMATION

The 2025 Legislative Session resulted in several updates to the Texas Education Code related to public procurement. Specifically, TEC 44.031(a) was amended to increase the competitive procurement threshold for school districts from \$50,000 to \$100,000. This change was enacted to modernize purchasing requirements that had not been updated in many years and to better reflect current market conditions and pricing.

Currently, NEISD's CH(LOCAL) policy still reflects the prior \$50,000 threshold, creating inconsistencies between local and legal policy and requiring additional administrative steps that are no longer mandated by law.

ADMINISTRATIVE RECOMMENDATION

Updating CH(LOCAL) to mirror the revised legal requirement provides several benefits to the District:

1. Alignment With State Law

The revised local policy ensures NEISD remains in full compliance with TEC 44.031 and is consistent with statewide standards and expectations for public procurement practices.

2. Increased Operational Efficiency

Raising the threshold reduces the number of formal competitive solicitations required for purchases between \$50,000 and \$100,000. This:

- Streamlines purchasing timelines
- Reduces administrative workload
- Allows Procurement staff to focus on high-value, high-risk solicitations and contract management
- Accelerates support to campuses and departments

3. Timely Response to District Needs

Many mid-range purchases—such as technology, instructional materials, maintenance projects, and equipment—fall within the \$50,000–\$100,000 range. Increasing the threshold enables the District to meet operational needs more quickly while still conducting competitive quotes and price analysis. Our Purchasing Manual requires three quotes for purchases over \$50,000, this operational procedure would not change. The requirement will remain.

4. Maintains Fiscal Stewardship and Internal Controls

Even with the increased threshold, Procurement will continue to apply strong oversight procedures,

including:

- Competitive quotes, specifically for purchases over \$50,000
- Price comparisons and market analysis
- Contract reviews
- Documentation of best value determinations through written quotes

Raising the threshold does not reduce transparency or accountability; it simply removes unnecessary procedural delays.

5. Consistency With Practices Across Texas Districts

Districts statewide are updating their local policies to align with TEC 44.031. Adopting this change ensures NEISD remains consistent with peer districts and avoids more restrictive requirements than those mandated by law.

Lastly, there is no direct fiscal impact associated with this policy update. The change is procedural and administrative in nature. All purchases will continue to be evaluated for best value and budget availability.

RECOMMENDATION

It is recommended that the Board of Trustees approve revisions to CH(LOCAL) to increase the purchasing threshold from \$50,000 to \$100,000, aligning the District's local policy with the updated requirements of Texas Education Code 44.031.

BOARD ACTION REQUIRED

Approval/Disapproval