# Texas Smart Buy & EDGAR ComplianceFact Sheet for Local Government Customers

Texas Smart Buy is a service of the Statewide Procurement Division (SPD) of the Texas Comptroller of Public Accounts. SPD frequently receives questions about compliance with federal laws such as the Uniform Grant Guidance, sometimes called EDGAR (Education Department General Administrative Regulations). SPD consults with Texas Education Agency (TEA), Texas Division of Emergency Management (TDEM), and other pass-through entities. We share their goal that no customer will lose a grant reimbursement or incur a drawback of federal funds. The purpose of this fact sheet is to empower customers to make informed decisions about when and how to use Texas SmartBuy.

## Fact: SPD procures each Texas SmartBuy term contract through a competitive process that meets or exceeds applicable law.

SPD uses two procurement methods for term contracts. The first is invitation for bids, which complies with state law and the federal regulation 2 CFR §200.320(c). The second is request for proposals, which complies with state law and the federal regulation 2 CFR §200.320(d). Both methods include public advertisement of specifications, a reasonable time to respond, defined evaluation criteria including price and responsibility, best value determination, and vendor protest procedures. Unlike many co-ops, SPD does not issue multiple awards for a particular good or service unless it can justify each award as a potential best value for a customer. SPD never uses prequalification lists; our staff sends notification of solicitations to the applicable Central Master Bidders List vendors, which any vendor can join, and posts all solicitations on the online Electronic State Business Daily (ESBD) public bid-advertising platform. SPD undergoes an annual third-party audit of its procurement practices to ensure compliance with applicable federal regulations.

## Fact: SPD verifies Texas Multiple Award Schedule (TXMAS) contracts are established using base contracts that were competitively procured by a government entity.

The TXMAS program is unique in Texas because it leverages SPD’s authority to adopt contracts procured by other government entities. SPD carefully vets each base contract to ensure competitive procurement using a fair and public process. SPD reviews all terms and conditions, and supplements them with appropriate Texas requirements.SPD monitors and manages each contractor to ensure compliance.

## Fact: Even if a co-op certifies it is “EDGAR compliant,” the customer is responsible for ensuring all purchases are appropriate.

The customer must identify all requirements attached to each grant it is using. For example, the Uniform Grant Guidance may require a cost or price analysis (2 CFR §200.323), distribution of spending among suppliers, or affirmative steps to procure from minority-owned businesses (2 CFR §200.321). A particular grant may require inclusion of certain words in its purchase order, such as an acknowledgement of the source of funding. The customer must avoid unnecessary purchases and conflicts of interest. Because these requirements are outside the co-op’s procurement process and may be particular to one source of funding, the co-op cannot fulfill them.

## Fact: Texas SmartBuy gives customers the tools to comply with grant requirements.

The Texas SmartBuy website provides item descriptions and pricing so that customers can determine whether a particular contract is a good match for the need at hand. SPD includes generally applicable federal terms and conditions on many of its contracts, and customers can always supplement those as needed on their purchase orders. Texas SmartBuy provides an outreach helpline and email address for customers who need any additional information for their procurement decisions.

Please do not hesitate to contact SPD if you have any questions about Texas SmartBuy in general or on any of our contracts. **SPD Main Procurement Line**: 512-463-3034 option 1 or **Contact Email:** Spd.outreach@cpa.texas.gov