



Agenda



- ☐ Chapter 262- Purchasing and Contracting Authority of Counties
- ☐ Procurement-2 CFR 200
- ☐ What grants are available in Texas?
- ☐ Should we hire a grant writer?
- ☐ Questions/Discussions on best practices

2 CFR 200 Procurement Methods



Overview of 2 CFR 200 Procurement Standards

- Establishes uniform administrative requirements for federal grants
- Aims to ensure open competition and efficient use of federal funds
- Applies to non-federal entities receiving federal awards
- Requires following general procurement standards and specific methods

Micro-purchases

- Acquisitions of supplies or services not exceeding \$10,000
- No competitive quotes required if price is considered reasonable
- Distribute purchases equitably among qualified suppliers
- Micro-purchase threshold may be higher for some entities

2 CFR 200 Procurement Methods



Small Purchases

- Relatively simple informal procurement methods
- For securing services, supplies, or other property
- Not costing more than the Simplified Acquisition Threshold (SAT). (Texas SAT is currently \$50,000)
(Federal SAT is \$250,000)
- Price or rate quotations must be obtained from adequate number of qualified sources

Sealed Bids (formal advertising)

- Preferred method for procuring construction
- Bids are publicly solicited and firm fixed price contract is awarded
- Awarded to the lowest responsive and responsible bidder
- Conditions: complete specifications available, adequate competition exists, selection can be made principally on price

2 CFR 200 Procurement Methods



Competitive Proposals

- Used when sealed bids are not appropriate
- Requests for proposals must be publicized
- Proposals solicited from adequate number of qualified sources
- Written method for conducting technical evaluations required
- Contract awarded to the proposal most advantageous to the program

Fun Facts About Texas

- Tyler, Texas is home to the largest rose garden in America, spanning 14 acres with approximately 38,000 rose bushes representing up to 500 different species.
- Texas is larger than Italy, the United Kingdom, and Greece combined.
- El Paso County is geographically unusual - it's closer to Needles, California than it is to Dallas, Texas.
- The road with the fastest speed limit in the US is in Texas. On a section of Texas State Highway 130, the posted limit is 85 mph.
- At the Cadillac Ranch public art installation in Amarillo, Texas, there are 10 art-covered Cadillacs half buried in the ground. The site inspired Bruce Springsteen's song of the same name.
- The first oil well in Texas was drilled in 1901. In 1931, the East Texas Oil Field, the largest in the lower 48 states, was discovered.

County Purchasing Overview



Competitive Bidding Requirements

- Required for purchases over \$50,000
- Exceptions include emergency purchases, professional services (accounting, architecture, surveying, engineering and appraisers) and sole-source items
- Notice must be published in a newspaper for two consecutive weeks
- First publication must be at least 14 days before bid opening
- Notice must include specifications, time and place for bid opening, and type of bond required

Purchasing Methods

- Competitive bidding: Standard method for purchases over \$50,000
- Competitive proposals: For insurance, high-tech items, landscape maintenance, travel management, recycling
- Reverse auctions: As defined by Section 2155.062(d), Government Code
- Cooperative purchasing agreements: Allowed under certain conditions
- Alternative multistep competitive proposal: For items where detailed specifications are impractical

County Purchasing Overview



Contract Awards

- Awarded to the responsible bidder who submits the lowest and best bid
- Commissioners Court makes the final decision
- Can consider factors beyond price (e.g., quality, delivery time, safety record)
- If two bidders are tied, decision made by drawing lots
- Unsuccessful bidders must be given notice and opportunity to present evidence if not lowest dollar bid

Purchasing Agents

- Counties may appoint a purchasing agent
- Appointment made by a board of judges and commissioners court members
- Responsible for all county purchases except those required by law to be made on competitive bid
- Must complete 25 hours of continuing education every two years
- Salary set by appointing board, minimum \$5,000 per year

County Purchasing Overview



Bid Bonds and Performance Bonds

- Bid bond of 5% of total contract price may be required for contracts over \$100,000
- Performance bond required for contracts over \$50,000, must be furnished within 30 days of contract signing
- For contracts \$50,000 or less, county may specify no payment until work is complete

Changes to Contracts

- Commissioners Court can make necessary changes to plans, specifications, or proposals
- Total contract price can't be increased unless funds are available
- Changes of \$50,000 or less can be approved by designated employee
- Original contract price can't be increased by more than 25% or decreased by 18% or more without contractor consent

Grants



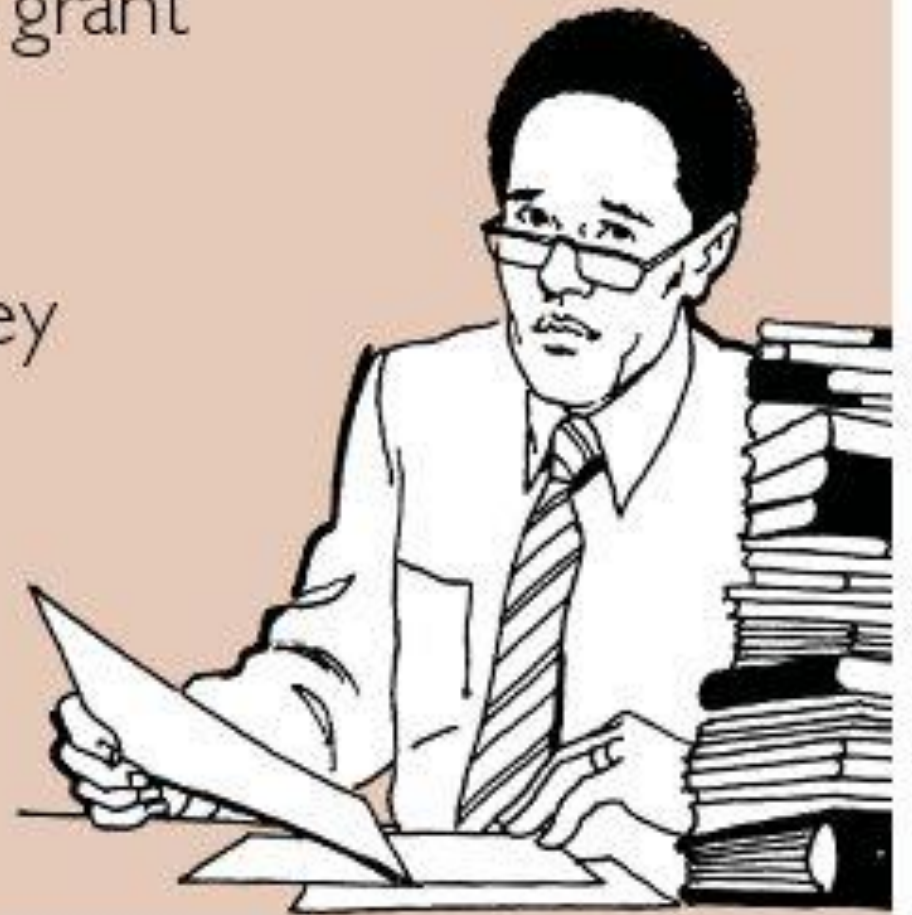
- Should you hire a grant writer?
- Where can you find grant opportunities?
- Are these federal funds subject to single audit requirements?
- Best practices for maintaining records

Should we hire a grant writer?

How to thank a grant
writer?

Spend the money
exactly as
described in
the proposal!

someecards
user card



To Hire or Not to Hire: Grant Writer Decision

✓ Reasons TO Hire

- **Consistent Focus:** Dedicated professional whose primary responsibility is securing funding
- **Institutional Knowledge:** Develops deep understanding of county operations, needs, and capabilities
- **Volume & Efficiency:** Can pursue more grants and build systems to streamline the application process
- **Grant Management:** Provides continuity from application through implementation and reporting
- **Proactive Planning:** Can align funding opportunities with strategic county initiatives and priorities

✗ Reasons NOT To Hire

- **Financial Investment:** Full-time salary and benefits may not yield sufficient ROI for smaller counties
- **Cyclical Workload:** Fluctuating grant cycles create uneven demand for services throughout the year
- **Expertise Limitations:** One person may not have specialized knowledge across all county departments
- **Flexibility Constraints:** Contractors can be engaged as-needed for specific opportunities
- **Department Disconnect:** May lack direct operational knowledge needed for compelling applications

Key Decision Factors:

- 1 County Size & Budget
- 2 Grant Opportunity Volume
- 3 Current Staff Capacity
- 4 Historical Grant Success

More Fun Facts

- Sloths take about a month to digest their food.
- According to Texas law, it's illegal to milk someone else's cow in the state - though the fine won't exceed \$10.
- Armadillo shells are bulletproof and can hold their breath for up to six minutes.
- The inventor of the Pringles can is now buried in one (partially).
- The founder of Match.com lost his girlfriend to a man she met on Match.com.



Who has the money?

Texas Department of Agriculture (TDA)

- ***STAR Fund (State of Texas Agriculture Relief Fund)*** - Provides disaster relief assistance to agricultural producers The STAR Fund was created by the Texas Department of Agriculture to provide relief.
- ***Young Farmer Grant Program*** - Provides financial assistance to agricultural producers who are starting or expanding their operations The office also provides financial assistance to agricultural producers, especially young farmers and ranchers, to expand their production capabilities.
- ***Texas Community Development Block Grant Program (TxCDBG)*** - Assists small cities and rural communities by providing decent housing, suitable living environments, and expanded economic opportunities principally for persons of low- to moderate-income. TxCDBG funds community projects such as utility infrastructure, disaster response, and unique local economic development projects.
- ***Agricultural Water Conservation Grants*** - Grants to Texas government agencies to improve the efficient use of water in the agricultural sector. Funding is intended for education, planning, technology implementation, and construction to aid in water management efforts

Texas Farm Fresh Initiative - Provides funding support for producers interested in selling products to local schools Find information for producers for funding Texas Farm Fresh programs from the Texas Department of Agriculture.

Trade and Economic Development Programs - The Trade and Economic Development Division supports the agency's mission by administering programs that empower rural communities, encourage healthy lifestyles, protect consumers, and promote production agriculture.

Specialty Crop Block Grant Program (SCBGP) - Enhances competitiveness of specialty crops like fruits, vegetables, tree nuts, and nursery crops.

Value Added Producer Grants - Helps agricultural producers enter into value-added activities related to processing and marketing new products.

Rural Energy for America Program - Provides financing and grants for renewable energy systems and energy efficiency improvements.

<https://texasagriculture.gov/Grants-Services/Open-Grants>

Texas General Land Office (GLO)

Community Development Block Grant Disaster Recovery (CDBG-DR) 2024 Disasters- The U.S. Department of Housing and Urban Development (HUD) announced the State of Texas will be receiving \$555,687,000 in Community Development Block Grant Disaster Recovery (CDBG-DR) funding to support eligible events in declared areas from the Texas Severe Storms, Straight-line Winds, Tornadoes, and Flooding (DR-4781), which have an incident period from April 26 to June 5, 2024, and Hurricane Beryl (DR-4798), which has an incident period from July 5 to July 9, 2024.

Community Development Block Grant Disaster Method of Distribution (CDBG-MOD) - The goals of the program are to support data-informed investments, focusing on the repetitive loss of property and critical infrastructure; build capacity to comprehensively analyze disaster risks and update hazard mitigation plans; support the adoption of policies that reflect local and regional priorities that will have long-lasting effects on community risk reduction, including risk reduction to community lifelines and decreasing future disaster costs; and maximize the impact of funds by encouraging leverage, private/public partnerships, and coordination with other Federal dollars.

Local Hazard Mitigation Plans Program (LHMPP) - This program provides grants to develop or update local hazard mitigation plans, or to provide cost share for hazard mitigation planning activities funded through other federal sources.

Resilient Communities Program (RCP) - This program will fund the development, adoption, and implementation of modern and resilient building codes and flood damage prevention ordinances to ensure that structures built within the community can withstand future hazards.

Texas Coastal Management Program Grant (CMP) - This program helps to support the protection of natural habitats and wildlife, provides baseline data on the health of gulf waters, and reviews federal actions in the Texas coastal zone to ensure consistency with the goals and policies of the CMP. Eligible activities include Coastal Natural Hazards Response, Critical Areas Enhancement, Public Access, Waterfront Revitalization and Ecotourism Development, Permit Streamlining/Assistance, Governmental Coordination and Local Government Planning Assistance, Water Sediment Quantity, and Quality Improvements.

Coastal Erosion Planning and Response Program (CEPRA) - The purpose of this program is to implement coastal erosion response projects and related studies to reduce the effects of and to understand the processes of coastal erosion as it continues to threaten public beaches, natural resources, coastal development, public infrastructure, and public and private property.

Oil Spill Prevention and Response Research Grants - The Oil Spill Prevention and Response Division supports the development of oil spill science through Research and Development funding, providing grants every two years for research, testing, and development of oil discharge prevention technology.

Various Housing Programs - Homeowner Assistance Program (HAP) helps homeowners affected by Hurricane Harvey repair and rebuild their homes. Local Buyout and Acquisition Program allows for the buyout or acquisition of eligible homes at pre- or post-storm fair market value, helping homeowners relocate to safer, lower-risk areas outside of floodplains. Affordable Rental Housing Grants provides funds to help rehabilitate, reconstruct and construct multifamily rental housing damaged or destroyed by Hurricane Harvey

<https://www.glo.texas.gov/disaster-recovery/hurricane-harvey/recovery-funds>

Texas Water Development Board (TWDB)

Flood Infrastructure Fund (FIF) -A state-funded source of financial assistance for flood mitigation projects

Agricultural Water Conservation Grants -This program has funded hundreds of projects since 1985, saving thousands of acre-feet of water. Eligible projects include research, demonstration, technology transfer, or educational programs relating to agricultural water use and conservation.

Flood Infrastructure Fund (FIF) -A state-funded source of financial assistance for flood mitigation projects.

Water State Revolving Fund (CWSRF) - Provides loans for wastewater-related projects at interest rates lower than commercial markets. Projects include treatment facilities, collection systems, stormwater and nonpoint source pollution control and estuary management

Drinking Water State Revolving Fund (DWSRF) - Provides low-cost financial assistance for planning, acquisition, design, and construction of water infrastructure. Eligible projects include correcting water system deficiencies related to water quality, capacity, pressure, and water loss.

Texas Water Development Fund (DFund) - A state-funded loan program that doesn't receive federal subsidies and isn't subject to federal crosscutters. It enables funding of multiple eligible components in one loan.

Economically Distressed Areas Program (EDAP) - Provides grants and loans to bring water and wastewater services to economically distressed areas where facilities are inadequate to meet residents' minimal needs.

Rural Water Assistance Fund (RWAF) - Designed to assist small rural utilities in obtaining low-cost financing for water and wastewater projects. Eligible borrowers include nonprofit water supply corporations, districts, and municipalities serving populations of 10,000 or less.

State Water Implementation Fund for Texas (SWIFT) - Provides funding for projects in the state water plan with flexible financing options for a wide variety of projects, including loans with subsidized interest rates, deferred loans, and Board Participation.

Agricultural Water Conservation Loan Program - Provides loans for conservation programs or projects through political subdivisions such as cities, counties, soil and water conservation districts, underground water conservation districts, or irrigation districts.

Flood Mitigation Assistance Program - A FEMA grant program that assists states and communities by providing federal funds for cost-effective measures to reduce long-term risk of flood damage to buildings and structures insurable under the National Flood Insurance Program.

Lead Service Line Replacement Program - Provides grants, loans, or a combination of both for planning, acquisition, design, and construction of lead service line replacement projects, including initial inventories required for EPA compliance.

<https://www.twdb.texas.gov/>

Texas Department of Transportation (TxDOT)

Transportation Alternatives Set-Aside (TA) Program - Provides funding to plan for and construct a variety of alternative transportation projects that improve safety and mobility for non-motorized travelers and mitigate congestion.

Federal Transit Administration (FTA) Grants - TxDOT's Public Transportation Division administers state and Federal Transit Administration grant programs for public transportation. These grants are for specific purposes and have separate eligibility and funding requirements.

Traffic Safety Electronic Grants Management System (eGrants) - TxDOT's Traffic Safety Electronic Grants Management System, or eGrants, is a web-based solution for the application, scoring and management of grants within TxDOT's Traffic Safety Program.

State Infrastructure Bank (SIB) - Transportation Loan Program - Provides loans for transportation projects.

Routine Airport Maintenance Program (RAMP) - TxDOT administers the Routine Airport Maintenance Program (RAMP), which matches local government grants up to \$100,000 for maintenance to airside and landside needs.

TxdotAviation Division Grants - Aviation Grants provides state and federal grant funding for airport maintenance and improvement projects to airports included in the Texas Airport System Plan. The Aviation Division helps cities and counties obtain and disburse funds.

<https://www.txdot.gov/business/grants-and-funding.html>

Federal Emergency Management Agency (FEMA)

Hazard Mitigation Grant Program (HMGP) - This program provides funding to state, local, tribal, and territorial governments so they can develop hazard mitigation plans and rebuild in a way that reduces, or mitigates, future disaster losses in their communities. This grant funding is available after a presidentially declared disaster.

Assistance to Firefighters Grant Program (AFG) - This program helps firefighters and other first responders obtain critically needed equipment, protective gear, emergency vehicles, training, and other resources necessary for protecting the public and emergency personnel from fire and related hazards. This program aims to meet the firefighting and emergency response needs of fire departments and non-affiliated emergency medical service organizations.

Pre-Disaster Mitigation Grant Program (PDM) - The program makes federal funds available to state, local, tribal, and territorial governments to plan for and implement sustainable cost-effective measures designed to reduce the risk to individuals and property from future natural hazards, while also reducing reliance on federal funding from future disasters. Eligible activities include mitigation projects such as property acquisition and structure demolition or relocation, structure elevation, mitigation reconstruction, dry floodproofing, generators, and localized/non-localized flood control projects.

<https://www.fema.gov/grants>

Texas Parks and Wildlife (TPWD)

Urban Outdoor Recreation Grants: These grants are for outdoor recreation projects in urban areas with populations of 500,000 or more. The maximum grant amount is \$1,500,000 and the minimum match is 50%.

Urban Indoor Recreation Grants: These grants are for indoor recreation projects in urban areas with populations of 500,000 or more. The maximum grant amount is \$1,500,000 and the minimum match is 50%.

Non-Urban Outdoor Recreation Grants: These grants are for outdoor recreation projects in non-urban areas with populations of less than 500,000. The maximum grant amount is \$750,000 and the minimum match is 50%.

Non-Urban Indoor Recreation Grants: These grants are for indoor recreation projects in non-urban areas with populations of less than 500,000. The maximum grant amount is \$1,000,000 and the minimum match is 50%.

Small Community Grants: These grants are for outdoor recreation projects in communities with populations of less than 20,000. The maximum grant amount is \$150,000 and the minimum match is 50%.

Recreational Trails Grants - TPWD administers the National Recreational Trails Fund in Texas under the approval of the Federal Highway Administration (FHWA). This federally funded program receives its funding from a portion of federal gas taxes paid on fuel used in non-highway recreational vehicles.

<https://tpwd.texas.gov/business/grants>

Other Grant Options

Texas Association of Counties (TAC) Website: <https://www.county.org/member-services/legislative/grant-opportunities>

This is a comprehensive resource specifically designed for Texas counties with a dedicated list of grant opportunities maintained by TAC's Legislative Services department, which works closely with county leaders County.

Office of the Texas Governor Website: <https://gov.texas.gov/organization/financial-services/grants>

Offers various county-specific grants including County Essential Grants for emergency funding related to criminal justice activities and County Jail Medication-Assisted Treatment Grant Program Texas.

Texas eGrants System Website: <https://egrants.gov.texas.gov/fundingopp>

This platform lists invitation-only opportunities where "Applications may only be submitted by Texas counties" Texas and provides access to homeland security and other federal pass-through grants.

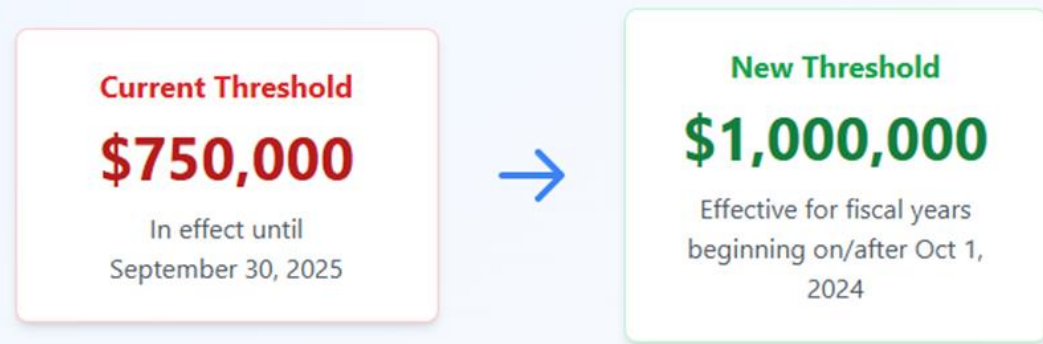
Texas Workforce Commission Website: <https://www.twc.texas.gov/agency/grant-opportunities> Provides workforce development grants that counties can apply for, with options to sign up for GovDelivery to receive updates about grant opportunities Texas.

Texas Department of State Health Services Website: <https://dshs.texas.gov/grant-applications-funding/grant-development-center/funding-resources>. Lists both public and private funding entities organized by county regions throughout Texas.

County.Federal Grants.gov Website: <https://www.grants.gov> While not Texas-specific, this site includes federal funding opportunities accessible to Texas counties.

Single Audit

New Single Audit Threshold: \$1 Million



Implementation Timeline



Benefits

- ✓ Reduced administrative burden for smaller entities
- ✓ Cost savings on audit expenses
- ✓ Allows focus on program delivery rather than compliance

Other Changes

- > Type A program threshold increased to \$1M for entities with federal awards up to \$34M
- > De minimis indirect cost rate increased from 10% to 15%
- > Equipment threshold increased from \$5,000 to \$10,000

Note for County Auditors:

Entities with federal expenditures between \$750,000 and \$1 million should monitor implementation dates carefully. All compliance requirements remain in effect even if a Single Audit is not required.

Best Practices for Maintaining Federal Grant Files/Asset Management



- Establish Consistent Documentation Systems: Create standardized file structures for all grants with clear labeling and organized by pre-award, award, and post-award phases.
- Maintain Critical Documentation: Preserve all essential records including applications, award agreements, financial records, performance reports, compliance evidence, and correspondence with funding agencies.
- Implement Strong Financial Controls: Establish separate accounting codes for each grant, document all cost allocations, and ensure expenses are allowable, allocable, and reasonable per federal guidelines.
- Conduct Regular Compliance Reviews: Schedule periodic internal audits to verify adherence to grant requirements, with special attention to 2 CFR 200 regulations and specific award terms.
- Monitor Subrecipients Effectively: Document all oversight activities for subrecipients and contractors, ensuring they maintain equivalent documentation standards.
- Utilize Secure Digital Storage: Implement protected electronic filing systems with appropriate access controls, regular backups, and consistent file naming conventions.

Questions/Discussion



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