Texas Bond Review Board

Contract Management Procedures

Purpose

The Texas Bond Review Board (BRB) publishes these procedures under Tex. Gov't Code §2261.256. They describe how BRB identifies contracts that need enhanced monitoring and how purchasing responsibility is assigned within the agency. They also summarize how BRB buys goods and services and how vendors can raise concerns. BRB follows the Comptroller's State of Texas Procurement and Contract Management Guide (PCMG). If these procedures conflict with a statute, rule, or the PCMG, the statute, rule, or PCMG controls. These procedures do not create any rights for vendors.

Purchasing Accountability and Staff Responsibilities

- **Program staff** identify the need for goods or services and submit a request describing the item, quantity, date needed, justification, and estimated cost.
- **Purchaser** determines the correct purchasing method, solicits bids, confirms vendor eligibility, issues the purchase order, and keeps the procurement file.
- **Chief Financial Officer (CFO)** oversees the purchasing program, approves all purchases, approves payment vouchers, and monitors contracts for performance and compliance.
- **Executive Director** gives a second approval to all purchases over $25,000, decides vendor protests on appeal, and receives reports on contracts under enhanced monitoring.

All staff involved in purchasing or contract management must disclose any known potential conflict of interest (Tex. Gov't Code §2261.252). BRB purchasers certify that they have no interest in any BRB contract or bid and accept nothing of value from vendors (Tex. Gov't Code §2155.003). For contracts of $1 million or more, purchasing staff also file the State Auditor's nepotism disclosure statement.

Risk Assessment and Enhanced Contract Monitoring

Before award, BRB assesses each contract for the risk of fraud, waste, or abuse in vendor selection, contract terms, and payment methods. A contract is identified for enhanced monitoring if any of the following apply:

- the contract value is over $100,000;
- the contract was awarded on an emergency or sole-source basis;
- the vendor has a poor performance history with BRB or in the state Vendor Performance Tracking System;
- the contract has complex deliverables, milestone payments, or payments made before delivery; or
- the contract supports a function critical to BRB's statutory duties.

Enhanced monitoring may include more frequent progress meetings, deliverable reviews, and documentation requirements. The CFO reports contracts under enhanced monitoring to the Executive Director and the Board, and immediately reports any serious issue or risk identified with those contracts (Tex. Gov't Code §2261.253). For contracts over $1 million, BRB also tracks compliance with financial terms and delivery schedules, any corrective action plans, and any liquidated damages.

How BRB Purchases Goods and Services

BRB first uses state set-aside programs and existing state contracts, including Texas Correctional Industries, the State Use Program, Department of Information Resources contracts for technology, and Comptroller Term and TXMAS contracts. When a purchase must be bid, BRB follows these requirements:

- **$10,000 or less:** competitive bidding is not required.
- **$10,000.01 to $25,000:** at least three informal bids from the Centralized Master Bidders List (CMBL), two of which must be from certified HUBs.
- **Over $25,000:** formal bids from all eligible CMBL vendors serving BRB's region, with the solicitation posted on the Electronic State Business Daily (ESBD).

All awards are based on best value to the state. BRB does not award contracts to vendors that are debarred, excluded on the federal SAM.gov database, or on the state's divestment lists.

Historically Underutilized Businesses (HUB)

BRB is committed to increasing contracting opportunities for certified HUBs and works to meet or exceed the statewide HUB goals. BRB makes a good faith effort to use HUBs in all purchases and requires a HUB Subcontracting Plan for contracts of $100,000 or more when subcontracting is likely (Tex. Gov't Code Chapter 2161; 34 Tex. Admin. Code §20.284). Businesses can apply for HUB certification and CMBL registration through the Comptroller's website.

Vendor Protests

BRB will never assume a protest is frivolous. It will review each protest on its merits, correct any improper action, and improve its practices when a protest reveals a problem (Tex. Gov't Code §2155.076). A vendor who believes it was not fairly considered, or who objects to a solicitation's specifications, may protest as follows:

1. BRB will first try to resolve the protest directly with the vendor.
2. The vendor submits a written protest within five working days of BRB's purchase decision to the supervisor of the person who signed the solicitation or contract.
3. The supervisor issues a decision within ten working days. The procurement may be canceled and restarted, or continue as approved.
4. The vendor may appeal to the Executive Director, who will decide within ten working days on the advice of counsel. That decision is final.