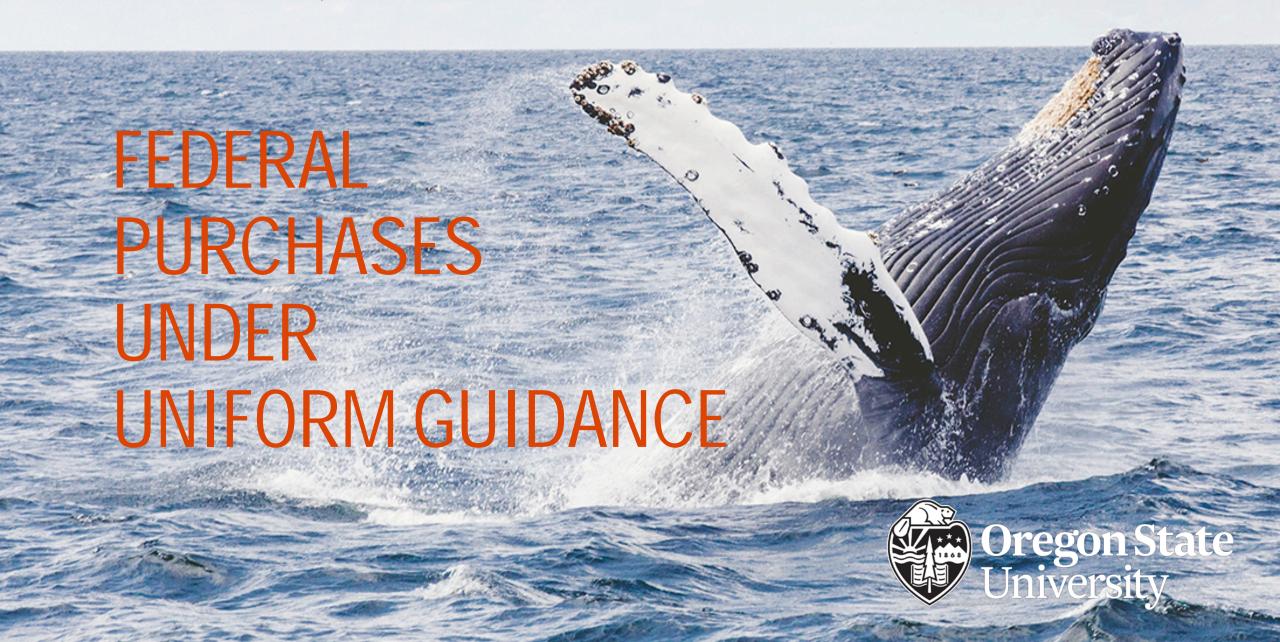
PROCUREMENT, CONTRACTS AND MATERIALS MANAGEMENT



Federal Purchases - Agenda

Uniform Guidance

Procurement Thresholds

Important Changes

• Uniform Guidance Requirements

- Uniform Guidance ("UG")
 - General OSU adoption July 1, 2015
 - PROCUREMENT STANDARDS (2 CFR 200.317 200.326)
 - OSU Adoption July 1, 2018
- Impacts only purchases using <u>federal funding</u> or federal pass-through funds

Combined eight different OMB Circulars

Previously, Institutions of Higher Education (IHE)
Procurement Standards followed OMB Circular A-110

 Under UG, IHE Procurement Standards are primarily based on OMB Circular A-102

 Imposed additional requirements on IHE for purchases using <u>Federal Funding</u>

 Low Micro-Purchase Threshold (MPT) - largest point of contention for IHE

 National Defense Authorization Act (NDAA) – Provided IHE with different options for MPT

 OSU requested a higher MPT using the NDAA – Request approved late July 2018

 Higher MPT equals OSU's longstanding \$25,000 direct purchase threshold

Procurement Thresholds

Competitive procurement dollar thresholds <u>for both</u>
<u>Federal and Non-Federal Funds</u>:

Over \$150,000 \$25,000.01 -\$150,000 Formal Up to • Informal (Small) \$25,000 Direct (Micro)

Procurement Thresholds

- Less than \$25K Direct (Micro-Purchase)
 - No competition required, departments may solicit contractors directly
- \$25K \$150K Informal (Small)
 - Informal methods of competition required, PCMM must facilitate competitive requirements
- Greater than \$150K
 — Formal Procurement (Bids and Proposals)
 - Formal methods of competition required, PCMM must facilitate competitive requirements

Important Changes

Important changes from Previous Procurement Rules to UG Procurement Standards

- No exemptions from competition for federally funded purchases
 - Individuals/companies named in award is no longer sufficient
- Brand name or equal may only use a brand name when allowing an equal.
- Additional requirements for Formal Procurements

Important Changes

- The only <u>Noncompetitive Procurements</u> available are:
 - Item is available only from a <u>single source</u>;
 - The public exigency or <u>emergency</u> for the requirement will not permit a delay resulting from competitive solicitation;
 - Federal awarding agency or pass-through entity <u>expressly</u> <u>authorizes noncompetitive proposals</u> in response to a written request from the non-Federal entity; or
 - After solicitation of a number of sources, <u>competition is</u> <u>determined inadequate</u>.

Uniform Guidance Requirements

Jump to checklist

Remedies for Non-Compliance

- 2 CFR 200.338 outlines remedies for non-compliance
 - Temporarily withhold cash payments pending correction
 - Disallow all or part of the cost of the activity or action not in compliance
 - Wholly or partly suspend or terminate the federal award
 - Initiate suspension or department proceedings