FEDERAL PURCHASES UNDER UNIFORM GUIDANCE
Federal Purchases - Agenda

• Uniform Guidance

• Procurement Thresholds

• Important Changes

• Uniform Guidance Requirements
Uniform Guidance

• 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 federal funding or federal pass-through funds
Uniform Guidance

• 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
Uniform Guidance

• Imposed additional requirements on IHE for purchases using **Federal Funding**

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

• 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 for both Federal and Non-Federal Funds:

  - Up to $25,000: Direct (Micro)
  - $25,000.01 - $150,000: Informal (Small)
  - Over $150,000: Formal
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 **Noncompetitive Procurements** available are:
  
  • Item is available only from a **single source**;
  
  • The public exigency or **emergency** for the requirement will not permit a delay resulting from competitive solicitation;
  
  • Federal awarding agency or pass-through entity **expressly authorizes noncompetitive proposals** in response to a written request from the non-Federal entity; or
  
  • After solicitation of a number of sources, **competition is determined inadequate**.
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