

Uniform Guidance Purchasing Updates

What University Administrators and PIs Need to Know

Executive Summary

The Uniform Guidance (UG) governs the management of federally funded sponsored projects across the entire project lifecycle. Although much of the UG took effect on December 26, 2014, the government delayed implementation of the procurement sections. Updated University purchasing policies implementing the UG are scheduled to go into effect at Columbia on October 1, 2017. The UG supersedes requirements from OMB Circulars A-21, A-110 and A-133.

This presentation highlights the Purchasing areas that are impacted by the UG relating to sponsored transactions, but it is important to mention that are changes affecting non-sponsored transactions as well that will be addressed separately.

The changes in related University policies will go into effect October 1, 2017.

Today vs. 10/1/17 and after *(for sponsored transactions)*

What stays the same

- Competitive sourcing of goods and services
- Number of quotes or proposals required depends on dollar thresholds
- Substantiated rationale required for non-competitive transactions (single/sole source)
- Price analysis required for single/sole source
- RFP support documentation required for bid award
- Conflict of Interest requirements

What will change

- Competitive sourcing of goods and services starting at \$3,500 as opposed to \$2,500
- Service Providers are subject to competitive sourcing requirements above \$3,500
- 2 or more quotes/proposals up to \$150K as opposed to 3-quote requirement
- Fewer allowances for non-competitive transactions
- Purchases above \$150K must use a more elaborate **public** standardized RFQ/RFP process administered by Central Purchasing
- Utilization of Minority, Women and disadvantaged Businesses and equitable distribution of spend *(not subcontracting)*

What will change effective 10/1/17

<u>Sponsored Goods and Services</u>			
	<i>UwPA - University-wide Purchasing Agreement (negotiated by Purchasing)</i>		
	<i>UG - Uniform Guidance</i>		
<u>Current Purchase Transaction Thresholds</u>	<u>Updated Purchase Transaction Thresholds</u>	<u>Type of Competitive Action</u>	<u>If Non-Competitive Action</u>
\$0 and up (UwPA only)	\$0 and up (UwPA only)	Requires One (1) written quote or proposal from a qualified supplier	N/A
\$0 - \$2,500 (non-UwPA) \$0 - \$25,000 (non-UwPA Service Provider)	\$0 - \$3,500 (non-UwPA)	Requires One (1) written quote or proposal from a qualified supplier	N/A
\$2,501 - \$10,000 (non-UwPA)	not applicable threshold	Requires 2 written quotes or proposals	Single/Sole Source Justification form with supporting documentation
\$10,001 and up (non-UwPA) \$25,001 and up (non-UwPA Service Provider)	\$3,501 - \$150,000 (non-UwPA)	Requires an appropriate number of quotes or proposals from qualified suppliers	Single/Sole Source Justification form with supporting documentation
not applicable threshold	\$150K and up (non-UwPA)	3 or more Public RFQ's or RFP's (managed through Central Purchasing)	Single/Sole Source Justification form with supporting documentation*
		*Single/Sole Source form must be approved by Senior Level Officer (supplemental approver) in department prior to submission to Purchasing at this dollar threshold.	

How will this impact me?

- Additional effort will be required for purchases over \$150K due to UG public bidding requirements
- To reduce documentation requirements, utilization or establishment of UwPAs or DSAs (Departmental Select Agreements) is recommended
- Transactions will require feedback from subject matter experts (researchers, PI's, etc.) when to document selection of non-competitive or not-low bidder has been selected
- UG documentation requirements are generally more significant

Non-Competitive Procurement - Now What?

Straight from the Uniform Guidance:

200.320(f) - Procurement by noncompetitive proposals. Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:

- (1) The item is available only from a single source;
- (2) The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
- (3) The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity;
- or
- (4) After solicitation of a number of sources, competition is determined inadequate.

200.323(b) - The non-Federal entity must negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. (*above \$150K*)

200.323(a) - The non-Federal entity must perform a cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold including contract modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, the non-Federal entity must make independent estimates before receiving bids or proposals.

UG Procurement Basics by OMB

Procurement “Claw” (Section 200.320)

