

# 2018 Update: Procurement Using Federal Funds Uniform Guidance 2CFR 200

Version 1 | Effective July 1, 2018

# Uniform Guidance 2CFR 200

Uniform Guidance (UG) is a set of federal regulations that are primarily based on previous OMB Circulars A-21, A-87, A-110 and A-122, with some improvements.

Basic procurement requirements are covered in the Research Foundation's [Project Administrator Guide \(PAG\)](#).

New requirements are covered in this document.

# SJSU Research Foundation Purchasing

The SJSU Research Foundation Purchasing team works with projects and departments to procure goods and services in accordance with Research Foundation purchasing policies, state, federal, and sponsoring agencies' guidelines, and good business practices.

Our standard purchasing procedures are designed to:

- Provide faculty, staff, and students with needed supplies, equipment, and services,
- Establish a cost-effective procurement process,
- Offer fair and competitive bidding,
- Provide quality service to Research Foundation users, and
- Support the SJSU educational mission.

# The Principal Investigator's Role

The Research Foundation's function as a purchasing agent is delegated to individual projects; the principal investigator assumes the role of purchasing agent.

As purchasing agent, the principal investigator:

- At all times adheres to the Research Foundation's Purchasing Policy and Code of Ethics, and ensures integrity in the purchasing practices of the organization;
- Assists in the selection and purchase of goods and services by gathering and screening information about products, prices, and supplies;
- Solicits bids from vendors;
- Works with the Research Foundation Central Office Purchasing team to obtain a purchase order when necessary.

# July 1, 2018 – New Guidelines and Thresholds

Effective July 1, 2018 the following guidelines apply to all purchases including services, supplies, and properties as defined in:

[Uniform Guidance 2 CFR 200.320](#) and

<https://www.whitehouse.gov/wp-content/uploads/2018/06/M-18-18.pdf>

For all contracts  $\geq$ \$25,000 – Check the federal debarment database to ensure that potential vendors have not been debarred (excluded from doing business with the Federal Government).

To do so, visit the [System for Award Management \(SAM\) website](#) and use the Search Record function.

# New Procurement Thresholds & Guidelines

Price per Unit:

Include installation but exclude taxes, shipping, and maintenance.

1. Micro-purchases (<\$10,000)
2. Small-purchase (\$10,000 - <\$250,000)

## Simplified Acquisition ( $\geq$ \$250,000)

3. Procurement by sealed bids
4. Procurement by competitive proposals (RFP)
5. Procurement by noncompetitive proposals (sole source)

# Procurement by Micro-Purchase

Price per Unit:

Include installation but exclude taxes, shipping, and maintenance.

## Micro-purchases (<\$10,000)

- Price must be reasonable;
- No cost analysis is required;
- Basic allowability review is needed.

# Procurement by Small-Purchase

Price per Unit:

Include installation but exclude taxes, shipping, and maintenance.

## Small-purchase (\$10,000 - <\$250,000)

- Price or rate quotation must be obtained from two (2) or more qualified sources;
- Documented phone calls or web search results are required.



# Simplified Acquisition ( $\geq$ \$250,000)

Price per Unit:

Include installation but exclude taxes, shipping, and maintenance.

## Procurement by Sealed Bids

- Provide complete descriptions and realistic specifications to three (3) or more sources that are willing and able to provide goods or services.
- A fixed-price contract will be awarded.
- Vendor can be selected on price or other factors.

# Simplified Acquisition ( $\geq$ \$250,000)

Price per Unit:

Include installation but exclude taxes, shipping, and maintenance.

## Procurement by Competitive Proposals (RFP)

- A request for proposal (RFP) must be issued.
- Evaluation factors and importance must be identified.
- Issue RFPs to three (3) or more entities.
- A written method of evaluation must be prepared in advance.

# Simplified Acquisition ( $\geq$ \$250,000)

Price per Unit:

Include installation but exclude taxes, shipping, and maintenance.

## Procurement by Noncompetitive Proposals (Sole Source)

- The 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;
- The 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.

# Independent Contractors

When independent contractor services are used by the PI, these services are subject to these same procurement requirements.

Please note that caution must be taken when the cumulative amount paid to the independent contractor exceeds the various financial thresholds outlined in previous slides.

# Important Reminders...

During Proposal Development include the sole source with expanded justification.

- State clearly that RF is sole sourcing this vendor.
- Document the reasoning to support why this sole sourcing is the answer.
- Provide valid scientific reason to use this vendor, such as “PI does not want to introduce new variables to existing configurations.”
- Perform an appropriate analysis – some vendors are “unique” and maybe the only one source that meets the requirement.
- All purchase requisitions must include evaluation documentations as support.

**Prior to any procurement activity, please contact your Post-Award manager (see contact information on slide 15).**

# SJSU Research Foundation Contacts

## Accounts Payable:

Kelly Vuong, Senior Accounting Manager

[Kelly.vuong@sjsu.edu](mailto:Kelly.vuong@sjsu.edu)

408-924-7395

## Office of Sponsored Programs:

Please contact your Post-Award manager (contact information on next slide) prior to any procurement activity.

# Post-Award Contacts

Lan Duong, Associate Director

[lanngoc.duong@sjsu.edu](mailto:lanngoc.duong@sjsu.edu)

408-924-1426

Diem Trang Vo

[diemtrang.vo@sjsu.edu](mailto:diemtrang.vo@sjsu.edu)

408-924-1432

Jeannie Nguyen

[Jeannie.nguyen@sjsu.edu](mailto:Jeannie.nguyen@sjsu.edu)

408-924-1306

Luann Chu

[luann.chu@sjsu.edu](mailto:luann.chu@sjsu.edu)

408-924-1428

Natalie Babella

[natalie.Babella@sjsu.edu](mailto:natalie.Babella@sjsu.edu)

408-924-1433