Uniform Guidance Procurement Standards:

As required, Mercer University will be implementing the Uniform Guidance Procurement Standards but has elected to utilize the grace period and delay implementation until July 1, 2018. In the interim, the University’s existing policies and procedures and the OMB circulars will continue to apply.

What to Expect

As of July 1, 2017 the federal procurement guidelines will be 2 CFR Part 200, section 200.317-326.

Policy Statement:

From OMB 2 CFR Part 200.403: The factors affecting allowable costs under these principles are:

- They must be necessary, reasonable, and allocable;
- They must conform to any limitations or exclusions set forth in the principles or in the Federal award as to types or amount of cost items;
- They must be consistent with policies and procedures that apply uniformly to both Federally-financed and other activities of the non-Federal entity;
- They must be treated consistently as either a direct or indirect cost;
- They must be determined in accordance with generally accepted accounting principles (GAAP);
- They must not be included or used to meet cost sharing or matching requirements of any other Federally-financed program;
- They must be adequately documented;
- They are all classified into five different types of purchases which are micro purchases, small purchases, sealed bids, competitive purchases, and sole source. All purchases are required to follow full and open competition. These are by far the most important changes. Please refer to the bottom of this announcement for clarification.

If any activity/expense cannot meet the above criteria, it may not be charged directly or indirectly to a sponsored project, regardless of its purpose.
Procurement “Claw” (Sections 200.317-326)

1. Micro-Purchases
2. Small Bids
3. Sealed Bids
4. Competitive Proposals
5. Sole Source

General Standards:
A. Documented Policies
B. Necessary
C. Full & Open Competition
D. Conflict of Interest
E. Documentation
   i. Cost & Price Analysis
   ii. Vendor Selection
All five procurement types must comply with the Procurement Standards in section 200.318, which can be summarized generally as follows: (1) the purchase complies with the non-Federal entity's documented procedures in place, (2) purchases are necessary, (3) open completion (to the extent required by each method), (4) conflict of interest policy and (5) proper documentation for the purchases.

Section 200.320 describes the five methods of procurements.

**Micro Purchases** Micro-purchase threshold is $3,000. Anything above this requires an "adequate number" of quotes. This limit includes purchases made on the University pcard.

**Small purchases** ($3,000 - $150,000) Purchases of over $3,000 must document competition. A minimum of 2 quotes is required.
Sealed Bids - Construction projects over $150,000. Sealed bids required.

Competitive Proposals – Purchases over $150,000 requires competitive proposals with clear criteria and written procedures (i.e. RFP)

Sole Source (special circumstances which are applicable for all purchase levels)

Uniform Guidance has listed 4 justifications

- Product/Service only available from a single source
- Public emergency (no time to go through procurement process)
- Federal Awarding Agency Authorization – The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity
- Inadequate competition after multiple attempted solicitations

Prior to July 1, 2017, the Purchasing Department will post and distribute the revised policies and procedures for the new Uniform Guidance regulations.