

Implementation of Revised Procurement Standards

On December 26, 2013, the Federal Office of Management and Budget (OMB) issued the Super Circular, (the Uniform Guidance, or UG). The Uniform Guidance became effective for all new federal awards and incremental funding on existing awards after December 26, 2014.

One section of the Uniform Guidance that is more restrictive than prior OMB circulars is the Procurement Standards. The new guidance on procurement had much more defined requirements than in prior guidance, and, because of this, there was a grace period to implement the new Uniform Guidance. The University chose the option of deferring the implementation until July 1, 2018.

July 1, 2018 is rapidly approaching and USNH has chosen to revise our current Procurement Standards to ensure compliance with Uniform Guidance and ensure uniformity in standards across the system. With limited exceptions, the Procurements Standards apply to all procurement methods, regardless of funding source. A quick guide to the revised procurement methods is enclosed.

In summary, the Procurement Standards requires USNH to:

- Document procurement procedures.
- Maintain a written policy regarding conflict of interest that addresses how employees with conflicts should be excluded from the procurement process.
- Maintain records sufficient to detail the history of procurement, including the rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.
- Procurement transactions must be conducted in a manner that provides for full and open competition, unless it qualifies for a non-competitive proposal process.
- Perform cost or price analysis for all transactions that exceed the Simplified Acquisition Threshold (\$150,000) (applies to federal funding only).

The Procurement Standards require use of one of the following Methods of Procurement based on dollar levels:

- Micro purchases – Purchases of supplies and services where the aggregate dollar amount does not exceed \$9,999. **No competitive quotes** are required if management determines the price to be fair and the purchases are distributed among qualified suppliers.

- **Small Purchases** – Purchase of supplies and services between \$10,000 - \$34,999. Procurement is made via a Purchase Order. Requires a **minimum of two quotes**, which must be retained on file by the requisitioner until launch of e-procurement tool in 2019. If using [approved contract](#) vendor, no quotes are required.
- **Large Purchases** – Purchase of supplies and services between \$35,000 - \$149,999. Under this purchase method, **formal solicitation is required**.
- **Strategic Purchases** – Purchase of supplies and services in excess \$150,000. This procurement method requires **formal solicitation** where a fixed-price or cost-reimbursement contract is awarded. If federally-funded acquisition, must document how the proposals were evaluated and ultimately selected.
- **Sole Source** – Only allowable in limited situations. Examples of some conditions include when an item is available only from one source, when a public emergency does not allow for the time of the competitive proposal process, the competition is deemed inadequate after a number of attempts at a competitive process or when federally-funded, is authorized by the federal awarding agency.

The Uniform Guidance also requires an update to the Purchasing Conflict of Interest Policy to address:

- The acceptance of Gifts and Gratuities
- Nepotism
- Supplier Involvement in a Competitive Bid
- Doing business with Donors
- Private Use

Questions regarding how this will impact Sponsored Programs procurements may be addressed to Louise Griffin at louise.griffin@unh.edu. For all other procurement questions, please contact Kerry Scala at kerry.scala@unh.edu or Michael Durkin at michael.durkin@unh.edu