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2016 AmeriCorps Texas

All-Grantee Meeting

February 25-26, 2016

Procurement Compliance as a Team



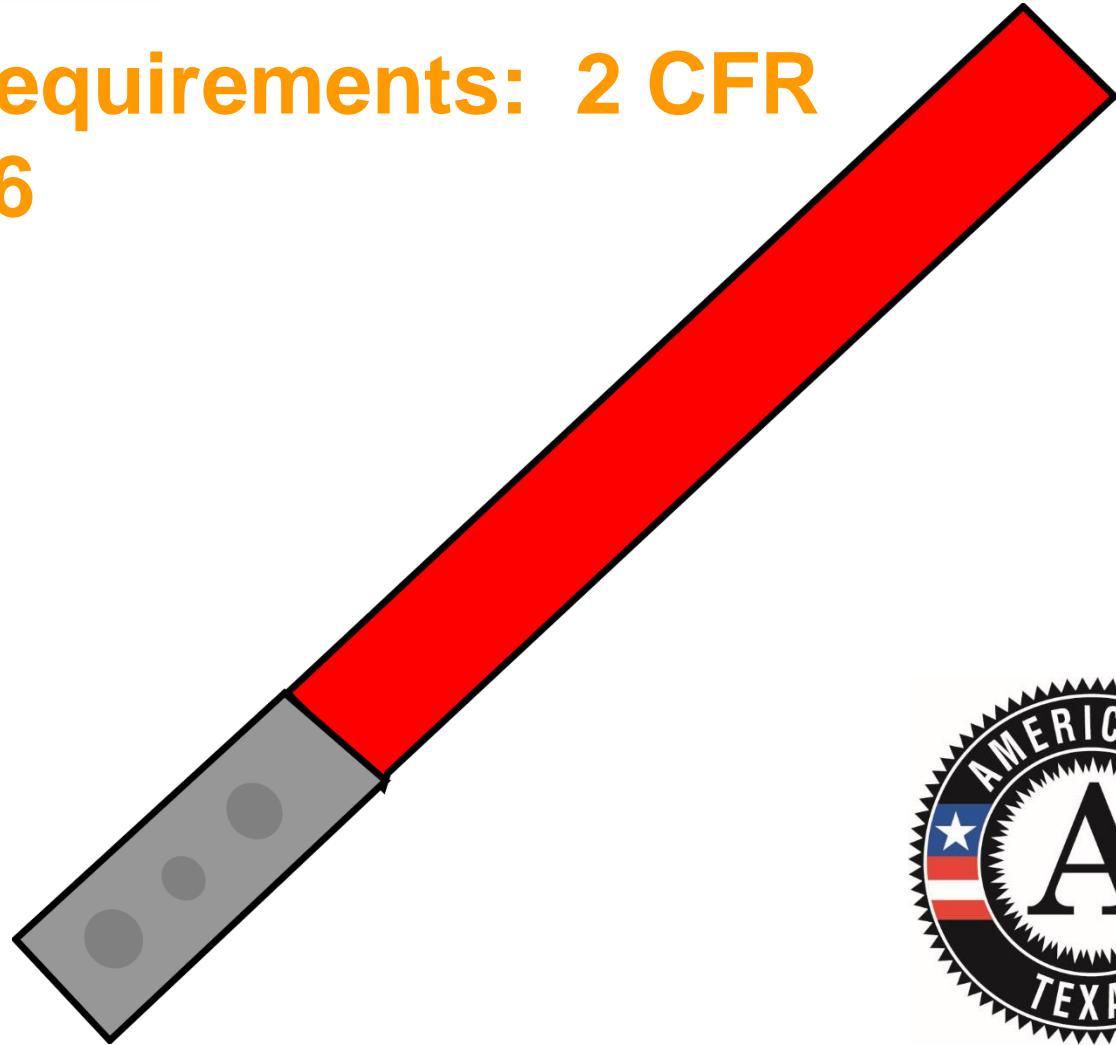
How would you define procurement?



Think about a team you've seen work really well together. What were some qualities of that team that made it work so well?



The New Requirements: 2 CFR 200.317-326



“This is a new day, a new beginning.” – Ahsoka Tano



PROCUREMENT STANDARDS

- **§ 200.317 Procurements by states.**
- **§ 200.318 General procurement standards.**
- **§ 200.319 Competition.**
- **§ 200.320 Methods of procurement to be followed.**
- **§ 200.321 Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms.**



- **§ 200.322 Procurement of recovered materials.**
- **§ 200.323 Contract cost and price.**
- **§ 200.324 Federal awarding agency or pass-through entity review.**
- **§ 200.325 Bonding requirements.**
- **§ 200.326 and Appendix II Contract provisions.**



§ 200.317 Procurements by states.

- States only have to:
 - Follow their own policies and procedures
 - Adhere to 200.322 on procurement of recovered materials
 - Adhere to 200.326 on required contract provisions



§ 200.318 General procurement standards.

- Lots of detail here, including requirements to:
 - Have and use documented procurement procedures
 - Have written standards of conduct in procurements
 - Have procedures to avoid purchasing unnecessary or duplicative items
 - Maintain sufficient records of every procurement



§ 200.319 Competition.

- Full and open competition is a must
 - Restrictors of competition include:
 - Placing unreasonable requirements on firms in order for them to qualify to do business
 - Requiring unnecessary experience and excessive bonding
 - Noncompetitive pricing practices between firms or affiliated companies
 - Noncompetitive contracts to consultants that are on retainer contracts
 - Organizational conflicts of interest
 - Specifying only a “brand name” product
 - Any arbitrary action in the procurement process

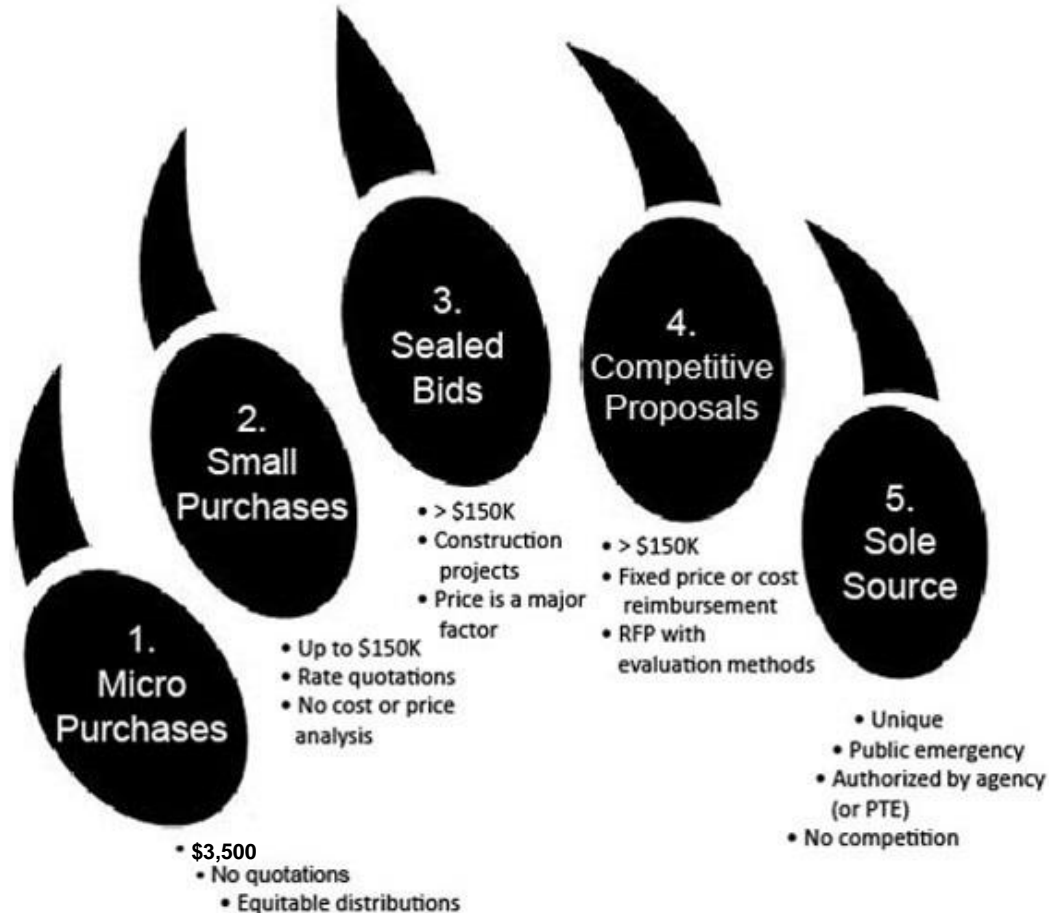


§ 200.320 Methods of procurement to be followed.

- Micro-Purchase (up to \$3500)
- Small Purchase (\$3500-\$150K)
- Sealed Bid (can use when price is only factor)
- Competitive Proposals (over \$150K)
- Noncompetitive (usually when there is a sole source or emergency)



Procurement “Claw” (Section 200.320)



§ 200.321 Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms.

Non-Federal entities must take the six affirmative steps listed in 200.321 to assure these firms will be used when possible.



§ 200.322 Procurement of recovered materials.

- Only applies to states and political subdivisions of states



§ 200.323 Contract cost and price.

- Cost or price analysis must be done for every procurement exceeding the Simplified Acquisition Threshold (currently \$150K)



§ 200.324 Federal awarding agency or pass-through entity review.

Specifies certain scenarios where the non-Federal entity must make procurement-related documents available to the Federal government or pass-through entity



§ 200.325 Bonding requirements.

The Federal awarding agency or pass-through entity may require specific bonding requirements if they determine the Federal interest is not adequately protected.



§ 200.326 Contract provisions.

- Stipulates up to nine required provisions for a procurement contract
- See 2 CFR 200, Appendix II for details



Procurement “Claw” (Sections 200.317-326)



§ 200.110 Effective/applicability date.

For the procurement standards in § 200.317-200.326, non-Federal entities may continue to comply with the procurement standards in previous OMB guidance (superseded by this part as described in § 200.104) **for two additional fiscal years after this part goes into effect.** If a non-Federal entity chooses to use the previous procurement standards for an additional two fiscal years before adopting the procurement standards in this part, the non-Federal entity must document this decision in their internal procurement policies.



Think back to when we mentioned some qualities of a good team?

How could these help you in implementing these new procurement requirements?



Some Keys to Compliant and Effective Procurement as a Team:

- **Written policies and procedures**
- **Good internal controls including checks and balances**
- **Communication**
- **Training**
- **Clear expectations and agreements**
- **Self-monitoring**



Case Studies:

Review each scenario in light of your procurement policy and answer:

- Was the approach described compliant with 2 CFR 200?
- How would you handle this under your current policy?
- Would your approach be compliant with 2 CFR 200.317-326?
- If not, how should you change your policy and/or procedure?



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