

Uniform Guidance – West Virginia University

Procurement Process Changes (effective July 1, 2018) due to Uniform Guidance

Uniform Guidance Overview

Uniform Guidance (“UG”) is a set of regulations (located at 2 CFR 200) that consolidates federal guidelines impacting research administration. Per the OMB website, this guidance “supersedes and streamlines requirements from OMB Circulars A-21, A-87, A-110, and A-122 (which have been placed in 2 C.F.R. Parts 220, 225, 215, and 230); Circulars A-89, A-102, and A-133; and the guidance in Circular A-50 on Single Audit Act follow-up.”

Goals of Uniform Guidance

UG significantly reforms federal grant making to focus resources on improving performance and outcomes. The intent is to reduce administrative burdens for grant applicants and recipients and reduce the risk of waste, fraud, and abuse.

Procurement guidance is specifically located in sections 200.317-200.326. This guidance focuses on increased competition and transparency in the procurement process.

Impact to West Virginia University

Since West Virginia University (WVU) has followed State regulations, changes to procurement practices should be minimal under UG. The three primary areas of focus to ensure compliance with UG are listed below.

On July 11, 2018, West Virginia University was granted a waiver regarding the micro-purchase threshold. The Micro-purchase threshold will be retained at the State limit of \$50,000.

Waiver confirmation is attached below

- Micro-purchase Threshold (MPT) \$3,000 to \$10,000 for **WVU** it is Less than \$50,000

The UG currently has the MPT at \$3,000. However, the American Competitiveness and Innovation Act (AICA) has raised the MPT procurement activities for the National Science Foundation (NSF), National Aeronautics and Space Administration (NASA), and the National Institute of Standards and Technology (NIST) from \$3,000 to \$10,000. Additionally, the memo issued on June 20, 2018 from the OMB (M-18-18) clarified that the MPT will be changed to \$10,000 in the Uniform Guidance. As a result, WVU will follow these agencies’ guidance regarding the level for the MPT. It is highly recommended that purchases that fall into the MPT category be purchased utilizing contracts already established and available via Mountaineer Marketplace “Punch Out” catalogs. These catalogs are the result of a competitive bidding process that meets the intent of the MPT requirements. This revised definition results in no changes to how the University community purchases goods at \$50,000 and below.

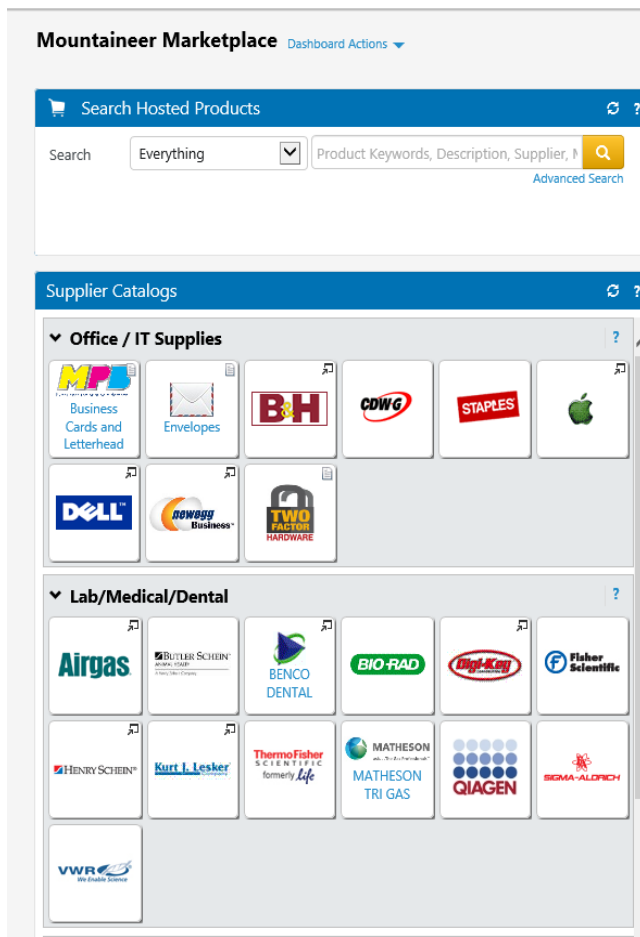
- Small Purchase Standard – greater than \$10,000 but less than \$50,000

Applies to the acquisition of goods or services in which the aggregate dollar amount of the transaction is greater than \$10,000 and less than \$50,000. Price or rate quotations must be obtained from an adequate number (i.e., any number greater than one) of qualified sources for transactions involving sponsored funds.

- Note: Transactions involving Preferred Vendors do not require price or rate quotations – see Preferred Vendor section below.
- University Standard: Meets or exceeds \$50,000

Applies to the acquisition of goods or services for transactions in which the aggregate dollar amount meets or exceeds \$50,000. Procurement actions involving all other accounts or funding sources (non-sponsored) will continue to utilize the established competitive bid threshold.

Preferred Vendor Catalogs – can be found in Mountaineer Marketplace



- Sole Source Procurement

UG has limited the use of sole sources to four distinct justifications. Those are:

1. Product/service is only available from a single source;
2. Public Emergency Procurement;
3. Federal Awarding Agency Authorization (the awarding agency specifically authorizes a non-competitive procurement after a written request from the Non-federal entity);
4. Inadequate competition after multiple attempted solicitations

These changes will result in increased scrutiny of all sole source justifications. The most significant change to the sole source section of UG (from the OMB circulars) is that the “continuity of research” justification is no longer an acceptable sole source. Additionally, any request for consulting services, based on a sole source justification, will result in a more deliberate, but ultimately more compliant screening and sourcing process of these services. Lastly, every sole source will require a price/cost justification.

Procurement, Contracting and Payment Services (PCPS) will manage the sourcing, (including the evaluation of sole source justifications) award, negotiations, and execution of research consulting contracts.

- Conflict of Interest

WVU has a Conflict of Interest policy that provides for ethical standards regarding Public Employees and Financial Disclosure. The link to this policy is provided below.

Additionally, sole source justifications may require further evidence or statements assuring no financial relationship exists with potential vendors.

<https://oric.research.wvu.edu/services/conflict-of-interest/statement-and-guidelines>

I am writing this e-mail in response to your e-mail June 29, 2018 and letter dated June 28, 2018, which request that the West Virginia University/West Virginia University Research Corporation be allowed to retain their micro-purchase threshold at \$50,000 which is in accordance to the West Virginia State Code and the West Virginia University Research Corporation's "clean audit".

I am hereby approving your request; effective immediately. As I am responding as expeditiously as possible, there will not be another correspondence sent to you regarding this approval. Therefore, please retain this e-mail approval as your official response for your records. Please contact me if you require further assistance.

Sincerely,
Andrea L. Brandon

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