


West Virginia Department of **EDUCATION**

Federal Updates

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Federal Procurement Standards



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Procurement Standards

- Pass-through entities are required to follow the General Procurement Standards in Sections 200.318-200.326 for procurement transactions that include federal funds.

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Procurement Standards

- All non-Federal entities must:
 - Have documented procurement procedures
 - Maintain oversight to ensure compliance
 - Maintain written standards of conduct covering conflicts of interest (real and or perceived)

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Conflicts of Interest

- A conflict of interest would arise when the employee, officer or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of those parties, has a financial or other interest in or receives a tangible personal benefit from a firm considered for a contract.

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Conflicts of Interest

- LEAs may set standards for situations in which the financial interest is not considered substantial or the gift is an unsolicited item of nominal value.
- Standards of conduct must provide for disciplinary actions to be applied for violations of such standards.

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Organizational Conflicts of Interest

- When the LEA is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization.
 - Written standards must also address organizational conflicts of interest
 - Does not apply when the related organization is a local or state government

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Economy and Efficiency

- Federal procurement must be completed in a way that fosters economy and efficiency
 - Avoid purchasing unnecessary or duplicative items
 - Consider entering into agreements for shared goods and services

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Responsible Contractors

- Must award contracts only to responsible contractors who are able to perform successfully under the terms and conditions of the contract
- Consider the following:
 - Integrity, compliance with public policy
 - Record of past performance
 - Not suspended or debarred

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Recordkeeping

- Procurement records must include the following:
 - Rationale for the method of procurement
 - Selection of contract type (ex. fixed price)
 - Contractor selection or rejection
 - Basis for the contract price

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Procurement Methods

- Micro-Purchases (<\$3,500)
- Small Purchases (>\$3,500 and <\$150,000)
- Competitive Sealed Bids (>\$150,000)
- Competitive Proposals
- Noncompetitive Proposals (severely limited)

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Micro Purchases

- The acquisition of supplies and services under \$3,500 (Section 200.320)
 - May be awarded without soliciting competitive quotations if the cost is reasonable.
 - To the extent practicable must distribute equitably among qualified suppliers.

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Small Purchases

- Purchases of goods or services >\$3,500 but < \$150,000 Simplified Acquisition Threshold
 - Must obtain price or rate quotes from an adequate number of qualified sources (Section 200.320)
 - Simple and informal

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Non-competitive Proposals

- Section 200.320 Procurement by noncompetitive proposals may be used only when one or more of the following apply:
 - The item is available only from a single source
 - An emergency will not permit competitive solicitation
 - The awarding agency or pass-through expressly authorizes noncompetitive proposals
 - After solicitation, competition is determined inadequate

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Competition

- Situations that are considered to be restrictive of competition and a violation of section 200.319:
 - Placing unreasonable requirements on firms in order for them to qualify to do business
 - Requiring unnecessary experience
 - Non-competitive pricing practices
 - Non-competitive contracts to consultants on retainer

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Competition (Cont.)

- Organizational conflicts of interest
- Specifying only a "brand name" product instead of allowing "an equal" product to be offered

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Geographical Preference

- Procurements must be conducted in a manner that prohibits the use of statutorily or administratively imposed state or local geographical preferences.
 - This does not include state licensing laws

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Contract cost and price

- If a procurement exceed the Simplified Acquisition Threshold (\$150,000), the non-Federal entity must perform a cost or price analysis.
- LEA must make an independent estimate before receiving any bids or proposals

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Suspension and Debarment

- For contracts over \$25,000 you must verify that the vendor is not excluded or disqualified
- This must be done by either:
 - Checking System for Award Mgt. (www.sam.gov)
 - Collecting a certification from that person, or
 - Adding a clause or condition to the transaction

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Bidding Exemptions

- State bidding exemptions **do not** apply for purchases made with federal funds
 - State requirements can only be more restrictive and not less restrictive


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Food & Beverage Purchases





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Allowable Cost – Food/Beverage


- Parent Involvement activities only
 - Utilizing Title I/III
 - Must extend through a mealtime
 - Supported with original receipts, event sign-in sheets and agendas
 - Can provide a beverage and light snack





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Unallowable Cost – Food/Beverage


- Title I/III cannot be used to pay for food/beverage for the following
 - Open Houses
 - Parent Teacher Conferences
 - Celebration, recognition or appreciation events
 - PTA/PTO meetings
 - Meetings of the general public




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Unallowable Cost – Food/Beverage

- Title II and RLIS (Title VI) funds cannot be used to purchase food and beverage



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Travel Costs

- Federal funds may be used to pay for travel costs including a per diem meal cost
 - Must be in accordance with local travel policy
 - Amounts paid cannot exceed federal per diem limits that were in place at the time of the travel
 - \$.575 per mile
 - Standard meal & incidental of \$51/day

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Conferences & Meetings

- When planning a conference/meeting to be paid for with federal funding, food and beverage may not be included in the meeting cost
 - It is not acceptable for the vendor to embed these costs, which would be otherwise unallowable into the cost of the meeting space

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Conferences & Meetings

- Indirect costs may not be used to pay for food/beverage since it would be easily considered a direct cost

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Conferences & Meetings

- If other non-federal resources are being used to pay for food/beverage at a meeting or conference
 - Must have a written disclaimer (e.g. note on the agenda) that Federal grant funds were not used to pay for the cost of food or beverages

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Questions



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