

May 30, 2018

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 the VCU community

Since VCU, to minimize administrative burden, has traditionally followed State regulations, changes to procurement practices should be minimal under UG. The procurement standards in the UG will be **effective for VCU on July 1, 2018**, however, ongoing review will be conducted as new purchasing policies and procedures are developed to address current policy gaps. Procurement Services has partnered with the Office of Sponsored Programs to collaboratively communicate and coordinate the execution of any new requirements.

VCU procurement areas of focus to ensure compliance with UG are listed below with other areas to be determined for later development with key stakeholders:

Micro-purchase Threshold (MPT)

For the first version of UG, the MPT was \$3,000. However, Congress recently passed a statute into law, changing the definition of MPT from \$3,000 to \$10,000. This revised definition results in no changes to how the University community purchases goods and services \$10,000 or less as this threshold also matches the current VCU threshold for micro-purchases. This generally refers to the non-contract purchase of goods and services. No purchases which require a vendor-supplied contract may be made directly by departments -- **all associated contracts must be reviewed by contract review staff in Procurement Services.**

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 solicitation of multiple sources

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, every sole source will require a price/cost justification and will require the University to negotiate profit with the vendors for those sole sources.

Questions about the current or new procurement standards can be directed to Mark Roberts, VCU’s Interim Director of Procurement Services, at mroberts8@vcu.edu or (804) 828-0033.

December 15, 2014

Notice Regarding Procurement Compliance Standards & Conformance To OMB’s Uniform Guidance at 2 CFR 200

On December 26, 2014, the OMB’s new Uniform Guidance at 2 CFR 200 will apply to all VCU federal awards. Because of significant changes in the new procurement standards and the level of effort required to implement them, VCU will continue to operate, comply and conform to OMB Circulars: A-21, A-110 and A-133 federal procurement standards until VCU procurement systems are adjusted to conform to Uniform Guidance (UG) which will not be later than July 1, 2018.

Questions about the implications of this decision and the current or new procurement standards can be directed to Brenda Mowen, VCU’s Director of Procurement Services, at bmowen@vcu.edu or (804) 828-3361.