



## I. Introduction

On December 26, 2013, the Office of Management and Budget (“OMB”) issued the “Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards,” (UG). The Uniform Guidance consolidates, streamlines and supersedes eight existing OMB Circulars, including Circulars A-21, A-110 and A-133. The new guidance, which affects all federal grants and contracts, took effect on December 26, 2014. In response, Texas Christian University (“TCU”) adopted this policy to comply with the Uniform Guidance Procurement Standards set out at 2CFR 200.317-326.

## II. Definitions

The definitions used in this policy, but not otherwise defined, have the same meaning given to them in [Subpart A of the Uniform Guidance](#).

## III. Applicability

This policy and associated procedures are intended to carry out TCU's responsibilities under the Uniform Guidance related to procurement. This policy and associated procedures are intended to be applied exclusively to all sponsored projects that are funded either directly or indirectly by federal and state sponsors.

## IV. Policy Requirements

### A. Procurement and Contractor Management.

#### 1. General.

- a. Vendors who assist in drafting specifications for requests for proposals must be excluded from competing for those opportunities.
- b. Any person procuring a good, service, or item from a vendor must maintain an appropriate level of oversight of vendor's performance.
- c. All procurements must be conducted in a manner that provides full and open competition with no unreasonable requirements to limit competition.
- d. Procurements must be conducted in a manner that prohibits the use of geographical preferences in the evaluation of proposals, except in certain case where federal law explicitly requires or encourages geographic preference or when contracting for architectural and engineering services, provided that specifying geographic location leaves an appropriate number of qualified firms.



- e. All procurements must take necessary affirmative steps to ensure small and minority businesses, women's business enterprises, and labor surplus area firms are used when possible.

2. **Methods of Procurement.** One of the five following methods of procurement must be used to purchase any good, service or item with federal or state grant funds. No other method is permitted. The Principal Investigator (PI) must reasonably document whichever method is utilized and provide the documentation to the Office of Sponsored Programs (OSP). For sealed bids, competitive proposals and noncompetitive proposals, OSP will administer the bid process in conjunction with the PI.

- a. Micro-purchase: In accordance with Section 207 (a)(1) American Competitiveness and Innovation Act (AICA), a micro-purchase is any purchase where the aggregate dollar amount does not exceed \$10,000.. When practical, micro-purchases should be distributed equitably among qualified suppliers. No competitive quotes are required if PI determines that the price is reasonable. PI must not intentionally split purchases or transactions to circumvent the dollar threshold limitation.
- b. Small purchase: Includes purchases up to the Simplified Acquisition threshold, which is currently \$250,000. Informal purchasing procedures are acceptable, but price or rate quotes must be obtained from at least three sources.
- c. Sealed bids: Used for purchases over the Simplified Acquisition Threshold, which is currently \$250,000. Formal solicitation is required, and the fixed price (lump sum or unit price) is awarded to the responsible bidder who conformed to all material terms and is the lowest in price.
- d. Competitive proposals: Used for purchases over the Simplified Acquisition Threshold, which is currently \$250,000. Formal solicitation is required, and either a fixed-price contract or a cost-reimbursement contract can be issued when sealed bid proposals are not appropriate. The contract should be awarded to the responsible bidder whose proposal is most advantageous to the program, with price being one of the various factors.
- e. Noncompetitive proposals (single or sole source procurement): Only appropriate when (1) the product or service procured is unique to one source or the requirements for the product or service can only be met by one supplier or contractor; (2) limited circumstances that justify procurement without open competition, such as a public emergency; (3) when the federal awarding agency authorizes; or (4) after a



number of attempts at a competitive process, the competition is deemed inadequate.

All Single or Sole Source procurements require documentation of solicitation elements that includes a clear and accurate description of the technical and programmatic requirements for the material, product, or services being procured.

The competitive bid process or the Single/Sole Source justification related to procurement is limited to the period defined by the agreement, including any agreed-upon extensions or options for extensions or renewals. If a change to or renewal, extension, or continuation of a procurement that was not competitively bid would result in an actual aggregate expenditure that exceeds the thresholds for required solicitation of bids, it must be approved by Associate Provost for Research after a justification documenting that the failure to determine the reasonably expected aggregate amount on the date of initial purchase was reasonable and justified.

3. **Solicitation Requirements.** Prior to issuance of a contract or establishment of a commitment with suppliers selected for purchases or services in excess of the small purchase threshold, OSP, and when applicable, Contract Administration, must ensure all applicable provisions are included in contract.

Cost or price analysis must be made and documented in the procurement files for all purchases in excess of small purchase threshold. Price analysis may be accomplished in various ways including the comparison of price quotations submitted, market prices, or similar assessments.

All transactions and activities related to purchasing goods or services from a supplier must comply with all applicable TCU policies, including TCU's Conflict of Interest Policy, Code of Conduct Policy and OSP Financial Conflict of Interest Policy.

4. **Contractor Management.** All responsible vendors must demonstrate all of the following attributes: integrity; compliance with public policy; satisfactory record of past performance; and technical and financial resources. All vendors will be screened for eligibility prior to conducting any business with TCU.

## V. Enforcement

Failure to comply with this Policy could result in disciplinary action, including termination of employment.



## **VI. Questions/Reports**

If you have any questions regarding the applicability or implementation of this policy, please contact OSP.

If you would like to report a potential violation, please contact the Research Integrity Officer. Reports regarding violations of this Policy may be submitted anonymously by using the independent Ethics and Compliance Hotline at 1-877-888-0002.

## **VII. Related Policies and Procedures**

TCU Conflict of Interest Policy

TCU Code of Conduct

Research Misconduct Policy and Procedures

OSP Financial Conflict of Interest Policy

## **VIII. History**

Effective Date: June 1, 2018\*

Revision Date(s): July 17, 2018 to change the simplified acquisitions amount to \$250,000 per the June 20, 2018 memo from OMB.

\*TCU continued to follow the rule by OMB effective on 5/17/2017 and prior grace period rules that allowed “for all non-Federal entities, there was an additional one-year grace period for implementation of the procurement standards in 2 CFR 200.317 through 200.326. This means the grace period for non-Federal entities extends through December 25, 2017, and the implementation date for the procurement standards will start for fiscal years beginning on or after December 26, 2017.” In response, Texas Christian University (“TCU”) adopted this policy to comply with the Uniform Guidance Procurement Standards set out at 2CFR 200.317-326 effective June 1, 2018.