

University of Portland Procurement Policy

Executive Summary

The University of Portland follows standards set by the Office of Management and Budget (OMB) as stated in [Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards \(2 CFR 200\)](#) when using federal funds. These funds are either awarded directly to UP or through pass through agreements with other institutions. These standards will generally be followed with non-federal funds as well, but it is not a requirement. 2 CFR 200 sets forth standards for the procurements of supplies, equipment, construction, services, and other items to ensure they are obtained through an economically fair process that encourages competition. All procurement transactions must provide open and full competition consistent with the standards set forth in the 2 CFR 200. The procurement specific sections are 200.317 through 200.326

In general, the standards include:

1. Guidelines for address conflicts of interest (2 CFR 200.318)
2. Steps to support minority businesses, women's businesses, and labor surplus areas (200.321)
3. Specific contract content requirements (Appendix II to 2 CFR 200)
4. Guidance on contracts with excluded entities listed on the GSA's website (sam.gov)
5. Procurement methods guidelines based on thresholds (200.320 and 200.322)

Procurement Standards

This section contains the procurement standards high points that must be followed.

1. Any potential **Conflict of Interest** must be disclosed in writing to the Federal awarding agency for pass-through entity (2 CFR 200.112). 2 CFR 200.318 expands on conflicts of interest as it relates to the procurement of goods and services.
2. 2 CFR 200.321 states six steps that the University of Portland, as a non-federal entity, must follow when creating contracts. These steps assure that **minority businesses, women's business enterprises, and labor surplus area** firms are used whenever possible. The affirmative steps listed include placing minority businesses and women's businesses on solicitation lists, soliciting from them whenever possible, and dividing total project requirements into smaller requirements so these businesses can participate whenever it is feasible for the project.
3. Appendix II to Part 200 contains ten contract provisions that the University, as a non-federal entity, must follow when entering into **contracts with federal funds**. These are in addition to any provisions required by the federal agency or non-federal entity entering into a contract with the University. These contract content requirements vary depending on the total contract threshold. All contracts must be reviewed by General Counsel and signed by a University Officer. Please contact the Office of the Controller in order to assist with the contract preparation and ensure the contract content provisions in Appendix II to Part 200 are met.
4. Contracts cannot be made to entities listed on the General Service Administration's (GSA) wide exclusions list found in the System for Award Management (SAM) found at sam.gov. This requirement is per OMB guidelines in 2 CFR 180 which enacted Executive orders 12549 and 12689. This **exclusions list** contains entities that are debarred, suspended, or otherwise declared ineligible under statutory or regulatory authorities other than Executive Order 12549.

5. The following chart outlines the various **procurement methods** listed in OMB 200.320 as well as OMB definitions based on procurement category and threshold. If you are unsure of which policy to follow, please contact the Office of the Controller of assistance with meeting the procurement requirements.

Quick Guide on Procurement Methods by Threshold

This chart serves as a quick reference guide when beginning a procurement process. If you are looking for more information please review the standards in 2 CFR 200 and contact the Office of the Controller for assistance.

Procurement Category	OMB Amount	OMB Policy
Micro-Purchase	Up to \$3,000	See definition (200.67). To the extent practicable, the non-Federal entity must distribute micro-purchases equitably among qualified suppliers. Micro-purchases may be awarded without soliciting competitive quotations if the non-Federal entity considers the price to be reasonable (CFR 200.320 a).
Small Purchases	Up to \$150,000	If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources (CFR 200.320 part b).
Sealed Bids (preferred method for construction contracts)	Up to \$150,000	Bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price (CFR 200.320 part c). CFR 200.320 states specific conditions for sealed bids and provides process requirements. The University will work closely with funds to ensure that the procurement approaches meet the grant requirements and funder preferences.
Competitive Bids (Used when conditions are not appropriate for the use of sealed bids)	Up to \$150,000	The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded (CFR 200.320 part d). See part d of CFR 200.320 for the The University will work closely with funds to ensure that the procurement approaches meet the grant requirements and funder preferences. The method must also follow the competition standards set in 2 CFR 200.319 to ensure full and open competition is present during the bidding process.
Non-Competitive Bids (sole source)	Up to \$150,000	This method may be used when one of four scenarios in CFR 200.320 part f is present. Each Federal agency will have document to support this.

Definitions:

Additional definitions are available in Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR 200). Here are a few important definitions to notes when reviewing the UP Procurement Policy and Quick Guide on Procurement Methods by Threshold.

- **Equipment** means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or \$5,000 per 200.33. See also §§200.12 Capital assets, 200.20 Computing devices, 200.48 General purpose equipment, 200.58 Information technology systems, 200.89 Special purpose equipment, and 200.94 Supplies.
- **Micro-purchase** means a purchase of supplies or services using simplified acquisition procedures, the aggregate amount of which does not exceed the micro-purchase threshold per 200.67. The micro-purchase threshold is set by the Federal Acquisition Regulation at 48 CFR Subpart 2.1 (Definitions). It is \$3,000 except as otherwise discussed in Subpart 2.1 of that regulation, but this threshold is periodically adjusted for inflation.
 - **Davis-Baron Act** restricted purchases have a micro-purchase limit of \$2,000 ([40 U.S.C. 3141-3148](#)). This act generally applies to construction and renovation costs greater than \$2,000. Related contract requirements are also found in Appendix II to Part 200 part D.
- **Small Purchase Procedures** are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold per CFR200.320 part b.
- **Simplified Acquisition Threshold** means the dollar amount below which a non-Federal entity may purchase property or services using small purchase methods per 200.88. Non-Federal entities adopt small purchase procedures in order to expedite the purchase of items costing less than the simplified acquisition threshold. The simplified acquisition threshold is set by the Federal Acquisition Regulation at 48 CFR Subpart 2.1 (Definitions) and in accordance with 41 U.S.C. 1908. As of the publication of this part, the simplified acquisition threshold is \$150,000, but this threshold is periodically adjusted for inflation. (Also see definition of §200.67 Micro-purchase.)