



**Effective 7/1/2018**

## **Purchases Made Under Research Grants, Agreements, and Contracts**

### **Background**

The new Office of Management and Budget (OMB) Uniform Guidance (UG) went into effect on December 26, 2014 and will apply to awards or funding increments issued on or after that date. Purchases funded by federal grant funds must adhere to regulations found in Uniform Guidance as a condition of receiving funds and to meet annual audit compliance. In an effort to maintain consistency, Georgia State University will implement the new federal procurement guidelines for all sponsored grants and contracts.

### **Conflict-of-Interest**

No employee or agent of Georgia State University may participate in the selection, award, or administration of a contract funded by federal grant dollars if he or she has an actual or apparent conflict of interest.

A "Conflict of Interest" exists whenever personal, professional, commercial, or financial interests or activities outside of the University have the possibility (either in actuality or in appearance) of influencing a University Employee's decision or behavior with respect to teaching and student affairs, appointments and promotions, uses of University resources, procurement and business transactions, or other matters of interest to the University resources, procurement and business transactions, or other matters of interest to the University or of biasing the design, conduct or reporting of University research. An essential step in addressing a Conflict of Interest is for the University Employee involved to make full disclosure of relevant information related to any actual or potential Conflict of Interest so that interested parties inside and outside of the University may evaluate such information. The University's policy addressing Conflicts of Interest may be found here: [https://app.gsu.edu/policies/index.cfm?view\\_policy=6028](https://app.gsu.edu/policies/index.cfm?view_policy=6028).

### **Conflicts of Interest in Research**

The University promotes objectivity in University research by establishing processes that provide a reasonable expectation that the design, conduct, and reporting of sponsored research is free from bias resulting from financial conflicts of interest of the University Employee involved in the research. More information, including the University's Policy on Financial Disclosures in Sponsored Instruction, Research or Service Activities, may be found here: <http://ursa.research.gsu.edu/conflicts-of-interest/>.

## **Allowable Methods of Procurement**

1. **Micro-purchases** - the acquisition of supplies or services, the aggregate dollar amount of which does not exceed \$10,000.
2. **Small purchase** - the acquisition of supplies, services or equipment in the range of \$10,001 to \$250,000.
3. **Sealed bids** - For acquisitions costing more than \$250,000, bids are publicly solicited and a firm fixed price contract is awarded to the responsible bidder whose bid is the lowest price.
4. **Competitive proposals** - For acquisitions costing more than \$250,000, conducted with more than one source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded. Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program with price and other factors considered.
5. **Noncompetitive proposals** - procurement through solicitation of a proposal from only one source. A waiver must be granted by submitting the Sole Source Intent to Award Justification Form. Sole Source justification may be used when a procured item or service is only available from a single source, during a public emergency, approved by Federal agency, or when competition is deemed inadequate after solicitation from a number of sources.

*All five procurement types must comply with the Procurement Standards in section 200.318, which can be summarized generally as follows: (1) the purchase complies with the non-Federal entity's documented procedures in place, (2) purchases are necessary, (3) open competition (to the extent required by each method), (4) conflict of interest policy and (5) proper documentation for the purchases.*

## **Procedure**

### **Purchases less than \$10,000**

The buyer/requester should identify potential suppliers. When possible, Statewide Contracts should be used.

**Note:** Installment payments less than \$10,000 towards a total purchase price greater than \$10,000 do not count as micro purchases.

### **Purchases between \$10,001 and \$24,999 (non-contract)**

Buyers will need to submit a requisition documenting at least two (2) price quotes and the basis for vendor selection prior to making a purchase. Documentation needs to be in writing from the vendors and can include screen shots from websites, copies of published price lists and advertised pricing in established magazines or journals. This documentation should be attached to the requisition in Panther Mart. Once the requisition is approved by all parties the PO will distribute to the supplier. When possible, buyers should use Statewide Contracts.

### **Purchases between \$25,000 and \$250,000**

Bids will need to be posted to the Georgia Procurement Registry per the guidelines below. Goods and services classified by DOAS as statutory exemptions will follow the Uniform Guidance requirements for Small Purchases.

<b>Public Posting Guidelines</b>	
<b>If the Estimated Contract Value is...</b>	<b>Then, the <b>Posting</b> Period is...</b>
\$25,000 - \$99,999.99	Minimum of Three (3) Business Days
\$100,000 - \$249,999.99 (UG \$150,000 or more requires sealed Bid)	Minimum of Five (5) Business Days
\$250,000 or more	Minimum of Fifteen (15) Calendar Days

### **Purchases greater than \$150,000**

Buyers will need to contact the Purchasing Department for assistance with the formal bid process. Purchasing will work collaboratively with the PI or requestor to facilitate this process and meet all federal requirements. It is important therefore that the buyer communicate their plans for major purchases as early as possible so there will be adequate time to complete the appropriate competitive procedure.

### **Sole Source Intent to Award Justification Form**

There may be times when competitive bids are not appropriate and the requirement for obtaining them is waived. Failing to anticipate needs resulting from poor planning is not an exception to competitive requirements. For an exception to be valid, a clear statement of justification for waiving the competitive bidding process must be submitted in writing for approval by completing the Sole Source Intent to Award Justification Form.

**Note:** Only Sole Source forms are required for procurements between \$10,001 - \$24,999 or for DOAS statutory exemptions. For goods and services above \$24,999, Sole Source forms must be posted on the Georgia Procurement Registry.

Situations that would justify purchases without the competitive bid process are:

- The supplier is obviously a sole source for the item. Examples:
  - The item is available only from a single source
  - Artwork
  - Unusual and generally unavailable used equipment
  - Specialized scientific equipment and instruments
  - A specialized service (lobbyist, consultant) where the supplier has a one-of-a-kind ability to provide the required service due to demonstrably unique circumstances (knowledge, contacts, experience)
  - Continuation of a current service where changing suppliers could result in excessive cost

- The federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity; or
  - After solicitation of a number of sources, competition is determined inadequate.
- The item will be hooked up to existing equipment or the purchase is an upgrade to existing equipment/software.
- The public urgency or emergency for the requirement will not permit a delay resulting from competitive solicitation. Examples:
  - Human life, health or University property is in jeopardy
  - Repairs are immediately needed for equipment where delay would lead to higher expense.
- Subcontracts whereby the agreement to work with another individual or institution was written into the grant award.