

PROCUREMENT GUIDANCE FOR EDA AWARDS

Procurement of property and services is a common post-award activity, and this resource is intended to support EDA staff in communicating compliance requirements. All EDA recipients must adhere to federal procurement standards in procurements under an EDA award. As with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements (Uniform Guidance), these rules also apply to subrecipients, and recipients are responsible for monitoring subrecipients to ensure compliance with all award conditions and requirements. **Importantly**, per 2 C.F.R. § 200.317, States (and entities that are required by State law to follow State procurement requirements) are required to follow their own procurement requirements; therefore, the below guidance **does not** apply to State recipients. EDA retains the right to request and review award documentation at any point in the period of performance.¹

To see the full text of the Procurement Standards of the Uniform Guidance, refer to 2 C.F.R. 200.317 – 200.327.

Informal procurement methods – for procurements up to \$250,000 2 CFR 200.320(a)

Procurement amount	Type of procurement	Requirements
\$10,000 and under Please note that if the Recipient or Subrecipient maintains appropriate documentation, the Recipient or Subrecipient may increase the micro-purchase threshold to \$50,000 in accordance with the requirements at 2 CFR 200.320(a)(1)(iv).	<i>Micro-purchase</i>	Micro-purchases may be awarded without soliciting competitive price or rate quotations if the Recipient or Subrecipient considers the price to be reasonable based on research, experience, purchase history or other information and documents the Recipient or Subrecipient’s files accordingly. Purchase cards can be used for micro-purchases if procedures are documented and approved by the non-Federal entity.
Between \$10,000 and \$250,000	<i>Small purchase</i>	If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources as determined appropriate by the non-Federal entity. In general, at least three qualified sources are considered “an adequate number of qualified sources.”

¹ Please note that this document is a summary of the Procurement Standards set out in the Uniform Guidance (2 C.F.R. 200.217 – 200.327) and is for information only. It does not constitute EDA guidance and does not supersede the language of the Uniform Guidance. Please contact EDA with questions.

PROCUREMENT GUIDANCE FOR EDA AWARDS

Formal procurement methods – for procurements over \$250,000

Formal procurements require one of the following methods as appropriate to the type of procurement
2 CFR 200.320(b)

Procurement amount	Type of procurement	Requirements
Over \$250,000	<p>Sealed bids – a procurement method in which 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.</p> <p>Preferred in the following conditions:</p> <p>A. A complete, adequate, and realistic specification or purchase description is available;</p> <p>B. Two or more responsible bidders are willing and able to compete effectively for the business; and</p> <p>C. The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.</p>	<p>If sealed bids are used, the following requirements apply:</p> <p>A. Bids must be solicited from an adequate number of qualified sources, providing them sufficient response time prior to the date set for opening the bids, for local, and tribal governments, the invitation for bids must be publicly advertised;</p> <p>B. The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond;</p> <p>C. All bids will be opened at the time and place prescribed in the invitation for bids, and for local and tribal governments, the bids must be opened publicly;</p> <p>D. A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and</p> <p>E. Any or all bids may be rejected if there is a sound documented reason.</p>

PROCUREMENT GUIDANCE FOR EDA AWARDS

<p>Over \$250,000</p>	<p>Proposals – a procurement method in which either a fixed price or cost-reimbursement type contract is awarded.</p> <p>Generally used when conditions are not appropriate for the use of sealed bids.</p>	<p>They are awarded in accordance with the following requirements:</p> <p>A. Requests for proposals must be publicized and identify all evaluation factors and their relative importance. Proposals must be solicited from an adequate number of qualified offerors. Any response to publicized requests for proposals must be considered to the maximum extent practical;</p> <p>B. The non-Federal entity must have a written method for conducting technical evaluations of the proposals received and making selections;</p> <p>C. Contracts must be awarded to the responsible offeror whose proposal is most advantageous to the non-Federal entity, with price and other factors considered; and</p> <p>D. The non-Federal entity may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby offeror's qualifications are evaluated and the most qualified offeror is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services through A/E firms that are a potential source to perform the proposed effort.</p>
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PROCUREMENT GUIDANCE FOR EDA AWARDS

Noncompetitive procurements – applicable to noncompetitive procurements of any amount 2 CFR 200.320(c)

Procurement amount	Type of procurement	Requirements
Any amount	<p>Non-competitive</p> <p><i>Please note:</i> noncompetitive procurements are rarely approved.</p>	<p>Noncompetitive procurement can only be awarded if one or more of the following circumstances apply:</p> <p>A. The acquisition of property or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold (see 2 CFR 200.320(a)(1));</p> <p>B. The item is available only from a single source;</p> <p>C. The public exigency or emergency for the requirement will not permit a delay resulting from publicizing a competitive solicitation;</p> <p>D. The Federal awarding agency or pass-through entity expressly authorizes a noncompetitive procurement in response to a written request from the non-Federal entity; or</p> <p>E. After solicitation of a number of sources, competition is determined inadequate.</p>