

## FDP (FEDERAL DEMONSTRATION PARTNERSHIP) - January 12, 2015

## Concurrent- Uniform Guidance Procurement Working Group

- **200.317- 200.326- Procurement Standards-** Grace period for implementation of procurement standards. For FY16, institution can elect to use OMB Circular A-110 or 2 CFR Part 200, however they must document that they are in compliance and with which one in accordance with the document standards. Beginning with FY17, Institutions must comply with Procurement Standards in 2 CFR Part 200.
- **Boston College - Small school perspective.** Issues with small transactions, especially between \$3,000-\$5,000 where most of their purchases are. However, any purchase greater than \$1,000 is reviewed is by Office of Sponsored Programs.
- **2 CFR Part 200 Restrictions.** Bid limit is \$5,000. Purchase card transactions limit is down to \$3,000. Still need to do quotes for \$3,000-\$5,000. Most schools do not have the staff to process these quotes in that limit. COFAR FAQ's define "quote" vs. "bid" process.
- **Strategic Source Purchasing.** Combine with other entities/private schools and consortiums. Be mindful of price fixing and competition. Best way for small schools is to comply with 2 CFR Part 200.
- **Documentation.** Check 2 CFR Part 200 requirements. Different departments view it different. Error on retaining documentation longer.
- **200.320- Methods of Procurement.** New regulations for micro purchases does finally provide some guidance – a purchase card is a big issue if the limit is higher than \$3,000 - does this also apply to purchases in indirect pools as well as direct bases? Refer to the: Is it Pilot Worth section, below.
- **Procurement Systems and Processes.** Same system for federal purchases, sponsored purchases and non-sponsored purchases. Otherwise, would need to retain multiple procurement systems.
- **\$3,000 Limit.** Causes lots of issues for schools. Per Debbie Rafi, in the FAR is the federal limit for P Card purchases. The states are exempt, which is the irony. 200.317 presents a quandary for state schools. OMB Circular A102 says "shall", 200.317 says "must". Debbie is trying to start a pilot like Payroll Cert.
- **Pilot Program.** Can they pilot the \$5,000 threshold, to provide documentation that \$5,000 threshold is equally low risk as \$3,000 threshold. And it also matches the \$5,000 capitalization threshold.
- **Sixty Day Comment period.** Procurement is one of the most pressing items that Universities want to express concerns on. Debbie Rafi recommends that Universities do respond to OMB.

- **FAR requirement-** \$25 million federal purchases - review required every 2-3 years. Approximately, 30 schools are affected. If passed, get relief to be able to use prior approval for previous purchases.

### Concurrent- Administrative Burden Working Group

- **NSF – Implementation.** Used PAPPG policy guide but they are included in the OMB Implementation Statement on December 19, 2014. **Significant NSF areas:** Administrative and Clerical Salaries and Wages, Travel, Participant Support, Materials and Supplies, Indirect Costs and Risk Management.
- **NSF – Subaward, Domestic.** De-minimis 10% or negotiated rate. If negotiated rate, use that. If they never had a rate, use the de minimis. If foreign, use de minimis. Don't want to see any with a 0.00 rate.
- **NSF – FFR - no longer required,** but annual financial reporting is required.
- **NIH & NSF.** Both adopted Interim 2 CFR Part 200 regulations on December 29, 2014 with a sixty day comment period but NIH is required to wait for approval by HHS.
- **NIH – Prior Written Approval.** NIH is waiving prior written approval in accordance with their previous treatment.
- **NIH – Research Terms and Condition Workgroup.** To develop language for the waiving of prior written approvals with other agencies.
- **NIH and NSF F&A Issues.** Rate for foreign subs, 8% or 10%, use of uncollected F&A as cost sharing, approval process for F&A rates lower than the IHE negotiated indirect cost.
- **NIH and NSF Agency Implementation.** Research terms and conditions, timeline and content for release of NIH GPS, clarity on application of 2 CFR Part 200 to pre Uniform Guidance Awards - unspent and new increments and 60 day comment period on implementation.
- **ONR – For new DOD grants after 12/26/14.** Interim implementation grants issued on 12/26/14 on interim basis which conform with 2 CFR Part 200. The language will be coming for new research terms and conditions and the website will be updated. 2<sup>nd</sup> increments will be new money but not subject to 2 CFR Part 200. Different than HHS – institutions were quite concerned about the additional accounting (attribute)
- **Allowability of Computing Devices.** Look at how it relates to the Research. Consistency is important.