

**SOUTH FLORIDA STATE COLLEGE  
ADMINISTRATIVE PROCEDURES**

**PROCEDURE NO.** 4225

**TITLE:** ADDITIONAL PROCUREMENT PROCEDURES FOR PURCHASES FROM  
FEDERAL GRANTS

**BASED ON POLICY:** 4.22 GRANTS ADMINISTRATION

**OFFICE OF PRIMARY RESPONSIBILITY:** VICE PRESIDENT FOR ADMINISTRATIVE  
SERVICES/CONTROLLER

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**I. Purpose:**

To provide guidance in addition to SFSC Procedure 4040, Purchasing of Goods and Services, for procurements made from federally funded grants and contracts in order to ensure compliance with the Federal *Uniform Guidance*

**II. Procedure:**

A. The Federal *Uniform Guidance* prescribes methodologies for procuring property and services based on dollar thresholds. These are summarized in the following chart.

Dollar Threshold	Prescribed Methodologies for Procurement
< \$3000	<b>Micro-Purchase Method</b> - This method may be used to obtain supplies and services that are valued at less than \$3,000 without quotes or formal solicitation. While quotes are not required all documentation received relevant to a purchase should be retained for accounting purposes.
\$3000.01 - \$149,999.99	<b>Small Purchase Method</b> - When using this method, non- federal entities must obtain price and rate quotations from an adequate number of qualified sources before awarding a contract and follow institutional purchasing rules and regulations.
\$150,000 +	<b>Sealed Bids</b> - Preferred method of awarding contracts. The only selection criteria in awarding a contract is the bid amount, and the contract must be awarded to the lowest
	<b>Competitive Proposals</b> -This method is used when conditions are not appropriate for sealed bids.
	<b>Noncompetitive (Sole Source Proposals)</b> - Solicitation of a proposal from only one source may only be used when one or more of the following circumstances apply:
	1. The item is only available from a single source.
	2. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation.
	3. The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request.
	4. After solicitation of a number of sources, competition is determined inadequate.

B. How to integrate Federal *Uniform Guidance* and SFSC purchasing procedures

1. All purchases will adhere to SFSC Procedure 4040 except when Federal procedures conflict and then the federal provisions will override college procedure. Federal procedures will apply to purchases made from Federal sources.
2. The following table presents a summary for how SFSC and Federal procedure will work together.

<b>Dollar Threshold for Purchase</b>	<b>SFSC College Procedure 4040</b>	<b>Federal <i>Uniform Guidance</i></b>
\$0 - \$3,000	Should seek best price. No quotes required.	Should seek best price. No quotes required.
\$3000.01 - \$4999.99	Should seek best price. No quotes required.	Need to obtain three telephone quotes.
\$5, 000 - \$19,999.99	Need to obtain three telephone quotes unless purchase is exempt by State law.	Need to obtain three telephone quotes.
\$20,000 - \$65,000	Need to obtain three written quotes unless purchase is exempt.	Need to obtain three written quotes.
over \$65,000	Need to seek competitive bid for goods or services unless exempt by State law.	Need to seek competitive bid for goods or services.
over \$250,000	Need to seek competitive bid for goods or services unless exempt by State law. SFSC Board to approve prior to president or VP for Administrative Services' signature.	Need to seek competitive bid for goods or services. SFSC Board to approve prior to president or VP for Administrative Services' signature.

- C. The Federal *Uniform Guidance* requires the following identified contractual provisions based on the value and type of contracts that are federally funded. The provisions are summarized in the chart and then detailed after the chart.

Provision	Contract Threshold	Notes
1. Rights to inventions made under contract or agreement	All	For research and development contracts
2. Energy efficiency	All	Must comply with the energy Policy and Conservation Act
3. Debarment and suspension	All	Must ensure that no contracts are awarded to parties listed on the Exclusion Extract on SAM.gov
4. Procurement of recovered materials	\$10,000	Applicable for state and local governments
5. Termination for cause and convenience	\$10,000	Must include basis of settlement and effects of termination
6. Equal employment opportunity	All construction contracts	References 41 CFR Part 60-1.3
7. Davis-Bacon Act	\$2,000 (Construction contracts when required by law)	Must include Copeland "Anti-Kickback" Act
8. Contract Work Hours And Safety Standards Act	\$100,000 (Contracts involving mechanics or laborers)	Does not apply to the purchases of supplied or materials ordinarily available on the open market
9. Byrd Anti-Lobbying Amendment	\$100,000	Contracts must file a certification
10. Breach of Contract	Simplified acquisition threshold	Must identify sanctions and penalties
11. Clean Air Act and Federal Water Pollution Control Act	Simplified acquisition threshold	Should include statement that violations will be reported to federal awarding agency and the Regional Office of the Environmental protection Agency (EPA)

#### 1. Rights to inventions made under a contract or agreement

The college will incorporate language to require any subrecipient to a research and development federal funding agreement to comply with the requirements of 37 CFR Part 401, "*Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements.*" Additional language may be

added by the college to reflect implementing regulations issued by the awarding agency.

2. Energy efficiency

The college will incorporate language in funding agreements with subrecipients and contractors to agree to adhere to mandatory standards and policies relating to the Energy Policy and Conservation Act (42 USC. 6201).

3. Debarment and suspension

college purchasing and business office staff will verify that federal vendors have not been debarred or suspended by verifying that federal vendors are not listed in the Excluded Parties List System in the System for Award Management (SAM). Compliance with this will be documented as part of the expenditure support regardless of payment type. The grants accountant is responsible to verify that vendors have not been debarred or suspended prior to their signatory approval (if it has not already been done and is documented in the backup support for the expenditure.)

4. Procurement of recovered materials

The college is required to procure designated items composed of the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition. This applies only to federal grant purchases where the college purchases \$10,000 or more worth of the same or similar items during the course of the fiscal year or where the cost of such items or of functionally equivalent items purchased during the preceding year was \$10,000 or more. Refer to college Procedure 4226, Affirmative Procurement Program, as it contains the provisions to comply with this requirement.

5. Termination for cause and convenience

College staff will ensure that all contracts in excess of \$10,000 will address termination for cause and convenience by the college including the manner by which termination will be effected and the basis for settlement.

6. Equal employment opportunity

Purchasing staff will ensure that the following Equal Employment Opportunity clause will be incorporated into all federally assisted construction contracts.

During the performance of this contract, the contractors agrees to adhere the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

7. Davis-Bacon Act

When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 USC. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). The contracts must also include a provision for Compliance with the Copeland "Anti-Kickback" Act (40 USC 3145) as supplemented by Department of Labor regulations 29 CFR Part 3. The Purchasing department will ensure that these provisions requiring contractor compliance are written into applicable contracts, that all solicitations for this type of resulting contract will have a copy of the current prevailing wage determination from the Department of Labor, and that any college decision to award a contract must be conditioned upon the acceptance of the wage determination.

8. Contract Work Hours and Safety Standards Act (40 USC 3701-3708)

Where applicable, all contracts awarded by the college in excess of \$100,000 that involve the employment of mechanics or laborers will include a provision for compliance with 40 USC 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Purchasing or grants development staff will ensure that these provisions as appropriate will be incorporated into contracts or sub-grants that the college enters into meeting these conditions.

Under 40 USC 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 USC 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous.

These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

9. Byrd anti-lobbying amendment

Purchasing or grants development staff will ensure that contractors that apply or bid for an award of \$100,000 or more will file the required certification as part of their bid response. The college will disclose any lobbying activity that it has knowledge of to the granting entity.

10. Breach of contract

For contracts and subgrants for more than the simplified acquisition threshold currently set at \$150,000, purchasing or grants development

staff will ensure that administrative, contractual, or legal remedies are built into contracts so that should contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

#### 11. Clean Air Act

Purchasing or grants development staff will ensure that contracts and subgrants of amounts in excess of \$150,000 will contain a provision that requires the non-Federal awardee/contractor to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C.1251-1387). Violations will be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

**HISTORY: Adopted:** 5/12/15

**Adopted:** 5/12/15

**Reviewed:**

**Revised:**