Procurement Standards
2024 Overview

Jim Konrad, AVP, Procurement
Procurement Standards

Northwestern implemented the Uniform Guidance Procurement Standards for purchases on sponsored programs, in accordance with government regulations 2 CFR 200.317-326.

Primary goals of these procurement standards are to:

• increase reuse of existing equipment and supplies
• increase competition when purchasing equipment and supplies
• minimize sole sources
Procurement Standards

- Micro Purchase Threshold (Under $10,000)
- Simplified Acquisition (Between $10,000 - $250,000)
- Complex Acquisition (Over $250,000)

- Noncompetitive Proposals (Over $10,000)
- Sealed Bids & Competitive Proposals (Over $250,000)
Definitions

• **Micro Purchase**
  o Defined as less than $10,000
  o No competitive quotes are required
  o Use preferred vendors whenever possible

• **Simplified Acquisition**
  o Greater than $10,000 and less than $250,000
  o Multiple bids must be solicited
  o Bids can be solicited by department/school
  o Process can be more informal in nature
  o Use preferred vendors whenever possible
Definitions

• **Non-competitive Proposals**
  
  o Greater than $10,000
  
  o Justification for other than full and open competition. This can occur when one or more of the following are met:
    ▪ The acquisition of property or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold
    ▪ The item is available only from a single source
    ▪ The public exigency or emergency for the requirement will not permit a delay resulting from publicizing a competitive solicitation
    ▪ The Federal awarding agency or pass-through entity expressly authorizes a noncompetitive procurement in response to a written request from the non-Federal entity
    ▪ After solicitation of a number of sources, competition is determined inadequate
Definitions

• Complex Acquisitions
  o Defined as $250,000 or more
  o Formal bids must be solicited
  o Bid must be conducted by Procurement and Payment Services (PPS) when sponsored dollars are being used in order to be in compliance
    ▪ Defined evaluation criteria
    ▪ Published sealed bid due date
    ▪ Bid opportunity must be publicly advertised
PPS Process

• Procurement and Payment Services web page has been updated to reflect the Uniform Guidance Procurement Standards
  - Email address was established for departments to use to send bid requests to PPS

• Bid opportunities will be posted on the PPS website with a bid due date and time (meets advertise requirement)

• Email address will be established for vendors to submit their bids
  - Bids will be kept in a central folder until after the formal bid due date (meets sealed bid requirement)

• Bid results will be summarized, PPS and department will make award decision

• Department will initiate requisition with Bid Documentation Form and quote attached so an official Purchase Order can be sent to the vendor
Other Key Takeaways

• Purchases must be reasonable, allocable, and allowable

• A cost transfer for equipment and purchases over $10,000 from non-sponsored to sponsored chart strings must also have multiple bids or a Sole Source Form attached to be eligible for transfer

• Accounting Services for Research and Sponsored Programs (ASRSP) approves transactions above $5,000 for sponsored programs

• Procurement and Payment Services will continue to be the final approver for all requisitions over $25,000

• These processes were implemented to ensure compliance with Uniform Guidance, which will help:
  o Minimize audit findings
  o Increase opportunities for Northwestern on future grant proposals
Next steps

• There are some changes to Uniform Guidance coming up
  ○ ASRSP will be putting together a work group to discuss
  ○ Northwestern may seek approval to increase the simplified acquisition threshold to $25,000 so it aligns with our standard Northwestern Purchasing and Payments policy

• Questions

Thank You