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Updating Your Organization's Procurement Policy

AUDIT, HIGHER EDUCATION, NOT-FOR-PROFIT
BY SCHNEIDER DOWNS PROFESSIONAL

The Uniform Grant Guidance (UGG) has brought about sweeping changes to grants management with a focus on an organization's internal controls. The UGG requires an organization to establish and maintain effective internal controls over federal programs. The actual code of federal regulations related to grants and agreements can be found at www.ecfr.gov. The section is 2 CFR Title 2, part 200. If you don't have a few hours to read and digest the entire section of code related to these changes, then the information in this article will be a helpful tool to get your policies and procedures in line with the latest guidance. One of the areas affected by the new UGG is procurement.

IMPORTANT ITEMS TO CONSIDER WHEN UPDATING YOUR ORGANIZATION'S PROCUREMENT POLICIES AND PROCEDURES

1. Organizations receiving federal funds must have documented procurement policies that reflect federal law, standards of the UGG and any state regulations,
2. Organizations must have written standards of conduct that include policies about conflicts of interest and governing the actions of employees engaged in the selection, award and administration of contracts,
3. Organizations must maintain oversight of their contractors,
4. Records must be maintained sufficiently to detail the history of the procurement, such as:
 1. rationale for the method of procurement,
 2. selection of contract type,
 3. contractor selection or rejection, and
 4. basis of the contract price.
5. Prior to entering into a contract that uses federal funds, organizations must ensure that the contractor has not been suspended or debarred from doing business with the federal government. The website to check for suspended and debarred parties is www.sam.gov.

Updating your policies and procedures to include the above changes was necessary by December 27, 2015, if you receive and expend federal funds.

Stay tuned to our website for more articles to assist your organization in complying with the rigorous UGG requirements. If you have any questions on the above material, please contact your Schneider Downs team members, and we will be happy to assist your organization in meeting these new requirements.

You've heard our thoughts... We'd like to hear yours

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