

Purchasing with Federal Grant Funds

Purchases funded by federal grant funds must adhere to the [Uniform Guidance Procurement Standards](#), sections 200.317-200.326.

Principal Investigators (PIs) must comply with the following when purchasing with federal grant funds. Given these requirements, and the multiple steps required in Workday for purchasing equipment, we strongly encourage PIs to work closely with the Grants Office well in advance of any deadlines for purchasing items of \$5,000 or more per unit. *Items that cost \$5,000 or more per unit and that are purchased with federal grant funds must be purchased through Workday by creating a requisition; no equipment should be purchased with a Procurement Card.*

- Follow Vassar College's relevant [purchasing policies and procedures](#).
- Purchases must be necessary, not duplicative, and of direct benefit to the federal grant.
- Where appropriate, an analysis of lease and purchase options should be performed to determine the most economical and practical procurement.
- The assessment and selection of specific purchases must ensure open competition, objective contractor performance, and elimination of unfair competitive advantage.
- PIs must have disclosed any potential [Conflicts of Interests](#) and may not participate in the selection, award, or administration of a contract supported by federal funds if a real or apparent conflict exists.
- To the extent possible, purchases should be made using minority businesses, women's business enterprises, and labor surplus area firms.
- Transactions must be supported by original, detailed, and unduplicated documentation.
- Purchases must remain in aggregate and cannot be separated into multiple increments in order to bypass procurement threshold requirements.

Purchases and commitments that are not in compliance with these federal requirements will need to be returned, cancelled or paid for with department funds or other non-federal sources.

Federal methods of procurement:

- Micro-purchases (<\$10,000 in aggregate)
 - To the extent practicable, micro-purchases must be distributed in an equitable and reasonable manner to ensure fair and competitive pricing.
- Small purchases (\$10,000 up to \$250,000 Simplified Acquisition Threshold)
 - Price or rate quotations must be obtained in written format (which may include vendor price lists from public websites) from a minimum of two qualified vendors and included with the submission of the invoice when purchasing with funds; and
 - To the extent practicable, small purchases must be distributed in an equitable and reasonable manner to ensure fair and competitive pricing.
- Competitive proposals (above \$250,000 Simplified Acquisition Threshold)
 - Expected cost and price analysis must be done in advance for each purchase above \$250,000 (i.e. catalogued or published list price, historical or market pricing; comparison to similar purchases; and

- Requests for proposal (RFP) must be obtained from at least two qualified sources; and
- RFP, including pertinent attachments, must define the item or service specifications in order for the bidder to properly respond; and
- RFP must clearly identify all evaluation factors and their relative importance in the awarding process (i.e. pricing, timing, outcome specifications, references); and
- Selection of proposal must be documented in writing, supporting the evaluation methods written into the RFP and included with the submission of the invoice when purchasing with federal funds; and
- Contracts must be awarded to the most responsible vendor, whose proposal is most advantageous to the federal grant and the College.

Noncompetitive Proposals (Sole Source)

- PIs may conduct sole source procurement when one or more of the following circumstances apply *and* when they provide a thorough explanation of the circumstance(s) in advance of the purchase:
 - The goods or services are available from only one source provider.
 - A public exigency or emergency will not permit a delay resulting from a competitive proposal.
 - The federal awarding agency or pass-through entity has expressly authorized in writing or in an approved budget that the noncompetitive proposal requirement is waived.
 - Competition is deemed inadequate after a minimum of two solicitations have been unsuccessful.
- The written sole source justification must be included with the submission of the requisition when purchasing with federal funds.
 - Sole source justification must explicitly identify which of the four criteria apply to the procurement method; and
 - Provide information that addresses justification for sole source procurement (i.e. only one known source; uniqueness of item or service; professional expertise; geographic limitations; etc.)

Procurement, Suspension and Debarment

- The Federal Government prohibits expending federal funds on goods and/or services from any entity Suspended or Debarred from doing business with the Federal Government. Procurement of goods and/or services with federal funds from a supplier or contractor should be checked for debarment before purchasing and/or awarding a contract or subaward.
- Vassar's Grants Office is responsible for checking [SAM \(System for Award Management\)](#) to see if a vendor is on the government list of debarred vendors prior to the approval of purchases on federal awards.
- The SAM (System for Award Management) website must also be checked to verify that an entity or agency has not been Debarred or Suspended prior to entering into a subaward with that entity or agency with federal dollars. The Grants Office documents the Suspension and Debarment verification for vendors and subawardees by including a

screen print of the Exclusions search in the file. If the entity or agency is on the list, purchases, subawards or contracts are not approved until the entity or agency is removed from the Exclusions listing.

- In addition, after a subaward is awarded, the Director of Grants Accounting must verify annually that the subrecipient is not listed on the SAM.gov website during the life of each federally funded subaward. If at any time, the SAM.gov website indicates the subrecipient has active exclusions, no invoice will be paid until the entity or agency is removed from the exclusion listing.