



NEIWPC Procurement Policy Memo

May 2019

In December 26, 2016, EPA introduced new regulations (**UGG Procurement Standards** 2 CFR Part 200.317-326) which affected how NEIWPC manages and documents vendor quotes. New Procurement Limits are as follows:

Purchase Orders*	\$300 – \$10,000, Micro Purchase Threshold (2 CFR 200.67) – no bid documentation required
Purchase Orders*	\$10,001 – \$20,000 – 3 bids required
Memorandum of Agreement	\$20,001 – \$50,000 – 3 bids required
Contract	\$50,001 – \$250,000 – 3 bids required
Contract	\$250,000 or over, Simplified Acquisition Threshold (2 CFR 200.88) – RFP required

*Purchase Orders over \$1,500 require Executive Director signature/authorization

NOTE: Project work may not be divided between vendors to avoid exceeding threshold amounts.

The Bid Process

Quotes must be obtained and documented from vendors that are known to be industry standard or from experts in the area of work/services needed. This does not include a 'micro purchase' which is any purchase under \$10,000 (see 2 CFR 200.302(a)). In these cases, a purchase order** will suffice and no bid documentation is required. For 'small purchases,' any item or service over \$10,000, quotes must be obtained from "an adequate number of qualified sources." (See 2 CFR 200.320(b)).

- Quotes may be obtained via phone, email or any other method of comparison shopping, however, make sure to refer to **NEIWPC's Vendor Quotes Database** first which contains information on vendors NEIWPC has used in the past. Quotes are good for one (1) year.
- If less than 3 bids are obtained a good faith effort is required. That is, you must provide an explanation as to why you were unable to obtain 3 bids (such as contractor specialization) and provide documentation of all activity in attempting to secure bids.
- After the vendor has been selected, their information into the Vendor Quotes Database which is located at <I:\COMMON\Financial\Bids Database\Vendor Quotes Database 09.06.18.xlxb>
- For Field Offices: Lowell Accounting Office requires written records of all bid activity.

**** NOTE**: If the purchase order is for a project with multiple tasks requiring more than one payment, a MOA/Contract Request Form must be submitted to the Contracts Manager. NEIWPC will not accept multiple purchase orders for one project.

Purchase Orders: Bids Procedure

1. Documentation of bids received are attached to the purchase order and submitted to the Division Director for approval.
2. Purchase orders for \$1,500 or over require signatures from the Executive Director and the Division Director.
3. After the procurement is approved, the Project Officer enters the vendor information in the **Vendor Quotes Database**.
4. The Fiscal Department requires documentation of quotes using the **PO Quotes Form** located at I:\Common/Financial/PO Quotes.
5. After the invoice is received, the Project Officer submits the invoice, bid documentation and purchase order (yellow copy) to the Lowell Accounting Office for payment. Payments will not be processed without appropriate bid documentation.

Request for Proposal Process

Contracts over \$250,000 must go through a formal request for proposal (RFP) process that involves broad advertisement of the work needed and must be in accordance with the solicitations of goods and services provided above. Bids must be received in writing and a review team will rank the proposals according to cost related services provided.

Project Officers must submit electronic copies of **all** bids received to Jean Quigley in Accounting. Email a brief summary of the RFP, Job Cost Code and attach the RFP and bids. Accounting tracks this information for NEIWPC's annual audit and for any program audit by EPA or other funding organization.

Sole Source (Noncompetitive) Contracts

These contracts are issued without receiving a quote or utilizing an RFP. This action should only take place in accordance with 2 CFR 200.320(f) which allows for sole source procurement when items or services are only available from a single source. If any criteria (below) are met, Project Officers provide appropriate documentation explaining the reason(s) for utilizing the sole source. Justifications are:

1. Only one source has the goods or is able to provide the service,
2. An emergency,
3. EPA approval (200.320(f)(3)), or
4. After soliciting a number of sources it was reasonably decided that competition was inadequate.

Sample sole source justifications, **EPA's Best Practice Procurement Guide**, and **UGG Procurement Regulations 2 CFR 200.317-326** are located at I:\COMMON\Agreements_Project Officer Orientation.