

IN-THE-LOOP



May 18, 2017

Implementation of New Uniform Guidance Requirements on Procurement Policies and Procedures Delayed

The U.S. Office of Management and Budget (OMB) has delayed implementation of new requirements on procurement policies and procedures for non-Federal entities which receive federal funds to Fiscal Years beginning on and after 1/1/2018 (vs. 1/1/2017). The text of the delay can be found via the following link:

[Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards](#)

Background and Suggested Actions

On Dec. 26, 2013, (OMB) published 2 CFR 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*, which is also referred to as the Uniform Guidance (UG). With the publication of UG, OMB essentially combined the existing cost circulars (A-87, A-122, etc), administrative circulars (A-102, A-110 etc) and Circular A-133 into one document and streamlined the rules surrounding the administration and spending of federal funds.

The most significant change introduced by UG related to the "procurement standards." Unlike all the other administrative requirements, which were effective for any new awards made on or after Dec. 26, 2014, non-federal entities were given the option to defer the adoption of the procurement standards for up to two years. This meant that a non-federal entity with a 12/31 year-end could defer the adoption of these standards until Jan. 1, 2017, and a June year-end could defer adoption until July 1, 2017 (this is now extended to 2018).

We are learning from members that they were unaware of the new requirements for procurement policies and procedures. The following is some suggested guidance on what the new guidance requires:

1. Review [Subpart D \(Paragraphs 200.317 through 200.326\)](#) of the Guidance. Is your organization using the five procurement methods outlined in Paragraph 200.320?
2. Does your organization have the required conflict of interest policies in place

(Section 200.318)?

3. Does your organization have the appropriate procurement documentation? At minimum, this includes the rationale for the method of procurement; selection of the contract type; contractor selection or rejection; and the basis for the contract price.
4. Does your organization's contracts include all the required specifications as outlined in [Appendix II of the guidance](#)?

NYS GFOA encourages members from non-federal entities receiving federal funds to check their procurement policies and procedures to ensure they are in compliance with the new Uniform Guidance before the new rules take effect for 2018 fiscal years.

Keep "In the Loop" with NYS GFOA!
