



## CHANGES TO FEDERAL REGULATIONS IMPACT PROCUREMENT ACTIVITIES

On July 1, 2018, Uniform Guidance (UG) regulations for federally funded research go into effect. These regulations are intended to increase competition and transparency on federally funded purchases of goods and services. The Office of Procurement and Contracts Services (PACS) and Sponsored Projects & Grants Administration (SPGA) are collaborating to ensure that Oregon Tech fully complies with these requirements.

Generally, Oregon Tech will continue to follow its existing procurement code; however, changes will be made in the following areas:

**Solicitation Threshold.** For federally funded procurements, the threshold above which solicitations are required remains at Ten Thousand Dollars (\$10,000), which is consistent with the university threshold. Please refer to the PACS website for the Purchasing at a Glance form providing guidelines on the minimum threshold requirements for the acquisition of goods and services.

**Sole Source Procurements.** Oregon Tech is committed to maintaining fair and competitive procurement processes. Oregon Tech Policy Section 580-062-0020(8) states: "Sole Source: A process where the President, the Chancellor or designee has made a Written determination that due to special needs or qualifications, only a Single Seller is reasonably available to provide such personal or professional services or goods or services. Sole source procurement must be avoided except when no reasonably available alternative source exists."

Going forward, Oregon Tech Policy Section 580-062-0020(8) shall be amended to further include justification for sole source acquisition, as consistent with the four requirements permitted by the UG:

- d) Justifications for Sole Source acquisitions are limited to the following:
  1. Item is only available from a single source;
  2. Public exigency or emergency for requirement will not permit delay resulting from Competitive solicitation;
  3. A non-competitive acquisition has been expressly authorized by the Federal awarding agency or pass-through entity in response to Oregon Tech's written request for such authorization; or
  4. After solicitation to multiple sources, competition is determined inadequate.

Additionally, every sole source will require a price/cost justification. Examples of methods of providing this documentation include:

1. Documenting cost analysis efforts;
2. Documenting market research;
3. Including screenshots, emails, and/or catalog prices;
4. Documenting pricing information obtained from colleagues at peer institutions who have purchased the same or similar items; or
5. Documenting prices of similar items.

The Oregon Tech Sole Source Guidelines and Procedures and the Sole Source Request Form have been revised to reflect the UG limitations. These forms are available under available on the PACS website. The change in the sole source justifications applies to all procurements, whether federally funded or not.

**Conflict of Interest Certifications.** As part of the UG, there are new requirements for conflicts of interest within a procurement action and how the university must handle them.

The regulation states:

“No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.”

Oregon Tech’s procurement code and Oregon law prohibit conflicts of interest in procurement activities. Employees involved in procurements will continue to be required to certify that no conflict of interest exists. The No Conflict of Interest Form may be found on the PACS website. Unless otherwise indicated, a No Conflict of Interest Form must be submitted to PACS by each employee involved in a procurement, whether federally funded or not.

*More information will follow in the next few weeks. In the meantime, please contact PACS by email at [purchasing@oit.edu](mailto:purchasing@oit.edu) with any questions or concerns.*