

Uniform Guidance Hide & Seek

NOVEMBER – What are the two methods of informal procurement? What are the two methods of formal procurement? What circumstances allow for noncompetitive procurement?

ANSWER:

§ 200.320 Methods of procurement to be followed.

The non-Federal entity must have and use documented procurement procedures, consistent with the standards of this section and §§ 200.317, 200.318, and 200.319...

A. INFORMAL PROCUREMENT METHODS – does not exceed Simplified Acquisition Threshold

(1) **MICRO-PURCHASES**

- i. Distribution – equitably among qualified suppliers
- ii. Awards – no quotes required, price determined reasonable based on research, experience, purchase history or other documented files

(2) **SMALL PURCHASES**

- i. Procedures – price or rate quotations must be obtained from an adequate number of qualified sources as determined appropriate by the NFE

B. FORMAL PROCUREMENT METHODS

- (1) **SEALED BIDS** - Firm price, fixed contract that is publicly solicited – advertised – with defined terms and conditions, realistic specifications, and selection is principally based on price (other factors than price can contribute to “cost”); Two or more responsible bidders; Publicly opened

(2) **PROPOSALS** - Either firm price or cost-reimbursement contracts

- i. Written method for evaluation
- ii. Awarded to proposal that is most advantageous to the NFE, price and other factors considered

C. NONCOMPETITIVE PROCUREMENT - Only if one or more of the following apply:

- (1) Less than micro-purchase threshold;
- (2) Item is available only from a single source;
- (3) Emergency;
- (4) Authorization from federal awarding agency (after written request from NFE)
- (5) After solicitation of a number of sources, competition is determined inadequate