

## SECTION 8

### STATE AND FEDERAL REQUIREMENTS

Where a purchase involves the expenditure of federal assistance or contract funds, the Board of County Commissioners or its designee shall comply with such federal law and authorized regulations which are mandatorily applicable and which are not presently reflected in this manual.

The provisions of this manual are subordinate to any State statutes governing County purchasing practices.

#### 8.1 ACCEPTANCE OF GRANT AWARDS

- A. Administration Approval Levels:** Approval for acceptance of grant awards may be made by the County Administrator or the Assistant County Administrator when the grant award is less than or equal to \$10,000.
- B. Board of County Commissioners Approval:** Approval from the Board of County Commissioners is required when the grant award is greater than or equal to \$10,001.

#### 8.2 INDIRECT RATE FOR F&A

The county shall use the de minimis rate of 10% for indirect costs for use on grants, contracts and other agreements with the Federal government to which 2 CFR Part 200 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards) applies. Once elected, the 10% de minimis rate must be used consistently for all Federal awards received. Use of the 10% de minimis rate is subject to any applicable contractual or grant limitations.

#### 8.3 PURCHASES SUBJECT TO FEDERAL AWARD REQUIREMENTS

All goods or services financed by Federal Grant Award must be purchased in accordance with the unique requirements for use of funds specific to each federal program and set forth in the Uniform Guidance for Federal Awards, the award terms and conditions as well as Douglas County policy. All approval levels set forth in section 3.5, 3.6 and 3.7 shall apply to purchases subject to federal award requirements.

Uniform Guidance 2 CFR Part 200, Subpart D, §200.320 outlines five methods for procurement:

- A. Micro-Purchases:** When purchases are made using federal funds for less than or equal to \$10,000, purchases must be made equitable among qualified suppliers and may be awarded without an informal bid/proposal.
- B. Small Purchases:** When purchases are made using federal funds for greater than \$10,001 but less than or equal to the Simplified Acquisition Threshold of \$250,000, the process for Informal Bids/Proposals shall be followed.
- C. Sealed Bids:** When construction is procured in an amount greater than \$250,000, the process for Formal Bids/Proposals shall be followed.
- D. Competitive Proposals:** When purchases are made for commodities, services or a combination of both commodities and services is greater than \$250,000, the process for Formal Bids/Proposals shall be followed.

- E. Non-Competitive Proposals:** When purchases are made for commodities, services or a combination of both commodities and services or construction is greater than \$250,000, non-competitive proposals are only allowed when at least one of the following conditions applies:
- The item being procured only available from a sole source.;
  - An emergency purchase or exigent circumstance where the urgency of need does not permit delay in utilizing formal competitive selection methods;
  - The Federal awarding agency or pass-through entity expressly authorizes non-competitive proposals;
  - After solicitation of a number of sources, competition is determined inadequate.

## 8.4 SUBRECIPIENT MONITORING AND COMPLIANCE

Douglas County has an obligation as the primary award recipient when entering into a subaward agreement with a subrecipient. When Douglas County is the primary recipient of an award, which includes one or more subawards to other entities, Douglas County takes responsibility for ensuring that all activities under the primary award is conducted and administered in compliance with federal requirements and Douglas County policies. Subrecipient monitoring includes activities undertaken to review the financial status and management controls of a subrecipient to mitigate the risk of entering into an agreement with a subrecipient organization. Douglas County will comply with requirements set forth for subrecipient monitoring and compliance as set forth in 2 CFR §200.330 - 200.332.

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