



1Government Procurement Alliance

To: Whom it May Concern
From: Ken Carter, 1GPA
Date: August 24th, 2016

RE: Letter of Certification of EDGAR Compliance

Dear Concerned Party:

This letter will set forth and certify the steps that 1GPA is taking to ensure compliance with EDGAR. The term “EDGAR” refers to the new Education Department General Administrative Regulations, which are the federal regulations that govern all federal grants awarded by the U.S. Department of Education on or after December 26, 2014.

To the fullest extent feasible for a purchasing cooperative, 1GPA follows the new EDGAR regulations for every procurement action, to ensure that 1GPA members may utilize the contracts awarded to vendors by 1GPA, on behalf of its Lead Agency governmental entities, when the member will be using federal funds for the purchase.

Per 2 C.F.R. § 200.318(e), EDGAR encourages the use of cooperative agreements for procurement or use of common or shared goods and services, in order to foster greater economy and efficiency. As the purchasing cooperative, 1GPA’s Lead Agency governmental entities must follow state and federal procurement rules as if the member conducted the procurement itself. To this end, and in accordance with EDGAR, 1GPA and/or its Lead Agency governmental entities maintain records detailing its procurement histories, such as records reflecting the rationale for the method of procurement, the selection of contract type, the contractor selection or rejection, and the basis for the contract price.

Because at the time of procurement, 1GPA is unable to determine which of its procurements/contracts will be used by members expending federal funds, 1GPA's Lead Agency governmental entities intend to competitively procure each and every contract awarded by the cooperative in accordance with the state law applicable to the procuring Lead Agency governmental entity, as well as with all provisions of EDGAR applicable to each procurement. Compliance will be accomplished by conducting an Independent Estimate¹ prior to each procurement. Additionally, 1GPA will perform either a Cost Analysis² or a Price Analysis³ for every procurement action, before awarding any contract, depending on the contract type. Finally, all awarded vendors must complete the EDGAR Certification Forms as part of the awarded contract.

Existing vendors who were awarded contracts by one of 1GPA'S Lead Agency governmental entities as part of a solicitation conducted prior to implementation of the required EDGAR procurement procedures, and during the Lead Agency governmental entity's permissible grace period, either have executed, or will execute, the requisite EDGAR Certification Forms at the time of contract renewal.

As required by 2 C.F.R. § 200.333, all 1GPA vendors are obligated to retain all financial records, supporting documents, and statistical records for a period of three years, and each vendor must certify compliance with EDGAR's record retention requirements at the time of the contract award or renewal.

1GPA will provide its completed Independent Estimate Determination Forms, the Determination of Cost or Price Reasonableness Forms, and the EDGAR Certification Forms to its members upon request.

Sincerely,

Ken Carter, Executive Director

¹ As part of EDGAR's cost or price analysis requirements in Section 200.323, 1GPA must make an independent estimate of the value of goods or services in the current market before receiving bids or proposals.

² 1GPA will conduct a cost analysis in two situations before awarding a contract: (1) for contract modifications; and (2) when 1GPA only receives one proposal after soliciting competitive sealed proposals. A cost analysis involves evaluating the separate cost elements such as labor and materials that make up the total price (including profit), to determine whether the costs are allowable, allocable, and ultimately, reasonable in accordance with federal cost principles.

³ 1GPA will conduct a price analysis for all competitive contracts. A price analysis involves evaluation of the total price without analyzing separate cost elements to determine whether the lump sum is fair and reasonable based on current market value or comparable products or services.