



## **ADDENDUM REGARDING COMPLIANCE WITH 2 CFR PART 200**

This addendum will clarify the details of 1GPA's compliance with applicable federal procurement guidelines, and will set forth and certify the steps 1GPA and its Lead Agencies take to ensure compliance with 2 CFR Part 200, including requirements under "EDGAR" (the Education Department General Administrative Regulations) as well as requirements imposed under FEMA's public assistance program (collectively, the "Uniform Guidance"). The Uniform Guidance also satisfies certain, but not all requirements applicable to other federal agency programs, including, for example, the U.S. Department of Agriculture's National School Lunch Program.

To the fullest extent feasible for a purchasing cooperative, 1GPA and its Lead Agencies follow all regulations set forth under the Uniform Guidance for every procurement action. This ensures 1GPA members may utilize the contracts awarded to vendors by 1GPA when the member will be using federal funds for the purchase.

Per 2 CFR § 200.318(e), intergovernmental agreements (including cooperative agreements) for procurement or use of common or shared goods and services are encouraged in order to foster greater economy and efficiency. As a purchasing cooperative, 1GPA and its Lead Agencies follow both state and federal procurement rules as if the member conducted the procurement itself, to the extent feasible. Certain compliance requirements must be performed by the member, as noted below. 1GPA and/or its Lead Agencies maintain records detailing its procurement activities, such as records reflecting the rationale for the method of procurement, advertising and public notice requirements, bid/proposal documents; scoring and evaluation records, documents relating to contract awards and renewals. 1GPA will provide related documentation to its members upon request.

At the time of procurement, 1GPA is without information regarding which of its procurements or contracts will be used by 1GPA members expending federal funds, or the amounts of any potential contracts or orders executed by members. Accordingly, each and every contract awarded by 1GPA is competitively procured according to the following standards:

1. The Lead Agency and 1GPA advertise a request for competitive bids/proposals or statements of qualifications, in accordance with the law applicable to the lead agency for each given solicitation, as well as 2 CFR § 200.320. The process ensures full, open and fair competition.

2. The competitive solicitation request expressly encourages participation by small, minority and women-owned businesses, as required by 2 CFR § 200.321.
3. The competitive solicitation request does not utilize any prohibited geographical preferences.
4. Vendors must complete 2 CFR Part 200 Certification forms containing contract provisions required under the Uniform Guidance.

As required by 2 CFR § 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 2 CFR Part 200's record retention requirements at the time of the contract award or renewal.

Members are advised that certain federal requirements involve circumstances unique to each member's transaction and must be completed by the 1GPA member. At the time of procurement, specific information about a member's transaction is unavailable to 1GPA, including the funding source to be used, the total value of a transaction, any specific requirements of a particular grant, or the member's local policy requirements. As a result, the 1GPA member is ultimately responsible for compliance with certain applicable requirements and is advised to consult with the member's legal counsel or granting agency to confirm compliance with any applicable regulations. Depending on the value or nature of a specific transaction, specific grant conditions, or other requirements, the member may be required to:

1. Maintain written procedures regarding conflicts of interest of employees engaged in the selection, award, and administration of contracts or purchasing;
2. Avoid the purchase of unnecessary or duplicative items;
3. Document the process for determination of lowest responsible bidder or best value when multiple vendors are awarded by 1GPA and multiple pricing options are available, which may include obtaining multiple quotes from cooperative vendors;
4. Prepare an Independent Estimate and conduct a cost and price analysis where the total cost of any transaction will exceed the simplified acquisition threshold, and negotiate profit as a separate cost item (if a cost analysis is performed);
5. Ensure compliance with bonding requirements and obtain bonds on a per-purchase basis for the purchase of construction services;
6. Ensure compliance relating to the member's obligation to independently retain the services of an architect or engineer for a particular transaction.
7. Take any necessary steps to ensure minority businesses, women's businesses, and labor surplus area firms are used when possible (i.e. dividing a project into smaller tasks or quantities to maximize participation by small, minority, and women owned businesses);
8. Ensure compliance with recovered materials requirements; or
9. Enter into a separate contract to be executed by both the vendor and the member containing additional terms required and/or appropriate for specific transactions (i.e., construction services, child nutrition purchases, technology purchases, etc.).