



North Carolina Pandemic Recovery Office (NCPRO)

Technical Assistance Training
October 2, 2025

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Procurement

Agenda

- 1 | Procurement Provisions and Standards
- 2 | Procurement Methods and Contract Terms and Conditions
- 3 | Leading Practices
- 4 | Common Observations
- 5 | Knowledge Check
- 6 | Q+A Session



Introduction to Procurement

1

What is procurement?

It is **the process of acquiring goods and services necessary to fulfill the objectives of a grant**. This process involves several key steps to confirm that the acquisition is conducted in a **fair, transparent, and compliant** manner.

2

Why is it important?

Procurement helps entities **comply with federal, state, and local requirements***, **promotes public trust**, and **protects fair and open competition**. Procurement rules require **transparent, accountable processes** with documented policies and written standards of conduct to prevent conflicts of interest, enabling effective decision-making that serve the public interest. Effective procurement also supports **timely project delivery** and helps organizations **achieve goals and objectives** while avoiding unnecessary or duplicative purchases and other forms of waste or abuse.



* Treasury guidance states that Revenue Replacement expenditures are **exempt** from the Uniform Guidance procurement rules (2 CFR §200.317—327). Recipients should instead **follow their own purchasing policies and procedures, in compliance with all relevant state and local requirements**.



Procurement Provisions and Standards



Procurement Compliance Framework

Compliance Framework	Legal Authority	Key Compliance Requirements
Federal Procurement Standards*	2 CFR § 200.317-200.327 (*See Treasury's <i>Compliance and Reporting Guidance</i> and <i>Final Rule FAQ</i> (April 2025))	<ul style="list-style-type: none"> • Outlines three types of procurement methods: 1) informal methods (for micro-purchases and simplified acquisitions); 2) formal methods (through sealed bids or proposals), and 3) noncompetitive methods. • Sets requirements for federal contract provisions.
Contracting with Historically Underutilized Businesses	2 CFR § 200.321; NCGS Chapter 143, Article 3;	<ul style="list-style-type: none"> • 2 CFR 200.321 outlines the considerations that recipients should take for including small, minority, women's, veteran-owned, and other specified businesses, when possible. • NCGS 143-48 outlines the state's policy to encourage the use of small, minority, physically handicapped, and women contractors in state purchasing.
State Purchasing Non-IT Goods / Services	NCGS Chapter 143, Article 3; 01 NCAC Subchapter 05A (See <i>North Carolina's Procurement Manual</i>)	<ul style="list-style-type: none"> • NCGS 143-49 authorizes the Department of Administration's powers and duties in state procurement. • 01 NCAC 05A empowers the Secretary of Administration to adopt, amend, or rescind procurement rules. • Contracts that violate the provisions of NCGS Chapter 143, Article 3 may be declared void.
State Purchasing Building Contracts	NCGS Chapter 143, Article 8	<ul style="list-style-type: none"> • Governs procurement for public contracts, including construction, repair, alteration, and the acquisition of supplies, materials, and equipment for state agencies, counties, municipalities, and other public bodies. • NCGS 143-129 outlines most of the requirements—and the key exemptions—for competitive bidding.
Suspension & Debarment	2 CFR § 200.214; 2 CFR Part 180; 01 NCAC Subchapter 05B	<ul style="list-style-type: none"> • Prohibits non-federal entities from entering covered transactions under federal awards with entities listed in SAM.gov Exclusions—North Carolina also requires public fund purchases to exclude state-debarred vendors. • 01 NCAC 05B .1520 establishes the state's debarment authority and processes. • 01 NCAC 05B .1511(c)(3) allows state agencies to recommend debarment to the SPO.
Statewide Term Contracts	NCGS Chapter 143, Article 3; 01 NCAC Subchapter 05B	<ul style="list-style-type: none"> • Statewide Term Contracts (STCs) are established by the Division of Purchase and Contract (P&C) for use by state agencies and, in certain situations, by other entities such as local governments and non-profits with prior approval • 01 NCAC 05B .1101—.1102 outlines the requirements for establishing competitively bid STCs.
State Terms & Conditions	NCGS Chapter 143, Article 3; 01 NCAC Subchapter 05B	<ul style="list-style-type: none"> • 01 NCAC 05B .0318 sets standard terms and conditions for use in contracts with the state. • 01 NCAC 05B .0320—.0321 establish factors for contract extension or renewal, including past performance.

North Carolina General Statutes (NCGS) – Key State Laws



NCGS Chapter 143:

State agencies, institutions, community colleges, and UNC universities

Article 3:

Purchases and Contracts

- **Overview:** Governs procurement for state agencies, institutions, community colleges, and UNC system universities.
- **Purpose:** Non-IT Goods / Services
- **Key Provisions:**
 - **NCGS 143-49** defines the Department of Administration's authority for overseeing state procurement.
 - **NCGS 143-52** specifies when competitive bidding is required and how contracts must be awarded.
 - **NCGS 143-53** authorizes the Secretary of Administration to establish competitive bidding rules.
 - **NCGS 143-56** requires purchases of published materials and perishables to go through the Secretary of Administration unless exceptions apply, with direct purchases needing competitive bids and reporting.
 - **NCGS 143-57** allows the Secretary of Administration to authorize emergency purchases in the open market, requiring prompt recordkeeping and reporting for transactions exceeding the expenditure benchmark.



NCGS Chapter 143:

State agencies, counties, municipalities, and other public entities.

Article 8:

Public Contracts

- **Overview:** Governs procurement for public contracts, covering construction, repair, alteration, and acquisition of supplies, materials, and equipment for state agencies, counties, municipalities, and other public entities.
- **Purpose:** Building Contracts
- **Key Provisions:**
 - **NCGS 143-128** requires public entities to bid on building projects using authorized methods.
 - **NCGS 143-128.2** establishes verifiable minority-participation requirements.
 - **NCGS 143-129** outlines most of the requirements—and the key exemptions—for formal competitive bidding for construction/repair \geq \$500,000 and related purchases \geq \$90,000. It also specifies advertisement rules and requires awarding the contract to the lowest responsible, responsive bidder, with bid records confidential until the award.
 - **NCGS 143-131** outlines requirements for informal bidding on projects from \$30,000 up to formal thresholds, awarding the contract to the lowest responsible, responsive bidder, with bid records confidential until the award.

North Carolina Administrative Code (NCAC) – Key State Regulations



NCAC Title 01 Chapter 05 Purchase and Contract

SUBCHAPTER 05A Division of Purchase and Contract

- **Overview:** Establishes authority over statewide procurement and property management processes through standardized rules, competitive practices, and definitions to support efficiency, compliance, and fairness.
- **Purpose:** Standards and Governance
- **Key Provisions:**
 - **01 NCAC 05A .0101** assigns the Department of Administration the responsibility for acquiring services for its agencies, as well as for the acquisition, management, and disposal of personal property. It also authorizes the Secretary of Administration to adopt and implement these rules, delegating program administration to the SPO.
 - **01 NCAC 05A .0102** designates the Division of Purchase & Contract to administer a program based on sound competitive purchasing procedures, effective property management, and economical disposal practices.
 - **01 NCAC 05A .0108** requires the Division to establish statewide procedures, standard forms and templates, consistent language, contract terms and conditions, and advertising requirements applicable to all agencies.



NCAC Title 01 Chapter 05 Purchase and Contract

SUBCHAPTER 05B Purchase Procedures

- **Overview:** Sets rules for state agency purchasing goods and services.
- **Purpose:** Procedures and Compliance Requirements
- **Key Provisions:**
 - **01 NCAC 05B .0301** outlines the requirements for competitive bidding and contract awards.
 - **01 NCAC 05B .0314** specifies the conditions for non-competitive procurement waivers.
 - **01 NCAC 05B .0318** establishes standard contract terms for State Contracts, including rights and responsibilities, legal protections, specific provisions for data protection, and other conditions for unique procurements.
 - **01 NCAC 05B .0321** establishes the factors for contract extension or renewal, such as market changes, vendor performance, risks, performance metrics, impacts, and statutory compliance, requiring agency approval.

General Procurement Standards

Here are key standards to promote compliance, efficiency, and effectiveness in the use of grant funds:



Competition

Promote Fair and Open Competition: Encourage fair competition to achieve the best value for grant funds. Avoid imposing unnecessary restrictions that limit competition.

Methods of Procurement: Utilize appropriate procurement methods such as micro-purchases, small purchases, sealed bids, and competitive proposals.



Transparency

Clear Communication: Maintain transparency in the procurement process by engaging in clear and open communication with all stakeholders.

Public Notice: Offer sufficient public notice of procurement opportunities to facilitate broad participation.



Accountability

Roles and Responsibilities: Clearly define and assign roles and responsibilities for procurement activities to uphold accountability.

Oversight and Monitoring: Establish effective oversight and monitoring mechanisms to verify compliance with federal and state grant requirements and procurement standards.



Integrity

Equitable Treatment: Treat all suppliers and contractors fairly and equitably. Avoid conflicts of interest and maintain impartiality in the procurement process.

Ethical Standards: Implement and adhere to ethical standards and practices to uphold integrity in procurement activities.



General Procurement Standards

Here are key standards to promote compliance, efficiency, and effectiveness in the use of grant funds:



Value for Money

Cost-Effectiveness: Strive to achieve optimal outcomes for the expenditure of grant funds by considering the total cost of ownership, including purchase price, maintenance, and disposal costs.

Quality and Performance: Assess quality, performance, and other relevant factors alongside price.



Compliance

Adherence to Regulations: Comply with applicable federal, state, and local laws, regulations, and policies governing procurement and grants management.

Grant Requirements: Align procurement activities with the specific requirements and conditions of the grant.



Record-Keeping

Comprehensive Records: Keep detailed and accurate records of all procurement activities, including solicitations, evaluations, awards, and contract management.

Retention Period: Preserve records for the duration specified by grant regulations and organizational policies.



Risk Management

Risk Assessment: Identify and evaluate potential risks in the procurement process and the use of grant funds.

Mitigation Strategies: Apply and document strategies to reduce identified risks and monitor them throughout the contract lifecycle.



Procurement Methods and Contract Terms and Conditions



Procurement Thresholds—NCGS Chapter 143 Article 3 (Purchases and Contracts)

Procurement Method	2 CFR Part 200*	Article 3 (Non-IT Goods / Services)	Key Compliance Requirements
Micro-Purchase Threshold (MPT)	Generally, ≤ \$10,000 (2 CFR 200.320(a)(1))	No comparable state rule**	<ul style="list-style-type: none"> Cannot be split-funded to evade competitive rules
Small Purchases (Informal)	MPT and ≤ \$250,000 using informal quotes from an adequate number of sources. (2 CFR 200.320(a)(2))	< \$25,000	<ul style="list-style-type: none"> Per Article 3, P&C approval is unnecessary; agencies must establish internal policies and place orders through eProcurement unless exempted. Include required § 200.327 contract provisions when federal rules apply. 2 CFR 200 requires price or rate quotes
Informal Purchases	No comparable federal rule	Between the small purchase benchmark (above) and the agency's delegation or the university's bid value benchmark	01 NCAC 05B .0301(2): <ul style="list-style-type: none"> Agencies must solicit competitive bids Process must align with the agency's procurement policy Contracts must include the state's terms and conditions
Formal Purchases (Competitive)	> \$250,000 includes sealed bids (2 CFR 200.320(b)(1)) and competitive proposals (2 CFR 200.320(b)(2))	Above the agency's delegation benchmark or the university's bid value benchmark	01 NCAC 05B .0301(3): <ul style="list-style-type: none"> Agencies must provide fair and open competition Solicitation documents and contracts must include the language and terms and conditions in Rules .0314 and .0318, unless prior written approval is obtained
Non-Competitive Proposals	Competition can be waived only when a Uniform Guidance exception applies, such as single source, public emergency, written approval, or inadequate competition	Competition can be waived under 01 NCAC 05B .1401 or public interest, for delegated expenditures, when specific waiver conditions listed in the Rule apply	<ul style="list-style-type: none"> Requires an approved written justification memo

* For federal awards, States and Tribes follow their own procurement rules; all other recipient and subrecipients must follow federal procurement standards.

* For revenue replacement projects, Uniform Guidance procurement standards do not apply; all entities should follow their own state, local, or organizational policies.

** "Micro-purchase" is a federal term; state agencies adhere to small purchase requirements under Article 3.

Procurement Thresholds—NCGS Chapter 143 Article 8 (Public Contracts)

Procurement Method	2 CFR Part 200*	Article 8 (Building Contracts)	Key Compliance Requirements
Micro-Purchase Threshold (MPT)	Generally, ≤ \$10,000 (2 CFR 200.320(a)(1))	No comparable state rule**	<ul style="list-style-type: none"> Cannot be split-funded to evade competitive rules
Small Purchases (Informal)	MPT and ≤ \$250,000 using informal quotes from an adequate number of sources. (2 CFR 200.320(a)(2))	≤ \$30,000 (NCGS 143.133)	<ul style="list-style-type: none"> 2 CFR 200 requires price or rate quotes
Informal Purchases	See MPT & Small Purchases (above)	\$30,000 up to formal purchases—\$500,000 for construction or repair contracts, or \$90,000 for purchases of apparatus, supplies, materials, and equipment. (NCGS 143.131)	<ul style="list-style-type: none"> Must keep written bid records. No minimum number of bids required to award contract. Contract with the lowest responsible, responsive bidder. No public advertisement requirement
Formal Purchases (Competitive)	> \$250,000 includes sealed bids (2 CFR 200.320(b)(1)) and competitive proposals (2 CFR 200.320(b)(2))	Formal bidding required at ≥ \$500,000 (construction or repair contracts) or ≥ \$90,000 (purchases of apparatus, supplies, materials, and equipment). (NCGS 143.129)	<ul style="list-style-type: none"> Must keep written bid records Construction or repair contracts require at least 3 bids Contract with the lowest responsible, responsive bidder Must advertise bid for at least 7 complete days between the day of the advertisement and the bid opening
Non-Competitive Proposals	Competition can be waived only when a Uniform Guidance exception applies, such as single source, public emergency, written approval, or inadequate competition	Competition can be waived when performance or price competition is unavailable, a product is available from only one source, or standardization or compatibility is essential (G.S. 143-129(e)(6))	<ul style="list-style-type: none"> Requires an approved written justification memo

* For federal awards, States and Tribes follow their own procurement rules; all other recipient and subrecipients must follow federal procurement standards.

* For revenue replacement projects, Uniform Guidance procurement standards do not apply; all entities should follow their own state, local, or organizational policies.

** "Micro-purchase" is a federal term; state agencies adhere to small purchase requirements under Article 3.

Non-Competitive Procurement

When is sole source procurement allowed?

Per 2 CFR 200.320(c), sole source procurement is allowable if: A) it is documented, and B) it applies to one of the following situations:

The aggregated dollar amount does not exceed the micro-purchase threshold (*refer to 01 NCAC 05B .1401 for a comparable state regulation**)

The item is available only from a **single source** (*refer to 01 NCAC 05B .1401 for a comparable state regulation**)

The **public exigency** or **emergency** for the requirement will not permit a delay resulting from publicizing a competitive solicitation (*refer to 01 NCAC 05B .1602(a)—(c) for a comparable state regulation**)

The Federal awarding agency or pass-through entity expressly **authorizes a non-competitive procurement** in response to a written request from the non-Federal entity (*refer to 01 NCAC 05B .1401 for a comparable state regulation**)

After solicitation from several sources, **competition is deemed inadequate** (*refer to 01 NCAC 05B .1401 for a comparable state regulation**)

DOCUMENTATION REQUIREMENT: the non-Federal entity must develop and archive a **written justification** at the time of procurement.

Formal or informal **competitive procurement is preferred** for purchases that exceed the Federal micro-purchase threshold (with no comparable state rule) or the State of North Carolina's small purchase threshold. Non-competitive procurement should be used when **competitive options are not feasible**.

Entities with revenue replacement projects should follow their own state, local, or organizational procurement policies.

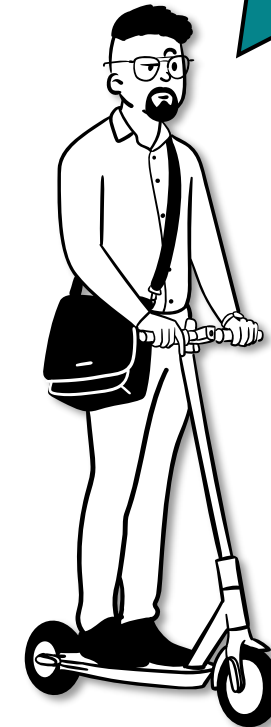
* Please refer to **09 NCAC 06B .0901** for a comparable state regulation concerning IT procurement.

Goods vs. Services

Differentiating between goods and services from a grants management procurement perspective is crucial, as each category may have distinct procurement processes, requirements, and considerations.

Aspect	Goods	Services
Definition	Tangible items that can be physically delivered and are typically used to fulfill specific needs or requirements. They are physical products that can be stored, inventoried, and transferred.	Intangible activities or tasks performed by individuals or organizations to meet specific needs or requirements. They involve the provision of labor, expertise, or specialized skills.
Procurement Focus	Quantity, quality, delivery, warranty	Qualifications, performance, contract management
Inspection	Physical inspection upon delivery	Performance evaluation based on metrics
Procurement Methods	Sealed bids, micro-purchases, small purchases	Competitive proposals, micro-purchases, small purchases
Contract Management	Focus on delivery and acceptance	Ongoing monitoring and performance assessment
Risk Management	Focus on product quality and delivery risks	Focus on service quality and performance risks
Examples	<ul style="list-style-type: none"> Office supplies (e.g., paper, pens, toner) Equipment (e.g., computers, machinery, vehicles) Furniture (e.g., desks, chairs, filing cabinets) Consumables (e.g., food, medical supplies) 	<ul style="list-style-type: none"> Professional services (e.g., consulting, legal, accounting) Technical services (e.g., IT support, software development) Maintenance services (e.g., equipment repair, facility maintenance) Training and education services (e.g., workshops, seminars) Health and social services (e.g., medical care, counseling)

Competitive procurements thresholds are different for goods vs. services. How do I know which one applies my purchase?



Contract Terms and Conditions

Below are key contract provisions for procurement as per federal grant requirements (e.g., 2 CFR Part 200)



Prohibiting Discrimination

Provision: Contracts must include provisions requiring adherence with non-discrimination laws and regulations, such as Title VI of the Civil Rights Act of 1964, 31 CFR Part 22, and The Fair Housing Act.

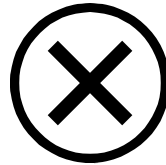
Purpose: Requires that contractors comply with statutes and regulations prohibiting discrimination.



Clean Air Act & Federal Water Pollution Control Act

Provision: Contracts & subgrants greater than \$150K must include provisions for compliance with the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended.

Purpose: Certifies that contractors comply with environmental standards.



Termination for Cause & Convenience

Provision: Contracts must include provisions for termination for cause and for convenience by the non-federal entity, including the manner by which it will be affected and the basis for settlement.

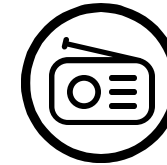
Purpose: Provides the non-federal entity with the ability to terminate contracts, if necessary, either for cause or for convenience.



Byrd Anti-Lobbying

Provision: For contracts exceeding \$100K Contractors must comply with the Byrd Anti-Lobbying Amendment (31 U.S.C. 1352) and must certify that they have not used Federal funds to lobby.

Purpose: Establishes that federal funds are not used for lobbying activities.



Publications

Provision: Any publications produced with funds from SFRF must display the following language: "This project [is being] [was] supported, in whole or in part, by federal award number [enter project FAIN] awarded to [name of Recipient] by the U.S. Department of the Treasury."

Purpose: Allows transparency and proper acknowledgement of federal support for the program or project.



Contract Work Hours & Safety Standards Act

Provision: Contracts greater than \$10K that involve employment of mechanics or laborers must include provisions for compliance with the Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708), as supplemented by Department of Labor regulations at 29 CFR part 5.

Purpose: Confirms that laborers and mechanics are compensated for overtime work and that safety standards are maintained.

Contract Terms and Conditions

Below are key contract provisions for procurement as per state-specific regulations (NCGS and NCAC).



Availability of Funds

Provision: Per 01 NCAC 05B .0318(b)(3), it is required to include language regarding the potential changes in the availability of funding for the program or activities.

Purpose: Establishes the uncertain and changing nature of state funding within the contract.



Protection from Legal Risks

Provision: Per 01 NCAC 05B .0318(b)(4), contract terms should include provisions to protect the state from legal and other risks, as necessitated by current legal, market, and business conditions.

Purpose: Protects the state and agency from legal risks.



Debarment & Suspension

Provision: Established by NCGS 143C-6-23(f) and clarified in 09 NCAC 03M .0801(a), grant funds shall not be disbursed to entities that are debarred or suspended or otherwise ineligible for participation in state grant programs or activities.

Purpose: Prevents engagement with contractors who are not eligible for state contracts.



Performance, Payment Terms, & Service Terms

Provision: Per 01 NCAC 05B .0318(b)(1), standard contract terms and conditions should include the responsibilities for both parties related to the terms of payments, services, and performance of the award.

Purpose: Establishes expectations and clarifies requirements for contractors and agencies.



Provisions Relating to the Utilization of Federal Funds

Provision: Per 01 NCAC 05B .0318(b)(3), it is required to include provisions related to the use of any federal funds used in financing the program or activities.

Purpose: Requires the inclusion of all pertinent federal requirements within contract terms



Protections for State Data and Property

Provision: Per 01 NCAC 05B .0318(b)(3), it is required to include language that establishes protections for state data and property.

Purpose: Protects private and confidential data, as well as the related property and capital assets.



Leading Practices



Leading Practices for Procurement

LEADING PRACTICES FOR PROCUREMENT



Develop and Maintain Comprehensive Procurement Policies

Establish and regularly update procurement policies and procedures that align with both federal and state regulations. Verify these policies are accessible and communicated to all relevant staff.



Implement Clear and Transparent Procurement Procedures

Develop and implement standardized procedures for each procurement method, including clear guidelines for solicitation, evaluation, and award processes. Confirm that all procurement activities are well-documented and accessible for audit purposes.



Establish Robust Contract Management Practices

Develop a contract management framework that includes regular monitoring, performance evaluations, and mechanisms for addressing non-compliance or contract modifications. Provide training for staff on effective contract management techniques.



Implement Comprehensive Risk Management Strategies

Develop and implement risk management strategies that include regular risk assessments, internal controls, and contingency plans. Verify that all staff are trained on risk management practices and understand their role in mitigating risks.



Invest in Training and Capacity Building:

Develop a comprehensive training program for procurement staff that covers both federal and state requirements. Provide regular training sessions, workshops, and access to resources to make sure that staff are well-equipped to manage procurement activities effectively.

Leading Practices for Procurement

LEADING PRACTICES FOR PROCUREMENT



Adopt and Integrate Technology Solutions

Implement electronic procurement systems to automate and streamline procurement processes. Use contract management software to track contract performance and compliance. Verify that all technology solutions are secure and compliant with federal and state regulations.



Implement Strategic Sourcing Practices

Conduct thorough market research to identify the best suppliers and negotiate favorable terms. Use cooperative purchasing agreements and state contracts to leverage collective buying power. Continuously evaluate sourcing strategies to verify they align with organizational goals and regulatory requirements.



Develop Supplier Relationship Management Programs

Establish programs to build and maintain strong relationships with suppliers. Implement performance management practices, including regular evaluations, feedback mechanisms, and corrective action plans. Confirm that suppliers are held accountable for meeting performance standards and contract requirements.




Implement Regular Audits and Reviews


Conduct internal and external audits of procurement activities to verify compliance with federal and state regulations. Use audit findings to identify areas for improvement and implement corrective actions. Maintain comprehensive documentation of all procurement activities to support audit and review processes.


Common Observations



Common Observations and How to Address Them

OBSERVATION	 No Competitive Procurement
REGULATORY GUIDANCE	2 CFR 200.318(i)* 01 NCAC 05B .0301
RISK	Failure to follow required procurement procedures may result in claw-backs or loss of entity funding.
RECOMMENDED ACTION	Remove costs or verify non-competitive reasons per 2 CFR 200.320(c). Document via justification memo. Alternatively, locate public cost data for similar goods/services to establish reasonableness.
NEXT STEPS	Train staff on procurement requirements for purchases. Implement controls for effective methods based on costs. Retain complete procurement history, including bid tabulation, advertisement, and RFP.

OBSERVATION	 No Contract Terms & Conditions
REGULATORY GUIDANCE	2 CFR 200.327* 01 NCAC 05B .0318
RISK	Procurement of contracts using Federal funds without the required 2 CFR or NCAC terms and conditions may result in claw-backs or loss of entity funding.
RECOMMENDED ACTION	Work with vendors to amend contracts with required federal terms for non-revenue replacement projects and state terms for revenue replacement projects. Archive all amendments appropriately.
NEXT STEPS	Train staff on required provisions. In the initial RFP and advertisements, request that contracts include terms from 2 CFR 200.327 or NCAC, where applicable. Verify that these terms are included in contracts.

OBSERVATION	 No Contract Oversight
REGULATORY GUIDANCE	2 CFR 200.329(a) 2 CFR 200.403(c) 2 CFR Subpart F (200.501)(h)
RISK	Failure to perform oversight on contracts procured with SFRF funds could lead to financial and reputational loss as a result of misuse with federal funding.
RECOMMENDED ACTION	The agency/subrecipient must have procedures in place to perform oversight of all contracts procured with SFRF funds.
NEXT STEPS	Establish formal procedures for overseeing all contracts procured with federal funds to confirm compliance with federal, state, and other regulations. Train staff on necessary oversight procedures.

*Applicable to non-revenue replacement only

**It's time for a
Knowledge Check!**



Procurement

Question 1:

Which of the following is NOT a primary objective of procurement?

- A. To acquire goods and services at the best value, not merely the lowest price.
- B. To confirm compliance with applicable federal, state, local, and organizational requirements.
- C. To promote public trust and fair and open competition.
- ☒ D. To award contracts solely to the lowest-priced vendor.



Question 2:

According to U.S. Treasury guidance, which procurement rules apply to Revenue Replacement expenditures?

- A. The Uniform Guidance procurement standards (2 CFR 200.317-327).
- ☒ B. Your state, local, and/or organization's procurement policies and procedures.
- C. Whichever rules are easiest/least restrictive for the purchase.
- D. No procurement rules apply.



Question 3:

Which statement best describes the rules regarding suspension and debarment in government contracting?

- A. Only federal agencies are required to check if an entity is banned before signing a contract.
- ☒ B. Federal agencies, state agencies, and other organizations that receive federal funds are not allowed to award contracts to entities that are suspended or debarred. North Carolina also has its own process for prohibiting companies from doing business with the state.
- C. Suspension and debarment rules only applies to individuals, not organizations.
- D. State agencies are not allowed to recommend debarment to the State Purchasing Officer (SPO).



Q+A Session