

RESOLUTION #FY2018-34

Federal Funds-Procurement

March 26, 2018

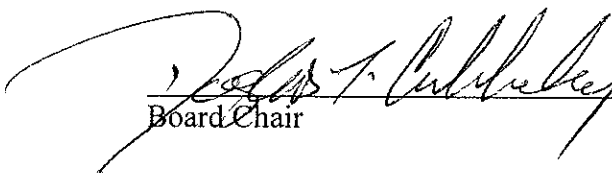
Whereas, 2 CFR Part 200 Uniform Administration Requirements, Cost Principles and audit requirements for Federal awards – Subpart D, requires formal written policies that address Cash Management and Allowable Costs; and

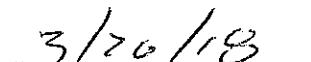
Whereas, required internal control policies needed to be clearly defined and documented;

Now Therefore, to assure proper and efficient administration of Federal Funds in accordance with the Uniform Guidance over Federal programs the Board resolves to approve this Policy – Federal Funds - Procurement

Board Members	Yes	No	Absent	Abstain
Allen Baer	X			
Cary Wise	X			
Corey Speweik	X			
Erin Hachtel	X			
Jessica Clements	X			
Leanne Eby	X			
Marc Jensen	X			
Randy Rothenbuhler	X			
Stan Korducki	X			
Sue Moore			X	
Tom Kiger	X			
Doug Cubberley	X			
Judy Ennis	X			

Allan Baer motioned to approve this resolution Stan Korducki seconded. This resolution is adopted by the majority of the Board. Resolution passed.


Board Chair


Date

Wood County Alcohol, Drug Addiction and Mental Health Services Board
Policy and Procedure Manual

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PURPOSE: To assure proper and efficient administration of Federal Funds in accordance with the Uniform Guidance over federal programs.

POLICY: Procurement of all supplies, materials, equipment, and services paid for from Federal funds or WCADAMHS Board matching funds shall be made in accordance with all applicable Federal, State, and local statutes and/or regulations, the terms and conditions of the Federal grant, Ohio Department of MHAS policies and administrative procedures, the provisions of Board Policy.

The Executive Director shall maintain a procurement and contract administration system in accordance with the requirements of 2 CFR 200.317-.326 for the administration and management of Federal funds and Federally-funded programs. The WCADAMHS Board shall maintain a contract administration system that requires contractors to perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders. Except as otherwise noted, procurement transactions shall conform to the provisions of the WCADAMHS Board's general purchasing policy.

All WCADAMHS Board employees, officers, and agents who have purchasing authority shall abide by the standards of conduct covering conflicts of interest and governing the actions of Board employees, officers, and agents engaged in the selection, award, and administration of contracts as established in Board policy.

The WCADAMHS Board will avoid acquisition of unnecessary or duplicative items. When appropriate, the WCADAMHS Board will consider opportunities to use Federal excess and surplus property in lieu of purchasing new equipment and property. Additionally, consideration shall be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis shall be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach. These considerations are part of the process to determine the allowability of each purchase made with Federal funds.

To foster greater economy and efficiency, the WCADAMHS Board may enter into State and local intergovernmental agreements where appropriate for procurement or use of common or shared goods and services.

Competition

The WCADAMHS Board shall seek requests for information for any proposed procurement that will be paid for with Federal funds. While the Board is exempt under O.R.C. 340 from competitive bidding, the Board shall assess proposals for cost effectiveness as well as quality of services to be provided. Decisions to contract with a particular agency for services are

determined by the Board with input from the Executive Director.

Procurement Methods

The WCADAMHS Board shall utilize small purchase procurement methods for securing services, supplies, and other property that are greater than the micro-purchase threshold of \$3,000 but that do not exceed the sealed proposal threshold of \$150,000. Small purchase procedures require that price or rate quotations shall be obtained from more than one (1) qualified source. Sealed proposals shall be utilized for purchases in excess of \$150,000.

Procurement Standards

The WCADAMHS Board will make procurement awards only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

The WCADAMHS Board alone will be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of its procurements. These issues include but are not limited to source evaluation, protests, disputes, and claims.

Contract/Price Analysis

The WCADAMHS Board shall perform a cost or price analysis in connection with every procurement action in excess of \$150,000, including contract modifications. A cost analysis generally means evaluating the separate cost elements that make up the total price, while a price analysis means evaluating the total price, without looking at the individual cost elements.

The method and degree of analysis is dependent on the facts surrounding the particular procurement situation; however, the WCADAMHS Board shall come to an independent estimate prior to receiving bids or proposals.

When performing a cost analysis, the WCADAMHS Board shall negotiate profit as a separate element of the price. To establish a fair and reasonable profit, consideration is given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.

Time and Materials Contracts

The WCADAMHS Board uses a time and materials type contract only (1) after a determination that no other contract is suitable; and (2) if the contract includes a ceiling price that the contractor exceeds at its own risk. Time and materials type contract means a contract whose cost to the WCADAMHS Board is the sum of the actual costs of materials, and direct labor hours charged at fixed hourly rates that reflect wages, general and administrative expenses, and profit.

Since this formula generates an open-ended contract price, a time-and-materials contract provides no positive profit incentive to the contractor for cost control or labor efficiency. Therefore, the WCADAMHS Board sets a ceiling price for each contract that the contractor exceeds at its own risk. Further, the WCADAMHS Board shall assert a high degree of oversight in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.

Suspension and Debarment

The WCADAMHS Board will award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of the proposed procurement. All purchasing decisions shall be made in the best interests of the WCADAMHS Board and shall seek to obtain the maximum value for each dollar expended. When making a purchasing decision, the WCADAMHS Board shall consider such factors as (1) contractor integrity; (2) compliance with public policy; (3) record of past performance; and (4) financial and technical resources.

The Executive Director shall have the authority to suspend or debar a person/corporation, for cause, from consideration or award of further contracts. The WCADAMHS Board is subject to and shall abide by the non-procurement debarment and suspension regulations implementing Executive Orders 12549 and 12689, 2 CFR Part 180.

Suspension is an action taken by the WCADAMHS Board that immediately prohibits a person from participating in covered transactions and transactions covered under the Federal Acquisition Regulation (48 CFR chapter 1) for a temporary period, pending completion of an agency investigation and any judicial or administrative proceedings that may ensue. A person so excluded is suspended. (2 CFR Part 180 Subpart G)

Debarment is an action taken by the Executive Director to exclude a person from participating in covered transactions and transactions covered under the Federal Acquisition Regulation (48 CFR chapter 1). A person so excluded is debarred. (2 CFR Part 180 Subpart H)

The WCADAMHS Board shall not subcontract with or award subgrants to any person or company who is debarred or suspended. For contracts over \$25,000, the WCADAMHS Board shall confirm that the vendor is not debarred or suspended by either checking the Federal Government's System for Award Management, which maintains a list of such debarred or suspended vendors at www.sam.gov; collecting a certification from the vendor; or adding a clause or condition to the covered transaction with that vendor. (2 CFR Part 180 Subpart C)

Maintenance of Procurement Records

The WCADAMHS Board maintains records sufficient to detail the history of all procurements. These records will include but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price (including a cost or price analysis).

Applicable Laws, Regulations and Guidance: 2 C.F.R. 200.317 - .326