

## Procurement Compliance Checklist for State and Federal Guidelines

This checklist is designed to help procurement professionals ensure compliance with state and federal procurement regulations. It covers key areas from planning through contract execution to ensure all rules are followed.

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### 1. Procurement Planning

- **Define the Scope of Work:** Clearly outline the goods or services needed, including specifications, quantities, and timelines.
  - **Confirm Budget Availability:** Ensure funding is available and allocated for the procurement in the grant budget.
  - **Identify Applicable Guidelines:**
    - **Federal:** Follow **FAR** guidelines (48 CFR) if federal funds are involved.
    - **State:** Check state-specific procurement laws and thresholds.
  - **Determine Procurement Method:** Based on the estimated value of the procurement, decide on the method:
    - Micro-purchase
    - Small purchase
    - Sealed bids
    - Competitive proposals
    - Non-competitive (sole-source) procurement (if justified)
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### 2. Threshold Checks

- **Federal Procurement Thresholds:**
  - **Micro-purchases:** Ensure procurement is under **\$10,000** (or applicable higher threshold).
  - **Simplified Acquisition:** For purchases up to **\$250,000**, use simplified procedures.
  - **Sealed Bids/Proposals:** Required for purchases over **\$250,000** unless an exemption applies.
- **State Procurement Thresholds:**
  - Verify your state's specific thresholds for competitive bidding and small purchases.
  - Ensure sealed bids are obtained for contracts above the state's threshold (usually between **\$25,000 and \$50,000**).

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### 3. Competitive Bidding Process

- **Solicitation:**
  - Prepare solicitation documents (RFP, RFQ, IFB) clearly detailing the requirements.
  - Ensure publication of the solicitation as required (e.g., state website, federal SAM.gov for federal contracts).
- **Bid Evaluation Criteria:** Define objective criteria for evaluating proposals or bids.
- **Ensure Open and Fair Competition:** Avoid restrictive specifications that unfairly limit competition.
- **Conduct Pre-Bid Conference (if needed):** Hold meetings to clarify procurement requirements with potential vendors.

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### 4. Supplier and Vendor Management

- **Vendor Eligibility:**
  - **Federal:** Check the **System for Award Management (SAM)** to ensure vendors are not debarred or suspended from federal contracts.
  - **State:** Verify vendor eligibility based on state-specific debarment or qualification lists.
- **Small Business Set-Asides** (if applicable):
  - Federal contracts between **\$10,000 and \$250,000** are generally set aside for small businesses.
  - Verify state-specific rules for small business participation.

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### 5. Cost and Price Analysis

- **Perform Cost/Price Analysis:** Required for all procurements above micro-purchase thresholds.
  - Ensure the price is fair and reasonable.
  - For competitive bids, compare vendor pricing with market standards.
- **Negotiate Pricing:** If using a competitive proposal process, negotiate final costs with the selected vendor.

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### 6. Documentation and Approvals

- **Create a Procurement File:**
    - All solicitation documents, proposals, bids, bid evaluations, cost/price analysis, and approvals should be documented.
    - Keep records of communications with vendors.
  - **Obtain Necessary Approvals:**
    - Ensure internal approvals are obtained for each stage of procurement, including planning, solicitation, evaluation, and contract award.
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## 7. Awarding Contracts

- **Notify Successful Vendor:** Provide formal notice of award to the selected vendor.
  - **Execute the Contract:** Ensure all contract terms and conditions are clearly defined.
    - Include provisions for contract modifications and dispute resolution.
  - **Debrief Unsuccessful Bidders:** Provide feedback to vendors who did not win the contract (if required by law or regulation).
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## 8. Contract Management and Oversight

- **Monitor Vendor Performance:** Regularly assess the contractor's performance to ensure compliance with the contract.
  - **Ensure Compliance with Contract Terms:** Track milestones, deliverables, and deadlines.
  - **Review Invoices:** Confirm that invoicing aligns with the contract and any federal or state requirements for payment.
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## 9. Audit and Reporting

- **Prepare for Audits:** Ensure all procurement documentation is organized and available for potential federal or state audits.
  - **Submit Required Reports:**
    - **Federal:** Follow reporting requirements for federal grants or contracts.
    - **State:** Ensure compliance with state-specific reporting guidelines.
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## 10. Closeout and Final Evaluation

- **Contract Closeout:**

- Ensure all deliverables have been received and accepted.
  - Review final invoices and ensure all payments are complete.
  - Close out the procurement file with all relevant documents.
  - **Evaluate Performance:** Conduct a final performance review of the vendor and procurement process.
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**Key Compliance Notes:**

- **Federal Acquisition Regulation (FAR):** Governs federal procurement processes (48 CFR).
  - **2 CFR 200:** Governs procurement for federal awards for non-federal entities.
  - **State-Specific Guidelines:** Each state has its own procurement rules, thresholds, and reporting requirements. Always confirm local regulations.
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By following this checklist, procurement teams can ensure compliance with both state and federal regulations, promote competition, and reduce the risk of audits or penalties.