

The background features a large, faint watermark of the seal of the State Board of Accountants. The seal is circular and contains the text "STATE BOARD OF ACCOUNTANTS" around the perimeter. In the center, there is a sunburst design with a central figure and several stars. The text "DIAN" is also visible in the center of the seal.

IASBO Purchasing Seminar

Chase Lenon, Director of Audit Services

**Jonathan Wineinger, Assistant Director of
Audit Services**

Contact Information



- Phone: 317-232-2512
- Email: Schools.Townships@sboa.in.gov
- Website:
<https://www.in.gov/sboa/4449.htm>



SBOA Audits

What will SBOA be looking for?



- Documentation for transactions tests
 - Contracts, appraisals, proof of publications, prescribed procurement forms.
- Compliance with State Public Purchasing/Public Works statutes.
- Compliance with Code of Federal Regulations
- Compliance with local policies.

Prescribed Forms



- Requisition - Form 500
- Quotation - Form 501
- Purchase Order - Form 98
- Accounts Payable Voucher - Form 523
- Contractor's Bond for Construction - Form 86A*
- Contractor's General Bid for Public Work - Form 86*
- Claim for Payment - Form SA-7

Requisition Form

Date _____

REQUISITION BLANK

No. _____

PLEASE FURNISH AND DELIVER TO _____ AT _____

BUILDING THE FOLLOWING ITEMS TO BE USED FOR _____

Prescribed by State Board of Accounts Form No. 500

| QUANTITY OR UNIT | | DESCRIPTION | UNIT PRICE | CHARGES | |
|------------------|---------|-------------|------------|---------|-----------|
| ORDERED | DELIV'D | | | AMOUNT | ACCT. NO. |
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SAMPLE

AUTHORIZED BY

ORDERED BY

GOODS RECEIVED BY

Quotation Form



- The Quotation Blank (Form 501) is prescribed for use in securing competitive price quotations on school supplies, materials and equipment without advertising for bids. Quotation Blank (Form 501) should be used only when the purchase of any item of supplies, materials or equipment will cost less than \$50,000.

PURCHASE ORDER

NOTE: NO CLAIM WILL BE APPROVED FOR PAYMENT UNLESS ORIGINAL COPY OF THIS ORDER OR THE P.O. NUMBER IS MADE A PART OF THE CLAIM.

GOVERNMENTAL UNIT

ADDRESS

P.O. NO. _____
This Number must be on Invoice, Claim, and Delivery Memos.

TO _____
ADDRESS _____
CITY _____
SHIP TO _____
SHIP VIA _____

DATE _____
REQ. _____
IN ACCORDANCE WITH BID AND CONTRACT DATED _____
If subject to discount please indicate on Invoice or Claim.

CHARGE TO _____
APPROPRIATION FOR _____ APPROPRIATION NUMBER _____

| QUANTITY | UNIT | DESCRIPTION | UNIT PRICE | AMOUNT |
|----------|------|-------------|------------|--------|
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SAMPLE

TOTAL AMOUNT OF ORDER \$ _____

I HEREBY CERTIFY THAT THERE IS AN UNOBLIGATED BALANCE IN THIS APPROPRIATION SUFFICIENT TO PAY FOR THE ABOVE ORDER _____
BEING ON THIS ORDER MUST BE ACCORDING TO PRICES SHOWN ABOVE
ORDER BY _____
Title _____

FEDERAL EXCISE TAX EXEMPT

INDIANA RETAIL TAX EXEMPT
CERTIFICATE NO. _____

Purchase Order

Accounts Payable Voucher

ACCOUNTS PAYABLE VOUCHER

_____ SCHOOL CORPORATION _____, Indiana

An invoice or bill to be properly itemized must show: kind of service, where performed, dates service rendered, by whom, rates per day, number of hours, rate per hour, number of units, price per unit, etc.

| | |
|----------------------------------|---|
| Payee _____ _____ _____ | Purchase Order No. _____ Terms _____ Date Due _____ |
|----------------------------------|---|

| Invoice Date | Invoice Number | Description (or note attached invoice(s) or bill(s)) | Amount |
|--------------|----------------|---|--------|
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| | | Total | |

SAMPLE

I hereby certify that the attached invoice(s), or bill(s), is (are) true and correct and that the materials or services itemized thereon for which charge is made were ordered and received except _____

_____, 20____ Signature _____ Title _____

I hereby certify that the attached invoice(s), or bill(s), is (are) true and correct and I have audited same in accordance with IC 5-11-10-1.6.

_____, 20____ Treasurer _____

Contractor's Bond for Construction



- The form, properly executed and approved by the awarding body, will be furnished by the successful bidder as a guarantee of faithful performance in connection with a contract for public work.

Contractor's General Bid for Public Work



- The form is designed to be used by bidders in submitting bids on construction and repair projects, new buildings, alterations, or additions. It is to be used where work (materials and labor) is done under contract and must be used whenever a contract is to be awarded.

CLAIM FOR PAYMENT

No. _____

SCHOOL EXTRA-CURRICULAR ACCOUNT

PAID BY CHECK: _____ DATE _____
 No. _____ Date _____
 Purchased From _____
 Address _____
 Purchased For _____
 Delivered To _____
 Invoice Handed To _____

TO THE DISBURSING OFFICER:

The following expense is proposed, payable from the _____ Fund.

No payment is to be made for this order until the SA-7 Form is properly filed and the items have been received.

An invoice or bill to be properly itemized must show: kind of service, where performed, dates service rendered, by whom, rates per day, number of hours, rate per hour, number of units, price per unit, etc.

| Quantity | Description | Unit | Price | Total |
|------------------|-------------|------|-------|-------|
| | | | | \$ |
| Total This Order | | | | \$ |

SAMPLE

Approved for Payment _____
 Signature

I hereby certify that the attached invoice(s), or bill(s), is (are) true and correct and that the materials or services itemized thereon for which charge is made were ordered and received except _____

Date _____ Signed: _____
 Signature

I hereby certify that the attached invoice(s), or bill(s), is (are) true and correct and I have audited same in accordance with IC 5-11-10-1.6.

Date _____
 Treasurer

Claim for Payment – SA-7
 (Extracurricular use only)



State Purchasing Requirements

Introduction to Indiana Code 5-22



- IC 5-22-1-1: “Except as provided in this chapter, this article applies to every expenditure of public funds by a governmental body.”
- IC 5-22-3-3: “A governmental body may adopt rules to regulate purchases of the governmental body. A rule adopted under this subsection may: (1) supplement this article; and (2) not be inconsistent with this article.”

Introduction to Indiana Code 5-22 continued



- IC 5-22-4-5 and IC 5-22-4-6
 - The individuals designated by the purchasing agency are the purchasing agents for the governmental body.
 - A purchasing agency **may have more than one purchasing agent.**
- IC 5-22-4-7
 - Allows governmental bodies, under IC 36-1-7 (Interlocal Agreement), to form cooperative purchasing organizations.
 - **Requires cooperative purchasing organizations to follow IC 5-22.**
 - The cooperative purchasing organization becomes the purchasing agency for the governmental body for that particular purchase. The individual designated by the cooperative purchasing organization becomes the purchasing agent for the governmental body for that particular purchase.

Purchases of Services



- IC 5-22-6-1: “The purchasing agency of a governmental **body may purchase services using any procedure** the governmental body or the purchasing agency of the **governmental body considers appropriate.**”
- IC 5-22-2-30: “Services” means the furnishing of labor, time, or effort by a person, not involving the delivery of specific supplies other than printed documents or other items that are merely incidental to the required performance.”

Purchase of Supplies – Competitive Bidding



- IC 5-22-2-38: “(a) “**Supplies**” means any property. (b) The term includes equipment, goods, and materials. The term does not include an interest in real property.”
- IC 5-22-7-1: “A purchasing agent **shall follow the procedure described in this chapter** in awarding a contract for supplies, unless another purchasing method is required or authorized by this article.”

Invitation for Bids



- IC 5-22-7-2 Purchasing agent shall issue an invitation for bids.
 - Invitation for bids must include:
 - **A description.**
 - **All contractual terms** and conditions.
 - A statement of the **bid evaluation criteria** including any of the following: Inspection, Testing, Quality, Workmanship, Delivery, Suitability for a purpose. Criteria **must be measurable**.
 - **Time and place** bids will be opened.
 - A statement whether bids must be accompanied by a **certified check other evidence of financial responsibility** that may be imposed in accordance with policies of the governmental body.
 - Conditions under which a bid may be canceled or rejected as specified by IC 5-22-18-2.
- IC 5-22-7-5: “The purchasing agency shall give notice of the invitation for bids in the manner required by IC 5-3-1.”
 - Published two times at least one week apart with the second publication at least seven days prior to the meeting bids will be received.

Receiving bids



- IC 5-22-7-6
 - Bids must be opened publicly at the time and place designated on the invitation for bids.
- IC 5-22-7-7
 - Bids must be accepted without alteration and evaluated based on the requirements provided in the invitation for bids.
- IC 5-22-7-8
 - Contract must be awarded by written notice to the **lowest responsible and responsive bidder**.
- IC 5-22-7-9
 - Purchasing agency **must maintain: the name of each bidder, the amount of each bid, and other information** required by this article and any rules adopted under this article. Information is subject to public inspection after the contract is awarded.

Other Procedures



- 5-22-18-1
 - The purchasing agent may give additional notices if they determine it will increase competition, but the latest publication has to be at least seven days from the deadlines.
- IC 5-22-18-2
 - If the purchasing agent determines it is in the best interest of the governmental unit, then they can cancel a solicitation or reject all offers in whole or in part.
 - The **reasons for the cancellation or rejection must be documented** in the contract file.
- IC 5-22-18-3
 - The governmental body may make a written determination that it is in the best interest to delay the opening.
 - They are required to announce at the original scheduled opening the rescheduled day, time and place.

Small Purchases – Exceptions to Competitive bidding requirements



- IC 5-22-8-2
 - For **purchases less than \$50,000** the purchasing agent should follow policies established by the purchasing agency or rules adopted by the governmental body.
- IC 5-22-8-3
 - For **purchases of \$50,000 to \$150,000** the purchasing agent should invite three quotes from businesses known to be in the field.
 - The invitation to quote must be mailed at least seven days before the deadline for receiving quotes.
 - The purchasing agent shall award a contract to the lowest and responsive offeror.
 - If the purchasing agent does not receive a quote from a responsible and responsive offeror, then they may proceed under the requirements of IC 5-22-10-10.

Special Purchasing Methods



- IC 5-22-10-1
 - A purchasing agent may make a purchase under this chapter without soliciting bids.
- Some types of specific methods:
 - Emergency Conditions
 - Savings to governmental body
 - Data processing contract or license agreements
 - Compatibility of equipment, accessories, or replacement parts
 - No offer received under other purchasing methods
 - Governmental discounts available
 - Single source for supply

Special Purchasing Methods continued



- IC 5-22-10-3
 - Purchasing agent must keep contract records in a **separate file if they are going to make a special purchase.**
 - Contract file must include the determination for the basis of the special purchase and the basis of selecting the particular contractor.
 - Records must be maintained for a minimum of five years and include: each contractor's name, the amount and type of contract, and the description of supplies purchased.

New Federal Grant Procurement Requirements



- **Pre-Uniform Guidance Grants:**
 - Purchases of goods and services are properly procured based on IC 5-22
- **Uniform Guidance Grants:**
 - Must use their own documented procurement procedures
 - Must meet the general procurement standards in 2 CFR 200.318
 - Must conduct all procurement transactions in a manner providing full and open competition
 - Must use the micro-purchase and small purchase methods only for procurements that meet the applicable criteria under 2 CFR 200.320(a) and(b)
 - Must use one of three methods when an acquisition exceeds the simplified acquisition threshold
 - Sealed bid method - 2 CFR 200.320(c)
 - Competitive proposals method - 2 CFR 200.320(d)
 - Noncompetitive proposals method - 2 CFR 200.320(e)
 - Must perform a cost or price analysis with every procurement in excess of the simplified acquisition threshold, including contract modifications
 - Must ensure that every purchase order or other contract includes applicable provisions required by 2 CFR 200.326

Procurement



- Uniform Guidance

- <https://www.whitehouse.gov/wp-content/uploads/2018/06/M-18-18.pdf>

- Small purchase threshold

Federal \$ amount

less than \$10,000

- Requirement for Quotes

\$10,000 - \$250,000

- Requirement for Bid Process

over \$250,000

State \$ amount

less than \$50,000

\$50,000 - \$150,000

over \$150,000

- IC 5-22 – State Purchasing Requirements

- <https://www.in.gov/sboa/files/IASBO%20Purchasing%20presentation%204-18-17.pdf>

Disposal of Surplus Personal Property



- Surplus Property with estimated value under \$1,000 or Group under \$5,000:
 - IC 5-22-22-6 says that you can sell at a public or **private sale without advertising**.
- Surplus Property with estimated value over \$1,000 or Group over \$5,000:
 - IC 5-22-22-4: may engage an auctioneer; advertising must include detailed description of property sold.
 - IC 5-22-22-4.5: may use Internet auction site approved by the office of technology and linked to the electronic gateway; posting must include a detailed description of property sold.
<http://in.gov/iot/2379.htm>
 - IC 5-22-22-5: may sell at a public sale or by sealed bids; advertised in accordance with IC 5-3-1; sales must be made to the highest responsible bidder.
- Worthless Property:
 - IC 5-22-22-8: worthless property may be demolished or junked; property considered worthless if the value is less than the estimated cost of sale or transportation.

Purchase of land or structures



- IC 36-1-10.5-5 Land or structures purchased over \$25,000
 - The Board must pass a resolution that it is interested in purchasing the land.
 - The purchasing agent must appoint two appraisers to determine the fair market value.
 - Appraisals are returned within thirty days and they are kept on record for at least five years.
 - Purchasing agent must present the appraisals to the School Board.
- IC 36-1-10.5-6 says that the **purchase price can not be greater than the average of the two appraisals** received.

Public Works Law
IC 36-1-12



- “As used in this chapter, "public work" means the **construction, reconstruction, alteration, or renovation** of a public building, airport facility, or other structure that is paid for out of a public fund or out of a special assessment. The term includes the construction, alteration, or repair of a highway, street, alley, bridge, sewer, drain, or other improvement that is paid for out of a public fund or out of a special assessment. The term also includes any public work leased by a political subdivision under a lease containing an option to purchase.”

Public Work Projects



- Small Projects < \$50,000
- Quotes for between \$50,000 & \$150,000
- Bid >\$150,000

Projects between \$50,000 & \$150,000



- Board must invite quotes from at least 3 persons known to deal in the class of work proposed.
 - Contractors must mail a notice of plans and specifications at least 7 days before receiving quotes.
- Meeting to receive quotes must be open to the public and read aloud.
 - Cannot require quotes to be submitted before meeting.
- Must award to lower responsible and responsive bidder.
 - **May reject all quotes if documented reasons for rejecting.**

Small Projects < \$50,000



- *Prior slide's requirements apply as well.*
- Board can purchase or lease supplies in accordance with IC 5-22 and **perform the public works using its own workforce**
 - Must have a group of employees on staff who are capable of performing the construction, maintenance, and repair of all applicable work
- Purchases under \$25,000, quotes by phone/fax allowed.
 - 7 day waiting period does not apply.
- If the board rejects all quotes, may negotiate for work in the open market without the bidding/quote process.

Projects > \$150,000



- Board must prepare general plans and specifications.
 - Must avoid specifications that may limit competition.
 - Plans must be filed in a public location.
- Public notice of sealed bids.
 - Must state time and place.
 - If < \$25,000,000 notice **must be at least 6 weeks** before opening.
 - If > \$25,000,000 notice **must be at least 10 weeks** before opening.
- **Items required** from submitters:
 - Financial Statements, statement of experience, proposed plan, equipment available for use.
 - Affidavit that bidder has not agreed to prevent/set/induce bid

Alternative Procedures



- For Projects costing less than \$150,000.
- Applies to a public work for the **routine operation, repair, or maintenance** of existing structures, buildings, or real property.
- May award a contact for public work in accordance with IC 5-22.

Public Works – Miscellaneous items



- Factors to consider in determining whether a bidder has submitted a **responsive** bid – Ind. Code 36-1-12-4(b)(10)
 - Does bid or quote conform in all material respects to the specifications
 - Does bid comply specifically with the invitation to bid and instructions to bidders
 - Does bid comply with all applicable statutes, ordinances, resolutions or rules
- Factors to consider in determining whether a bidder is “**responsible**” – Ind. Code 36-1-12-4(b)(11)
 - Ability and capacity of the bidder to perform the work
 - Integrity, character and reputation of the bidder
 - Competence and experience of bidder

Public Works – Miscellaneous items



- Bond or certified check must be filed with each bid if cost of public work is > \$200,000.
 - Amount to be set by the board with a 10% maximum.
- Once contract awarded, must provide successful bidder a 'Notice to Proceed' within 60 days.
 - Time limit increased if bonds are issued.

Questions to ask



- Were Specifications for the project appropriately prepared?
- Was the bid sought through the proper advertisement? Was the bid Form 96 used?
- Was contract awarded pursuant to IC 36-1-12?
- Were financial statements provided with the bid? Escrow contract for retainage per IC 36-1-12-14 is intact?
- A performance bond was included with the bid documents?
- A non-collusion affidavit was provided with the bid documents?
- Any change orders were approved and not greater than 20 percent of the original contract amount?



Federal Purchasing Requirements

Procurement Standards
2 CFR 200.317-326



- 200.317 Procurement by states
- 200.318 General procurement standards
- 200.319 Competition
- 200.320 Methods of procurement to be followed
- 200.321 Contracting with small and minority business, women's and labor surplus area firms

Procurement Standards
2 CFR 200.317-326



- 200.322 Procurement of recovered materials
- 200.323 Contract cost and price
- 200.324 Federal awarding agency or pass through entity review
- 200.325 Bonding requirements
- 200.326 Contract provisions

Procurement Standard 200.317



- If local policy or State requirements are more restrictive than Federal requirements → must follow the most restrictive requirements.

Procurement Standard 200.318(a-b)



- Must use its own documented procurement procedures which reflect applicable State and local laws and regulations provided that procurements conform to applicable Federal law and the standards identified in this part.
- Must maintain oversight to ensure contractors perform in accordance with contracts and specs.

Procurement Standard 200.318(c)



- **Must maintain written standards** of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts.
- No employee, officer or agent may participate in the selection, award, or administration of a contract if there is a conflict of interest.
- No employee, officer or agent may neither solicit nor accept gratuities, favors or **anything of monetary value** from contractors or parties to subcontractors. Standards may be set.

Procurement Standard 200.318(d-f)



- Must avoid acquisition of unnecessary or duplicate items.
- Consideration should be given to consolidating or breaking out procurement to obtain a more **economical purchase**.
- Encouraged to enter into state and local intergovernmental agreements for procurement or use of common or shared goods and services.
- Encouraged to use Federal excess and surplus property in lieu of new equipment or property.

Procurement Standard 200.318(g-i)



- Encouraged to use value engineering clauses in construction contracts of sufficient size.
- Must award contracts only to responsible contractors possessing ability to perform successfully (integrity, compliance with public policy, past performance, financial & technical resources)
 - See also Suspension and debarment (200.213)
- Organizations must maintain records sufficient to **document the rationale** for the following:
 - Method of procurement (200.320)
 - Selection of contract type,
 - Contractor selection or rejection, and
 - Basis for contract price

Procurement Standard 200.318(j-k)



- **Time and materials contracts** may only be used after a determination that no other contract is suitable. If the contract includes a ceiling price, the contractor exceeds at his own risk.
- Responsible for good administrative practices and sound business judgement, and for the settlement of all contractual and administrative issues.

Competition 200.319 (a-b)



- All procurements must be conducted in a manner that provides full and open competition.
 - Example given of situations considered to be restrictive of competition.
- Conduct in a manner that prohibits the use of statutorily or administratively imposed state or local geographical preferences in the evaluation of bids or proposals (exceptions: State Licensing Law).

Competition 200.319 (c)



- Written procedures for procurement transactions that ensure:
 - Clear and accurate description of the technical requirements for material, product or services
 - Description must not contain features which unduly restrict competition
 - Detailed product specs should be avoided if possible
 - A “brand name or equivalent” description may be used to define performance or other requirements when it is impractical or uneconomical to make a clear and accurate description of the technical requirements.
 - Identify all the requirements that offerors must fulfill and other factors to be used to evaluate bids or proposals

Competition 200.319 (d)



- Ensure that all prequalified lists of persons, firms or products that are used are current and include enough qualified sources to ensure maximum open and free competition
- Not preclude potential bidders from qualifying during the solicitation period.

Procurement Methods 200.320 (a)



- Procurements without competition:
 - Micro-purchases, \$3,500* or less, do not require competition or a cost/price analysis but must be distributed equitably amount qualified suppliers.
 - Micro-purchases may be awarded without soliciting competitive quotations if the entity considers the price to be reasonable.

Procurement Methods 200.320 (b-d)



- Procurements requiring competition or cost-price analysis
- Small purchases below the Simplified Acquisition Threshold, (\$3,500-\$149,999*), require price and rate quotes be obtained from a number of qualified sources.
 - Note: No cost/price analysis is required.
- Sealed proposals, using firm fixed price contract, require formal advertising, two or more bidders are willing and able to respond, and there is public opening of the bids. (sealed bid method is preferred for procuring construction)
- Competitive proposals, used when sealed bids are not appropriate, require advertising, includes a written method for conducting the technical evaluation, responses must be solicited from an adequate number of qualified sources, normally has more than one source submitting an offer and the award is either fixed price or cost reimbursable.

Procurement Methods 200.320 (f)



- Procurement by noncompetitive proposal is used when the items are only available from a single source. One or more of the following must apply:
 - Available only through a single source
 - Public emergency will not permit delay required for competition.
 - Awarding agency has expressly authorized a noncompetitive process
 - After solicitation of a number of sources, competition is deemed inadequate

Procurements*

| Micro 200.320 (a) | Small 200.320 (b) | Simplified Acquisition Threshold/ Construction 200.320 (c) | Simplified Acquisition Threshold/ Non-Construction 200.320 (d) | Sole Source 200.320 (f) |
|--------------------------------|----------------------------------|--|--|---|
| < \$3,500 | \$3,500 - \$150,000 | > \$150,000 | > \$150,000 | Unique |
| No quotations | Rate quotations | Sealed Bids | Fixed price or cost reimbursement | Public emergency or no competition |
| Equitable distributions | No cost or price analysis | Price is a major factor | RFP with evaluation methods | Authorized by agency |

Procurement and Affirmative Action
200.321



- Small and Minority Businesses, Women-Owned, and Labor Surplus Area Firms
- Organizations must take the following affirmative steps to ensure these firms are used:
 - Place on solicitation list
 - Divide total requirement, when economically feasible, into smaller tasks
 - Use service and assistance from various organizations
 - Require prime contractors to take the same affirmative steps

Procurement of Recovered Materials 200.322



- Organizations must comply with the Solid Waste Disposal Act for procuring items designated in the EPA guidelines.
 - Contain highest percentage of recovered materials possible
 - Procurement of solid waste services that maximizes energy

Contract Cost and Price 200.323



- Every procurement in excess of the Simplified Acquisition Threshold (\$150,000*) must have a cost or price analysis performed.
- Profit must be negotiated as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed.
- Cost or prices based on estimated cost for the contracts are allowable if they are allowable under Federal cost principles.
- Cost plus a percentage of cost must not be used.

Procurement Review 200.324



- Must make available, upon request, technical specifications on proposed procurements to ensure the item or service is the one being proposed for acquisition
- Must make available for the federal agency or pass-through entity procurement documents when:
 - Procurement processes fail to comply with procurement standards
 - Procurement is expected to exceed the Simplified Acquisition Threshold and is to be awarded without competition or is awarded to entities other than the low bidder, specifies a “brand name” or contract modification that changes scope
- Exempt from this pre-procurement review if agency or pass through entity determine standards were met.
 - Request procurement system be reviewed

Bonding Requirement 200.325



- Bonding may be required for construction/facility improvement for contracts/subcontracts exceeding the Simplified Acquisition Threshold.
- Minimum Requirements:
 - A bid guarantee equal to 5% of the bid - to ensure bidder will enter into a binding agreement
 - Performance bond – secure fulfillment of contractor’s obligations
 - A 100% payment bond – assure payment of all persons supplying labor and materials in performing the specified work.

Contract Provisions 200.326

Appendix II to Part 200



- Contract must contain the following provisions:
 - Contracts in excess of \$150,000* must address administrative, contractual or legal remedies in instances where contractors violate contract terms
 - Contracts > \$10,000* must address termination for cause and for convenience by organization including the manner by which it will be effected
 - Equal Employment Opportunity (all federally assisted construction contracts)
 - Davis-Bacon (construction contract is > \$2,000*)
 - Contract Work Hours and Safety Standards (> \$100,000* where mechanics or laborers)
 - Rights to Inventions
 - Clean Air Act and Federal Water Pollution Control Act (> 150,000*) (contracts & subgrantees)
 - Byrd Anti-Lobbying Amendment (> \$100,000*)
 - Debarment and Suspension

Code of Federal Regulations (Website)



<https://www.govinfo.gov/app/collection/cfr/>

Segregation of Duties



- The fundamental premise of segregation of duties is that an individual or small group of individuals should not be in a position to initiate, approve, undertake, and review the same action.
- Duties that “should” be separated: Ordering, Receiving, Claim Creation/Approval, Payment, and Reconciling functions.

Example Findings



- Internal Controls over Procurement

- <https://www.in.gov/sboa/WebReports/B48993.pdf>

- Criteria under IC 5-22

- Indiana Code 5-22-7-2 states: “(a) A purchasing agent shall issue an invitation for bids. (b) An invitation for bids must include the following:
- Indiana Code 5-22-7-5(a) states: “The purchasing agent shall give notice of the invitation for bids in the manner required by IC 5-3-1.”
- Indiana Code 5-22-7-6 states: “The purchasing agent shall open bids publicly in the presence of one (1) or more witnesses at the time and place designated in the invitation for bids.”
- Indiana Code 5-22-7-7 states: “Bids must be: (1) unconditionally accepted without alteration or correction, except as provided in sections 11 through 13 of this chapter; and (2) evaluated based on the requirements provided in the invitation for bids.”
- Indiana Code 5-22-7-8 states: "A contract must be awarded with reasonable promptness by written notice to the lowest responsible and responsive bidder."



Questions?